

The Geopolitical Impact of Electric Cars

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Agenda

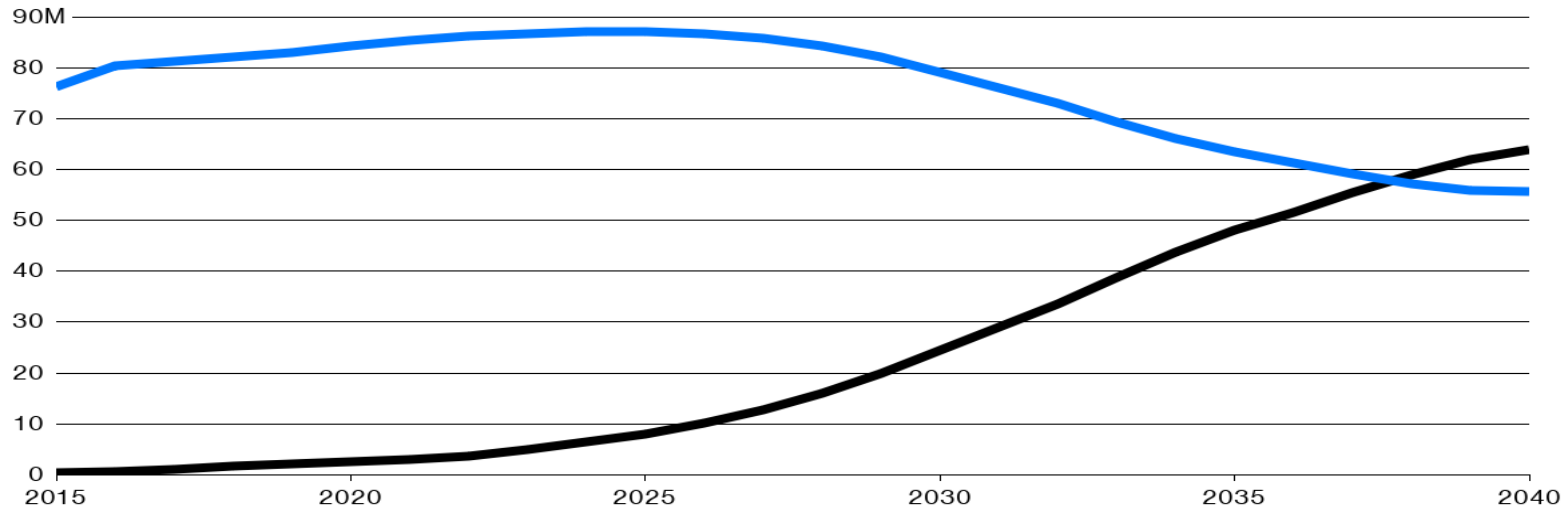
- Introduction of the Electric Car Industry
- Destabilization of Oil producing countries
- Increased focus on areas of Lithium and Cobalt
- Shift in car industries to China because of batteries
- Conclusion

Electric cars are on the rise.

Overtaking Lane

Electric vehicle sales will surpass internal combustion engine sales by 2038

■ Electric vehicles ■ Internal combustion engine



Source: Bloomberg New Energy Finance

Destabilization of Oil Producing Countries

- Saudi Arabia's petroleum sector accounts for 92.5% of budget revenues
 - 97% exports
 - 55% GDP

Cobalt Supplies

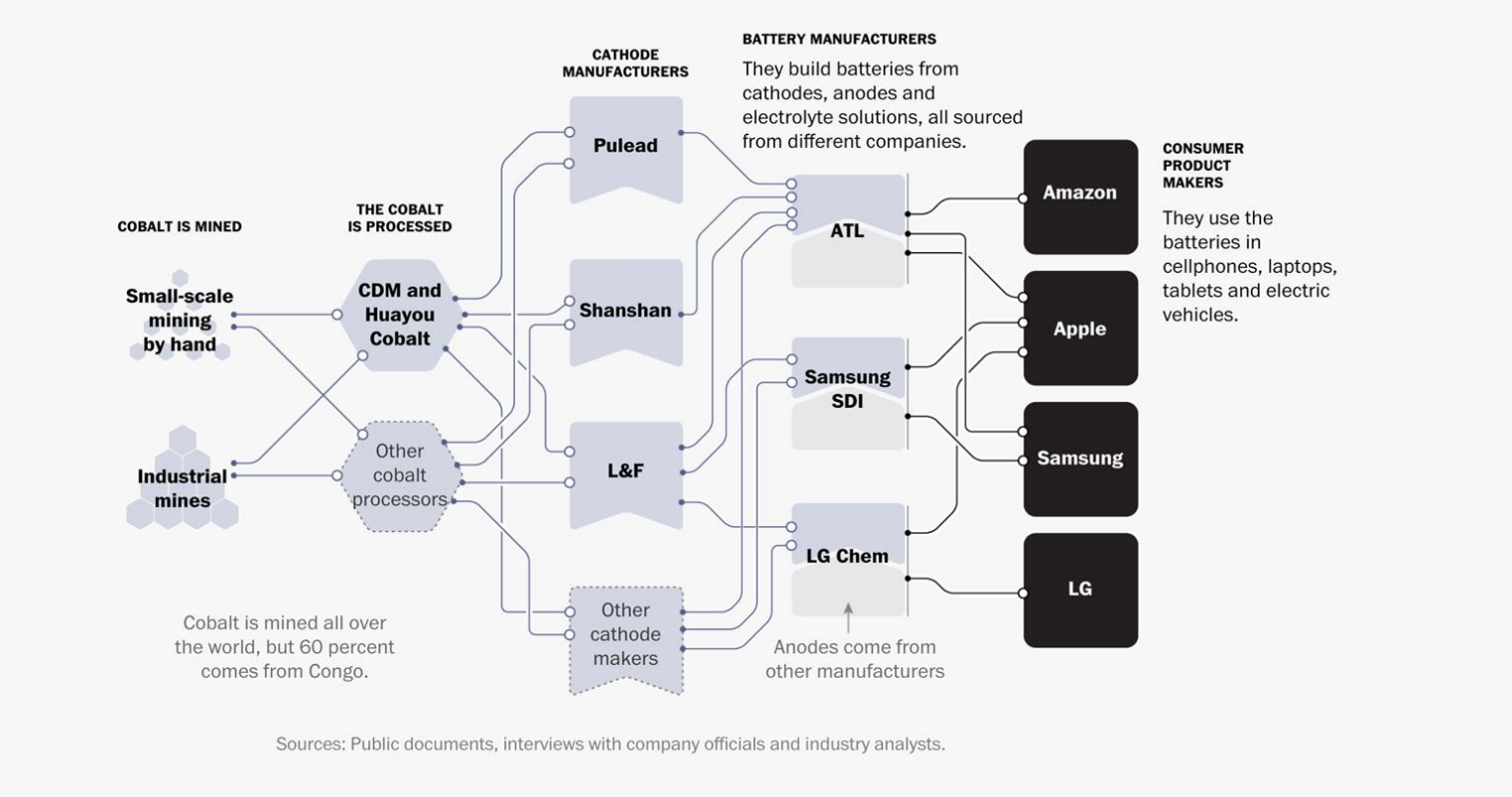
60%



Human Cost



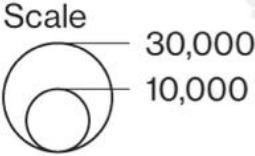
Overreliance on the DRC?



Chinese Battery Boom

MWh capacity of manufacturing factories

■ Under construction ■ Announced




Source: Bloomberg New Energy Finance

Geopolitical Consequences



Conclusion: Key Geopolitical Implications

- Increased diversification on the economics of oil-producing countries
- Increased focus on diversity of supply of Cobalt
- Increased cooperation with China



Thank You!
Q & A

Reference:

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- Ryan, Joe. “China Is About to Bury Elon Musk in Batteries.” *Bloomberg.com*, Bloomberg, 28 June 2017, www.bloomberg.com/news/articles/2017-06-28/china-is-about-to-bury-elon-musk-in-batteries.