

Exxon Mobil: Republicans could push for domestic oil production

DIGITAL ENGAGEMENT TEAM

27 OCTOBER 2022

TRADING MATTERS SERIES: STOCK HIGHLIGHT

Features a single stock and zooms in on its performance in the market

KEY METRICS	
Current Price	105.88
Latest Dividend	0.88
Dividend Ex-Date	11/8/2022
Indicated Dividend Yield	3.33%
14 Day RSI	65.98
Analysts 12M Target Price	108.58

REFINITIV STOCKREPORTS+ AVERAGE SCORE

10/10
As of 26 Oct 2022

Refer to page 3 for indicator components

Exxon Mobil Corp (XOM US) Price Chart



Any red lines drawn on the price charts are trendlines, which are visual representations of support & resistance levels. They are drawn by connecting a series of prices together to help indicate the data's best fit or the presence of any trend over a time frame, and are for illustration purposes only.

As of 25 Oct 2022 closing

KEY MARKET EVENTS

- 31 Oct**
China PMI Release (Oct)
- 01 Nov**
US PMI Release (Oct)
- 02 Nov**
US Fed Interest Rate Decision
- 08 Nov**
US Midterm Elections
- 10 Nov**
US CPI Release (Oct)

S&P 500 Index Price Chart



As of 25 Oct 2022 closing

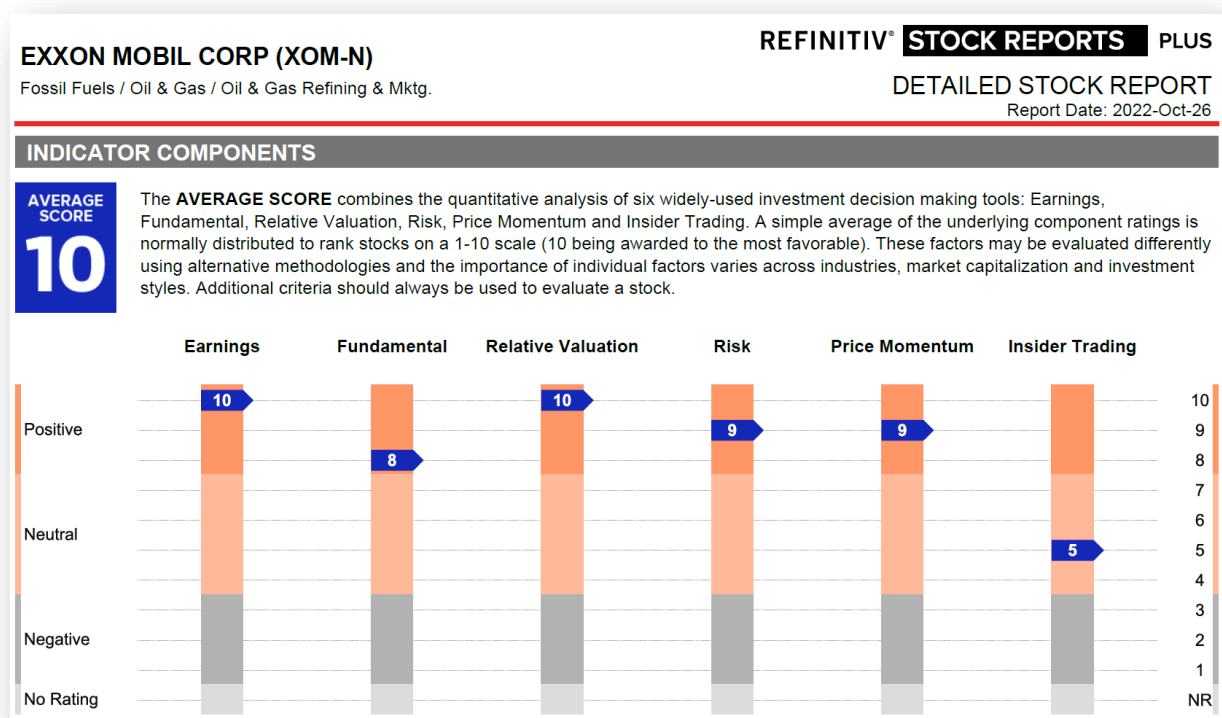
Headline News & Information

- Exxon Mobil Corporation operates petroleum and petrochemicals businesses. The company provides exploration and production of oil and gas, electric power generation, coal, and minerals operations. Exxon Mobil also manufactures and markets fuels, lubricants, and chemicals. Exxon Mobil serves customers worldwide (Bloomberg)
- US Midterms 2022: Battle for Congress portends commodity-specific wrangling (18 Oct 2022, S&P Global)
 - US voters on 08 Nov 2022 will decide party control of Congress and with it whether new clean energy technologies or the country's abundant fossil fuel resources will take center stage on the legislative agenda for the next two years
 - Republicans hope they can flip both chambers to make their case for rebalancing the US energy portfolio, with more attention on growing domestic oil and natural gas production
 - Republicans want to see the US return to being a net energy exporter. With control of Congress, the party could make a policy push for greater domestic oil production, at least in the near term, that would allow European and Asian allies to turn to the US rather than OPEC and Russia for crude
- Exxon shares surge to record high on strong earnings outlook (22 Oct 2022, Reuters)
 - Exxon is leading a parade of record profits among oil majors after doubling down on oil during the pandemic, when energy prices fell to a two-decade low and European oil majors slashed spending and moved further to renewable projects
 - Oil prices resumed their climb and analysts raised their long-term views of top US oil producer's cash flow and earnings outlook

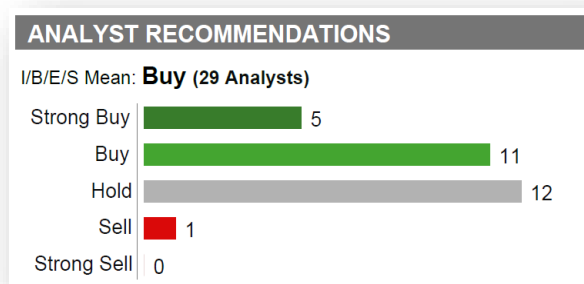
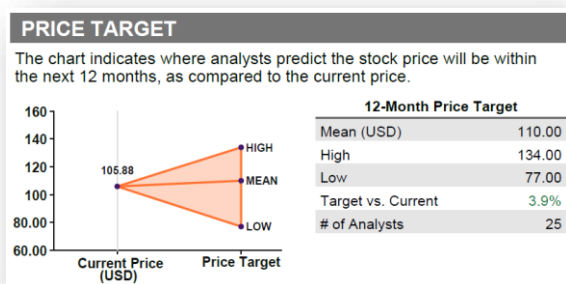
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
<ul style="list-style-type: none"> • Shares rose 5% in the past 5 days and are up 26% in the past 30 days 	<ul style="list-style-type: none"> • 108.58 (Analysts' Consensus 12M Target Price) 	<ul style="list-style-type: none"> • 97.00 (Oct 2022) • 93.35 (100 Day MA) • 84.00 (Sep 2022)

Fundamental Viewpoint

An Extract from STOCKREPORTS+



Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 26 Oct 2022

US Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS													Currency in USD
Average Score	Ticker	PRICE MOMENTUM				Market Cap	VALUATION		FUNDAMENTAL		ANALYSTS		# of Analysts
		Price (2022-10-25)	1-Mo Return	3-Mo Return	1-Yr Return		Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	
10	XOM	105.88	23.5%	17.7%	64.5%	441.2B	11.7	8.5	3.3%	11.1%	25.5%	Buy	28
10	MPC	111.44	21.9%	25.5%	63.4%	55.5B	7.5	5.9	2.1%	12.7%	22.0%	Buy	17
9	VLO	126.80	26.1%	16.0%	53.3%	50.3B	7.4	5.8	3.1%	4.5%	--	Buy	20
9	PSX	100.22	31.9%	14.9%	19.7%	48.3B	8.6	6.7	3.9%	3.7%	--	Buy	18
10	IMO	48.38	15.2%	8.7%	34.2%	31.0B	8.5	6.2	2.2%	10.1%	21.0%	Buy	4
7	WES	28.14	17.6%	4.4%	24.7%	10.9B	10.4	8.8	7.1%	35.0%	--	Buy	13
9	PBF	43.03	44.0%	47.7%	168.9%	5.3B	3.8	2.9	--	3.6%	--	Buy	13
9	SUN	42.10	8.4%	7.8%	1.2%	3.5B	7.6	10.2	7.8%	2.0%	--	Buy	7
2	CLNE	6.87	28.9%	24.9%	-23.9%	1.5B	--	258.0	--	-12.2%	--	Buy	10
10	SPH	16.63	4.9%	2.8%	4.1%	1.0B	5.9	5.6	7.8%	12.1%	--	Buy	2
2	VTNR	8.03	39.9%	-26.7%	50.7%	593M	--	4.7	--	-7.1%	--	Buy	4
7.9	Average	57.96	23.8%	13.0%	41.9%	59.0B	7.9	29.4	4.7%	6.9%	22.8%	Buy	12.4

PEER COMPANIES			
CLNE	Clean Energy Fuels Corp	SPH	Suburban Propane Partners
IMO	Imperial Oil	SUN	Sunoco
MPC	Marathon Petroleum Corp	VLO	Valero Energy Corp
PBF	PBF Energy Inc	VTNR	Vertex Energy Inc
PSX	Phillips 66	WES	Western Midstream Partners

Source: REFINITIV STOCKREPORTS+, extracted 26 Oct 2022

Global Peer Analysis (Bloomberg)

Ticker	Name	Mkt Cap (USD) (Millions)	Last Px	P/E	P/E 5Yr Avg	P/B	P/B 5Yr Avg	Indicated Yield (%)
Average		94,664	8081.04	5.48	9.12	1.37	1.25	8.14
XOM US	EXXON MOBIL CORP	441,269	105.88	10.83	18.67	2.49	1.77	3.33
386 HK	CHINA PETROLEUM & CHEMICAL-H	66,629	3.36	4.93	4.88	0.48	0.49	16.22
010950 KS	S-OIL CORP	6,502	82,300	3.82	8.34	1.09	1.57	6.44
5019 JP	IDEMITSU KOSAN CO LTD	6,579	3,270.00	2.62	3.58	0.62	0.66	3.67
IMO CN	IMPERIAL OIL LTD	30,082	65.80	8.44	N/A	1.91	1.52	2.07
SHEL LN	SHELL PLC	186,923	2,289.50	5.48	17.92	1.01	1.03	3.57
BP/ LN	BP PLC	98,256	465.60	N/A	N/A	1.53	1.28	4.22
PET4 BZ	PETROBRAS - PETROLEO BRAS-PR	86,964	33.53	2.71	3.00	1.07	0.98	35.06
ONGC IN	OIL & NATURAL GAS CORP LTD	19,936	130.75	3.61	7.48	0.63	0.77	8.03
VLO US	VALERO ENERGY CORP	49,955	126.80	5.36	N/A	2.28	1.89	3.09
PSX US	PHILLIPS 66	48,211	100.22	6.99	N/A	1.99	1.79	3.87

Source: Bloomberg, extracted 25 Oct 2022 closing

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