



WEEKLY MARKET UPDATE

Global-Petroleum.com

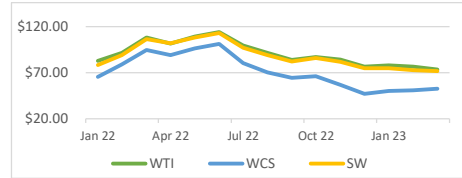
NEWS HEADLINES/REGULATORY UPDATES

- The AUC has approved Air Products Canada to construct and operate a hydrogen power plant and substation in NE Edmonton
- Venezuela's state oil company PDVSA's new management plans to boost crude production to 1.17 million barrels daily by the end of the year
- Some oil and gas companies in Alberta are once again shutting in production due to shifting winds and changing temperature conditions combined with the sheer size of the geographic area affected
- New York is poised to be the first state in the US to pass a law banning fossil fuel combustion in most new buildings
- According to US government regulators the NE Kansas Keystone pipeline spill in Dec 22 was due to design issues, lapses by its operators and problems caused during its construction
- NGTL is currently reporting that IT service was increased to 20% USJR

Crude Oil Pricing

USD/Bbl - April Settles

FX	1.34839
WTI	\$79.44
WCS	\$63.48
SW	\$78.15



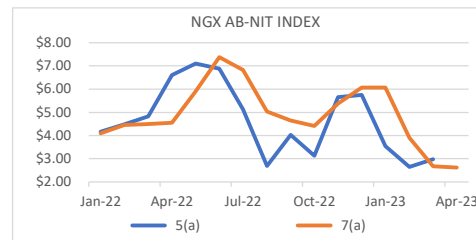
Spot FX= 1.3460	WTI	WCS Basis	SW Basis	Change from Previous Week		
May 23 WTI CMA	\$71.50	-\$15.38	-\$4.30	-\$0.42		
June 2023	\$70.86	-\$13.00	-\$2.50	-\$2.85	\$0.35	\$1.20
July 2023	\$70.84	-\$12.95	-\$3.25	-\$2.78	\$0.35	\$0.30
Q3 2023	\$70.19	-\$13.65	-\$3.30	-\$2.67	\$0.20	\$0.30
Q4 2023	\$69.11	-\$16.25	-\$3.30	-\$2.51	-\$0.35	\$0.45
Cal 2023	\$69.81	-\$14.54	-\$3.10	-\$2.62	-\$0.02	\$0.75

Alberta Natural Gas Pricing

CAD/GJ

Current Market

		Change from Previous Week
April 2023 Settle	\$2.3715	
May 2023 Bal/month	\$2.7300	\$0.73
June 2023	\$2.2090	\$0.45
July 2023	\$1.9850	\$0.49
Q3 2023	\$2.1160	\$0.48
Q4 2023	\$2.8960	\$0.35
Winter 23/24	\$3.3270	\$0.30
Summer 2023	\$2.1740	\$0.46



Alberta Power Prices

	Flat Rate		Flat Heat Rate		Extended Peak		Ext. Heat Rate	
	\$/MWh	Mkt HR	GJ/MWh	Mkt HR	\$/MWh	Mkt HR	GJ/MWh	Mkt HR
ROY 2023	\$ 175.29	80.69	80.69	80.69	\$ 217.36	100.63	100.63	100.63
2024	\$ 93.05	31.36	31.36	31.36	\$ 109.74	36.94	36.94	36.94
2025	\$ 78.33	20.82	20.82	20.82	\$ 93.61	24.85	24.85	24.85
2026	\$ 75.25	19.00	19.00	19.00	\$ 90.13	22.76	22.76	22.76
2027	\$ 75.25	19.04	19.04	19.04	\$ 90.13	22.80	22.80	22.80
2028	\$ 75.25	19.00	19.00	19.00	\$ 90.13	22.76	22.76	22.76

Commentary:

Oil – Since our last report the prompt month WTI contract has moved down from a high of \$73.50 US/bbl to a low of approx. \$70 US/Bbl. The market appears to have found a low as we have bounced of \$70 a couple times this week and is currently trading at \$71.27 US/Bbl. The bump up over the last couple days is related to US starting to refill the SPR. Chinese retail sales is growing – although not as expected. Data shows jet fuel demand increased to its highest level in 2 years and there is expectation of gas demand as driving season kicks in. A tighter market balance is expected as health of US economy and Chinese demand disappoint the market. IEA has upgraded its global demand growth after China had a record high of 16 million bpd in March and expects global demand to exceed supply by 2 million bpd by end of year. US Feds could keep raising rates due to continued inflationary risks. OPEC states no further cuts coming. Baker Hughes shows a gain of 3 and drop of 2 rigs in Canada and US respectively. Rest of year WTI is \$71.65 (unch WoW) US/Bbl and 2024 is \$68.85 US/Bbl (-\$0.80 WoW). Canadian indices are slightly stronger WoW even with partial rebound of wildfire related outages. WCS -\$13.00 US/Bbl (+0.10), SW -\$2.50 (+0.90) and CS (-0.03).

Gas – Since last week the prompt month June natgas contract has moved up 9 cents with 4 of the 5 trading sessions being positive settle days. Currently the contract is trading \$2.35 US/MMbtu down 1.5 cents on the day. Gas continues to stay within the trading channel we have been in since March. Power burns continue to stay strong as low gas prices replace coal in the power stack. Storage inventory in NA remain at seasonal highs. Gas prices took a bump up on Friday with Baker Hughes showing a decline of 16 gas wells in the US and a loss of 2 in Canada. There is a stacking of LNG cargos idling off the coast of European and Asian countries waiting to unload – helping keep European inventory stay ahead of the 5 year average, lower prices and potential to push cargos back to the US. Gas production in Alberta has rebounded but there is still the threat of future shut ins due to wildfires. June Dutch TTF is off \$1.50 US/MMbtu from last week at \$10.15 US/MMbtu and British NBP is off \$2.40 US/MMbtu at \$9.212 US/MMbtu. Rest of year NYMEX is \$2.766 MMbtu (+\$0.13 WoW) and 2024 is \$3.533 US/MMbtu (+\$0.09 WoW). AeCo Basis US/MMbtu (WoW): June -\$0.645 (+\$0.20), Q3 -\$0.92 (+0.27), Jun-Oct -\$0.857 (+\$0.26), winter -\$0.978 (+\$0.115), summer 24 -\$1.118 (+\$0.123).

Please feel free to provide input on the information you would like to see.