



WEEKLY MARKET UPDATE

Global-Petroleum.com

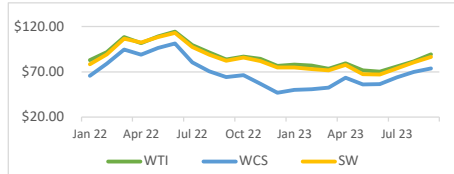
NEWS HEADLINES/REGULATORY UPDATES

- The CER issued an Inspection Officer Order to TransMountain. During a compliance verification activity on the Expansion Project near Abbotsford several non-compliances were observed related to the environment and safety including insufficient fencing and unapproved vegetation clearing
- The CER has published its 2023 to 2027 Departmental Sustainable Development Strategy - available on their website cer-rec.gc.ca
- With increased precipitation in parts of BC, the Energy Regulator is lifting the suspension for all water sources in the North Thompson River Basin
- TransAlta has acquired Heartland Generation for \$658 Million giving it an additional 1,844 megawatts of gas-fired generation in Western Canada
- NGTL's maintenance schedule for Summer 24 for USJR is showing the largest 'impacting outages' have an area of impact Upstream Latonell opposed to full USJR due to the bottleneck now being further north. Local FT-R restrictions could become more frequent due to that bottleneck
- Crescent Point Energy agreed to buy Hammerhead Energy for \$1.86 Billion making them the largest landowner in the Montney play
- NGTL is currently reporting no restrictions on the system

Crude Oil Pricing

USD/Bbl - October Settles

FX	1.37165
WTI	\$85.47
WCS	\$67.23
SW	\$82.48



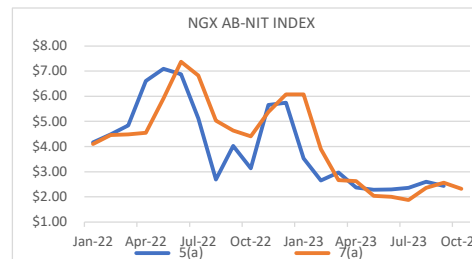
Spot FX= 1.3796	WTI	WCS Basis	SW Basis	Change from Previous Week		
Nov 23 WTI CMA	\$79.67	-\$20.77	-\$3.86	-\$2.16		
Dec 2023	\$77.37	-\$27.45	-\$6.25	-\$3.65	-\$2.50	\$1.10
Jan 2024	\$77.21	-\$26.50	-\$4.40	-\$3.29	-\$2.25	\$2.45
Q1 2024	\$76.63	-\$24.15	-\$2.00	-\$2.64	-\$0.90	\$4.60
Q2 2024	\$75.73	-\$17.00	\$0.20	-\$2.19	-\$1.00	\$3.80
Q3 2024	\$74.64	-\$14.65	\$0.15	-\$2.05	-\$1.35	\$2.85
Q4 2024	\$73.53	-\$15.95	\$0.25			

Alberta Natural Gas Pricing

CAD/GJ

Current Market

		Change from Previous Week
October 2023 Settle	\$2.2688	
November 2023 Bal/month	\$2.2600	-\$0.36
Dec 2023	\$2.6360	-\$0.34
Jan 2024	\$2.7330	-\$0.41
Q1 2024	\$2.7000	-\$0.36
Q2 2024	\$2.4160	
Winter 23/24	\$2.6840	-\$0.27
Summer 2024	\$2.4630	-\$0.22



Alberta Power Prices

	Flat Rate	Flat Heat Rate	Change from previous week		Extended Peak	Ext. Heat Rate	Change from previous week	
	\$/MWh	Mkt HR GJ/MWh			\$/MWh	Mkt HR GJ/MWh		
ROY 2023	\$ 154.00	57.06	\$1.00	1.03	\$ 186.00	68.92	\$1.50	1.35
2024	\$ 94.56	34.97	\$7.16	3.22	\$ 113.08	41.82	\$10.75	4.66
2025	\$ 72.06	19.21	\$3.75	0.69	\$ 85.59	22.80	\$5.62	1.12
2026	\$ 70.00	17.72	\$1.25	-0.28	\$ 81.25	20.57	\$1.87	-0.21
2027	\$ 69.00	18.42	\$0.25	-0.15	\$ 79.75	20.76	\$0.37	-0.68
2028	\$ 69.00	18.39	\$0.25	-0.61	\$ 79.75	21.29	\$0.37	-0.65

Commentary:

Oil- The prompt month December WTI contract has had a really tough week. The contract peaked at \$83.60 US/Bbl last Thursday before dropping like a rock to its current \$75.96 US/Bbl. This past week saw multiple days with moves over \$2. The oil market is suffering from inventory builds in crude, diesel, gasoline and distillates. Exports from China are falling as well as foreign investment. Saudi and Russia are signalling an extension to their supply cuts, although analysts are keying on Saudis spare production capacity. In reality, there is no one factor causing this large selloff as there are a number of bearish reasons at play. More delays coming in from TMX and WCS is getting beat down for a number of reasons including lower apportionment, production growth, refinery turnaround season and competition from the south. Crescent Point agrees to buy Hammerhead Energy. Baker Hughes shows another big drop in oil rigs in the US of 8 and no change in Canada. Yet production keeps increasing. 2024 WTI sits at \$74.74 US/Bbl (off \$1.60 week over week). 2025 is \$70.80 US/Bbl (off \$1.70). Dec differentials, from CalRock Brokers, currently tradings: WCS -\$27.14 US/Bbl, SW EDM ENB -\$8.75 US/Bbl and C5 EDM PEM -\$4.475 US/Bbl.

Nat Gas – Gas was unable to avoid the fate of the crude markets, losing 50 cents since Nov 1. Currently the prompt month Dec contract is trading at \$3.11 US/MMbtu. Since the 1st, 5 of the last 6 trading sessions have been down. Lack of weather along with increased production and lack of European demand are drivers for the low prices. The US in August hit an all-time high production level of 104.4 Bcf/d. November gas injections due to warm weather will be high and with increased warmer weather revisions, storage inventories will remain above 5 year averages for awhile. Global LNG demand is expected to continue to grow - driven by Asian demand, security of supply and decarbonation according to Woodside Energy Group. NGTL supplies remain strong but exports increased to 8 Bcf/d last week. Coastal Gaslink is complete and have commenced commissioning. European gas storage is sitting at 99% full and warm weather forecasted. British NBP is \$14.34 US/MMbtu down 60 cents week over week, while Dutch TTF is \$14.45 US/MMbtu – off 45 cents. Aeco basis (US/MMbtu)(WoW): Dec -\$1.119 (+\$0.19), Jan -\$1.365 (+\$0.06), Feb -\$1.32 (N/A), Dec-Mar -\$1.242 (+\$0.06), summer 24 -\$1.396 -\$0.02, winter 24/25 -\$1.32 (-\$0.05), summer 25 -\$1.16 (-\$0.035).

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