

## Oil & Gas

# Resource Report: Monthly Oil & Gas Perspectives

## November 2025 Edition

### Bottom Line:

WTI fell 4% month-over-month as a potential Russia/Ukraine peace deal dominated the news while natural gas prices rose on colder weather. NYMEX prices also benefited from demand increases domestically and with increased LNG exports. The federal government in Canada signed a MOU with the province of Alberta that could result in a new 1 million barrel per day pipeline to the West Coast.

### Key Points

**Natural Gas.** Strong LNG feedstock numbers (about 18.8 bcf/d) saw NYMEX prices rise by 10.6% on the month. As well, U.S. natural gas demand increased in the lower 48 over the month while AECO prices moved sharply higher (+22.1%) in November on colder weather forecasts.

**Crude Oil.** Oil prices (WTI) fell 4% in November as a potential Russia/Ukraine peace deal dominated the news.

**Canada-Alberta MOU a promising first step.** We believe that available spare capacity of about 500,000 b/d (includes pipeline spare capacity of 300,000 b/d plus ~ 200,000 b/d crude-by-rail) will be exhausted by 2027. There is about 3.8 million b/d of additional capacity that could be brought online from Alberta-based producers if approved, on hold and waiting for approval projects are greenlit. This could represent an additional \$160 billion in investment in the oil sands. China remains a logical buyer for Canadian heavy crude as it has the refining slate to process this crude and ample demand.

**Equities.** The TSX E&P Index was up 3.7% in November while the S&P 500 E&P Index was up 1.2% over the month.

### Oil & Gas

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### Inside This Issue

1. Alberta-Canada MOU

## Commodity Currents

**WTI prices fell 4.0% in November as a potential Russia/Ukraine peace deal dominated the news.** President Trump had threatened to cut Ukraine off from military and intelligence support if a deal wasn't reached by November 27, 2025. The talks ultimately failed to produce an agreement and oil prices are again rebounding in early December.

**NYMEX natural gas prices jumped 10.6% month-over-month with AECO up 22.1% M/M** as colder weather drove storage draws in Canada. NYMEX prices rose as demand increased in the lower 48 states by 2.5 bcf/d and there was an increase in LNG exports to 18.8 bcf/d.

## Equity Impact

**The TSX E&P Index was up 3.7% in November** while the S&P 500 E&P Index was up 1.2% over the month.

## Making News

**Canada-Alberta Energy memorandum of understanding (MOU) a step in the right direction.**

The MOU had lots of puts and takes including indigenous participation, the elimination of the emissions cap and partially suspending the West Coast tanker ban that could allow for the development of a new 1 million b/d crude oil pipeline to Canada's West Coast. The declaration that a new bitumen pipeline to Asia is a national priority with a capacity of "at least" one million barrels per day is a significant change in direction for the federal Liberal party.

**Spare pipeline capacity could be exhausted by 2027.** The current pipeline systems are capable of transporting around 4.9 million b/d of crude oil from western Canada to domestic and international markets. Current utilization is 4.6 million b/d or a spare capacity of 300,000 b/d at current production levels. In addition, crude-by-rail is capable of transporting 200-300,000 b/d with only 75,000 b/d being currently utilized. This suggests that current offtake capacity is 425-525,000 b/d greater than what is currently being demanded.

**Alberta-based producers have excess capacity of around 370,000 b/d currently** and are sitting on approvals from the government of Alberta for an additional 2.1 million b/d of production capacity. In addition, there is a further 650,000 b/d of projects that are on hold and about 700,000 b/d of projects waiting for approval. If this more than 3.8 million b/d additional capacity be brought on line this would represent north of \$160 billion of additional investment in the oil sands.

**China would be a logical buyer of Canadian heavy crude if a new oil pipeline is built.** Demand from China has increase with the start up of the Trans Mountain pipeline and Chinese refiners are well suited to process Canadian heavy oil given its refinery configuration. Already with some of the shipments of Canadian crude to China through the Trans Mountain pipeline we are seeing strong spreads between Brent and Western Canadian Select (WCS) prices. The spread has recently tightened to as low as Brent minus \$2-3/bbl. We believe there is a substantial market for Canadian crude in Asia.

**Oil sands producers are low-cost producers.** Alberta-based oil sands producers have amongst the lowest breakeven costs globally in large part due to the lack of geological risk, low decline rates and a steady repeatable manufacturing production profile that is unequaled.

## Updates From Our Coverage Universe

We initiated coverage on **CanCambria Energy Corp. (CCEC – TSXV, BUY, \$2.05 Target)** a junior public company developing the Kiskunhalas tight gas project in Hungary. The Company's Contingent Resources have been evaluated as 1.1 Tcf natural gas and 116.6 million barrels of condensate. We believe that this giant resource base can be unlocked through technology with attractive netbacks and fast payouts. Management of CanCambria is highly skilled and experienced at developing unconventional natural gas assets. Read our full initiation [here](#).

## Commodity Performance

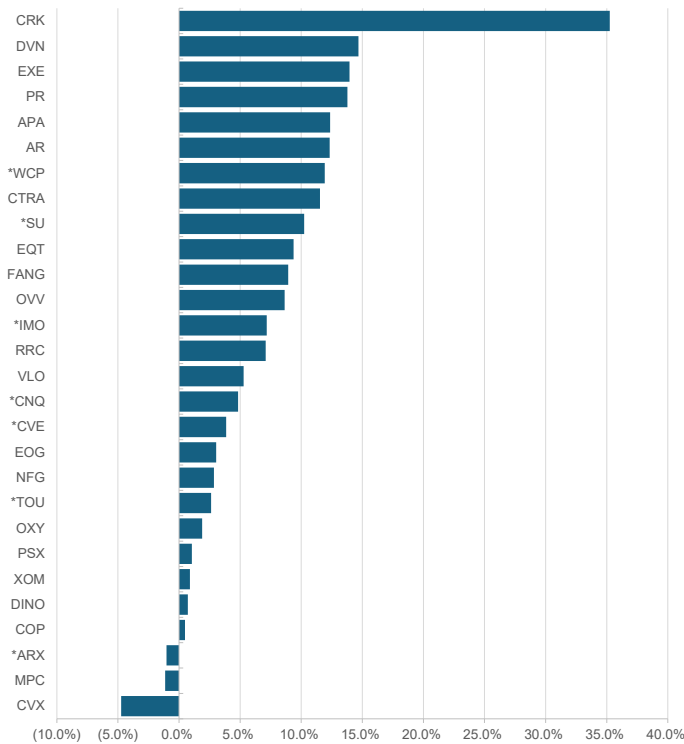
**Exhibit 1: Commodities Performance Overview**

	11/28/2025	11/21/2025	11/14/2025	10/31/2025	12/31/2024	11/29/2024	1 Week	2 Week	Percent Change		
									1 Month	YTD	Y/Y Chg.
<b>Commodities</b>											
WTI (US\$/bbl)	58.55	58.06	60.09	60.98	71.72	68	0.8%	(2.6%)	(4.0%)	(18.4%)	(13.9%)
Brent (US\$/bbl)	63.2	62.56	64.39	65.07	74.64	72.94	1.0%	(1.8%)	(2.9%)	(15.3%)	(13.4%)
WCS (US\$/bbl)	45.81	45.34	48.45	48.69	58.23	55.38	1.0%	(5.4%)	(5.9%)	(21.3%)	(17.3%)
Henry Hub Prompt (US\$/MMBtu)	4.558	4.58	4.57	4.121	3.4	3.39	(0.5%)	(0.3%)	10.6%	34.1%	34.5%
AECO Prompt (C\$/Gj)	3.15	3.08	3.1	2.58	2.01	1.94	2.3%	1.6%	22.1%	56.7%	62.4%
<b>Indices</b>											
TSX E&P	362.06	359.34	360.77	349.15	314.44	322.61	0.8%	0.4%	3.7%	15.1%	5.1%
S&P500 E&P	620.06	601.49	622.32	612.98	635.08	643.08	3.1%	(0.4%)	1.2%	(2.4%)	(10.4%)

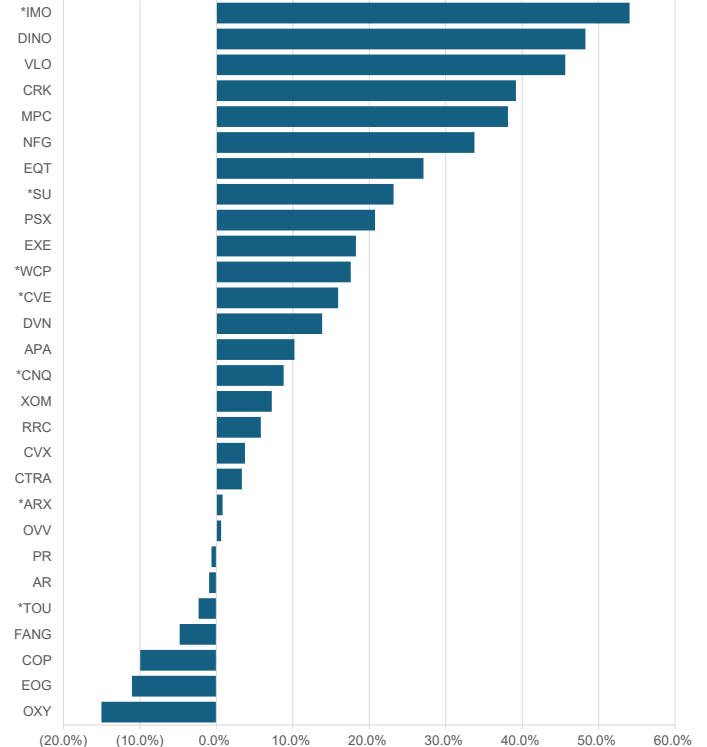
Source: FactSet, Granite Point Research

## Equity Performance Overview

**Exhibit 2: Large Cap M/M Share Performance**

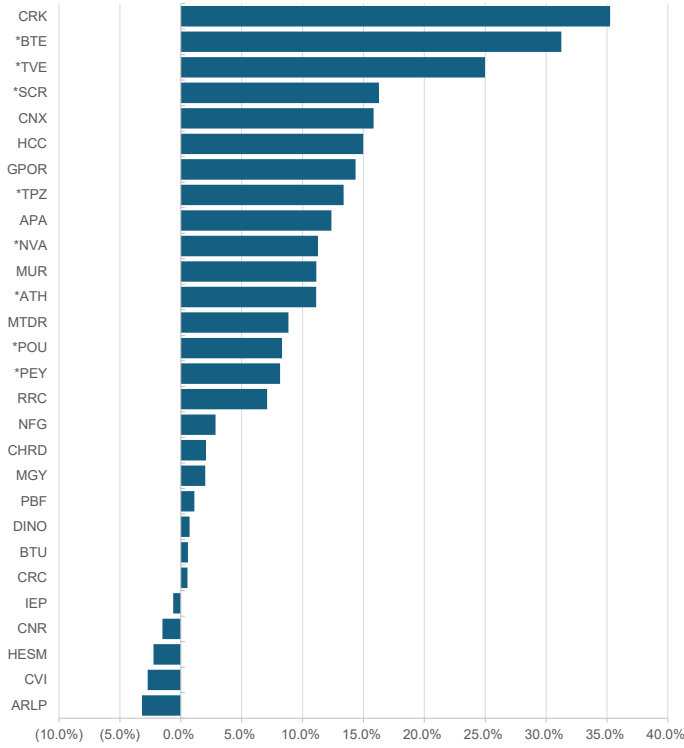


**Exhibit 3: Large Cap YTD Share Performance**

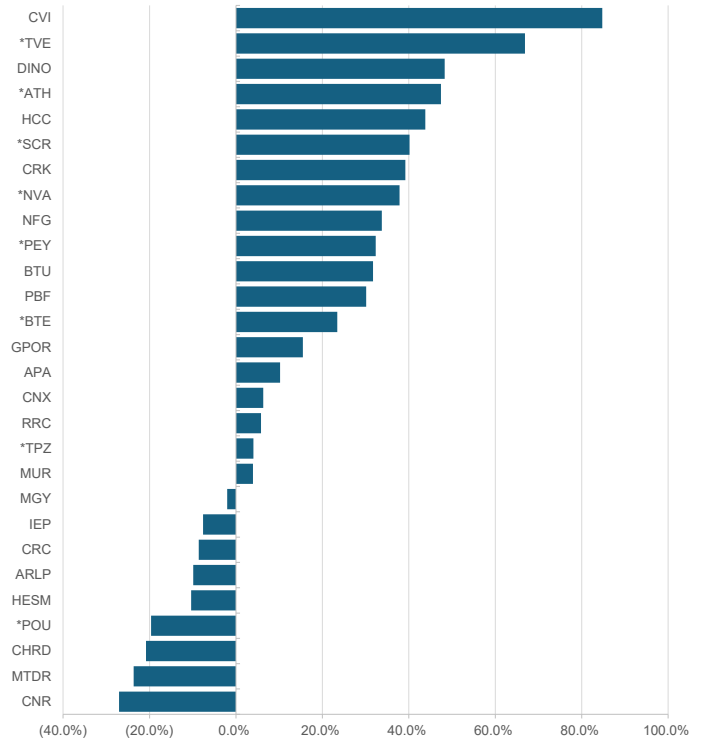


Source: FactSet, Granite Point Research

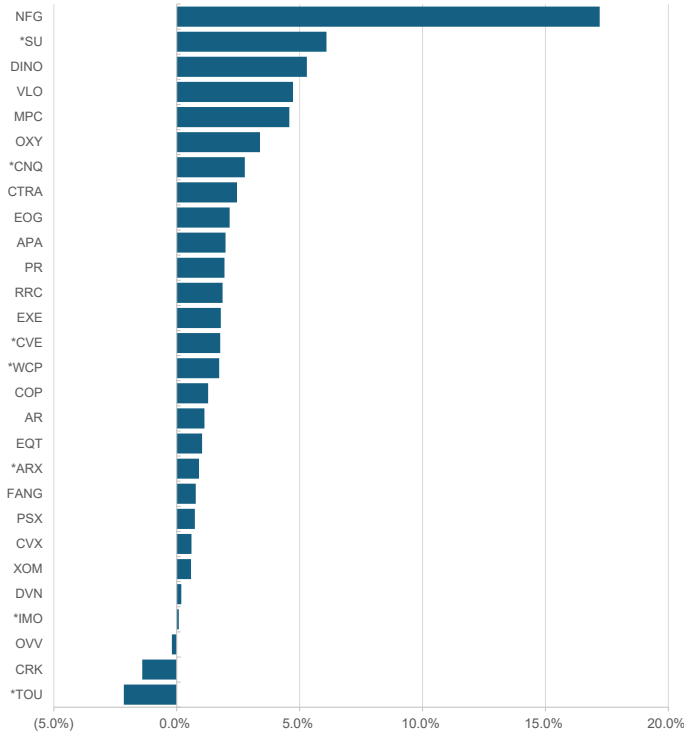
**Exhibit 4: SMID M/M Share Performance**



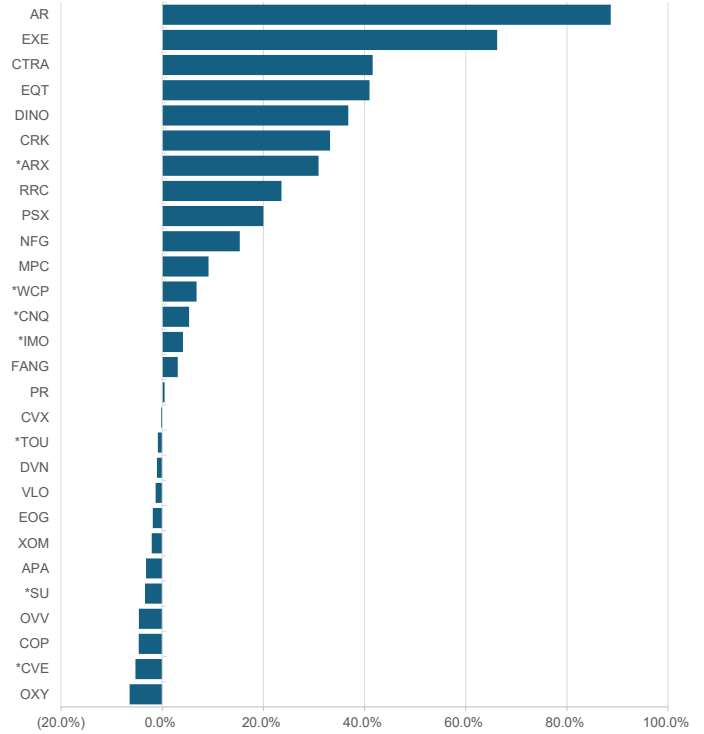
**Exhibit 5: SMID YTD Share Performance**



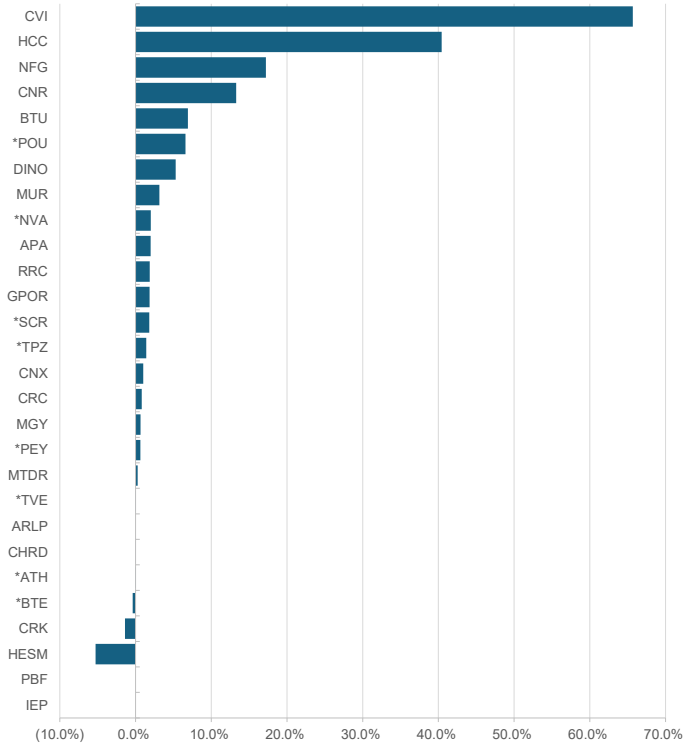
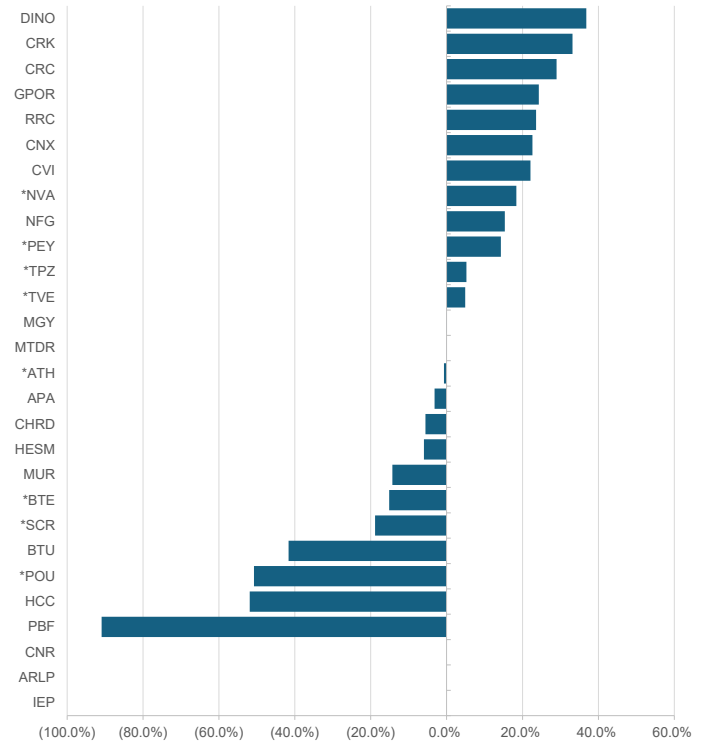
**Exhibit 6: Large Cap 2026E Consensus M/M CFPS Revisions**



**Exhibit 7: Large Cap 2026E Consensus YTD CFPS Revisions**



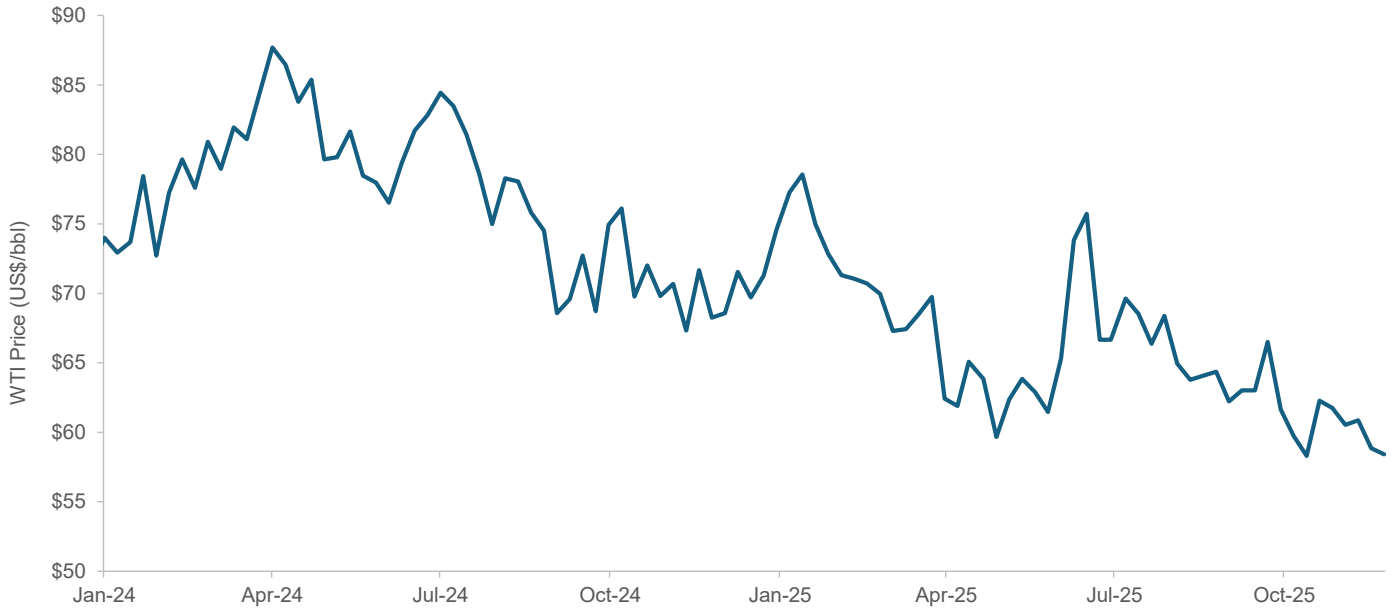
Source: FactSet, Granite Point Research

**Exhibit 8: SMID 2026E Consensus M/M CFPS Revisions**

**Exhibit 9: SMID 2026E Consensus YTD CFPS Revisions**


Source: FactSet, Granite Point Research

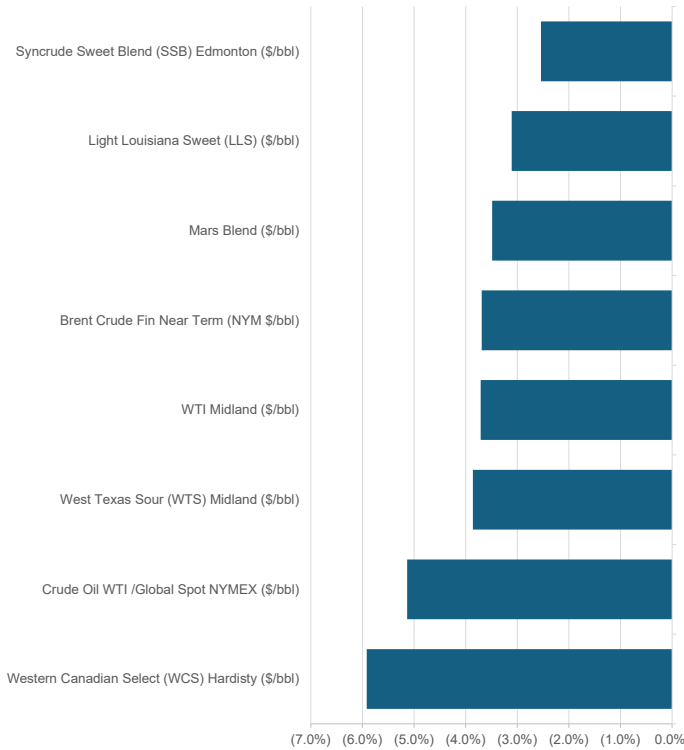
**Oil Market**

**Exhibit 10: WTI Price**



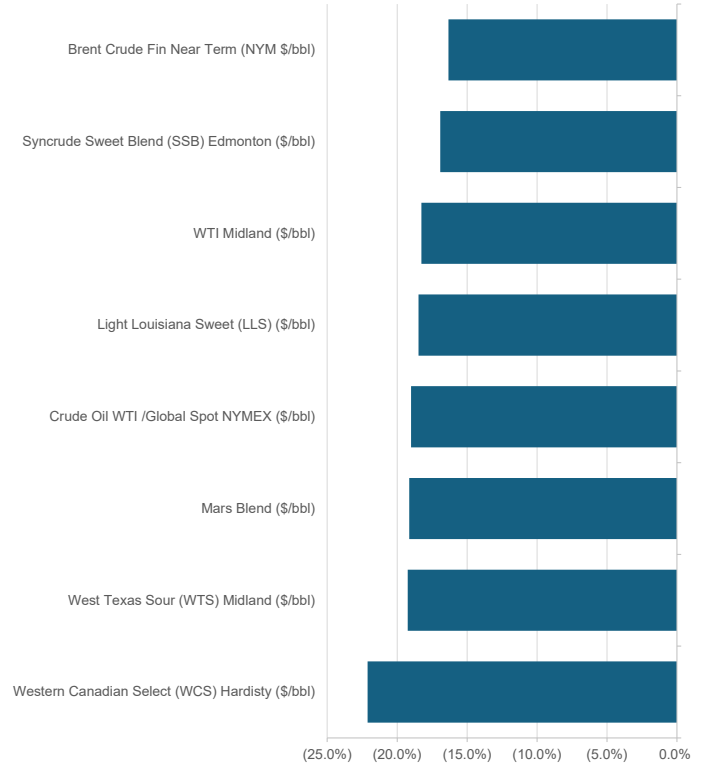
Source: FactSet, Granite Point Research

**Exhibit 11: Crude Oil M/M Performance**

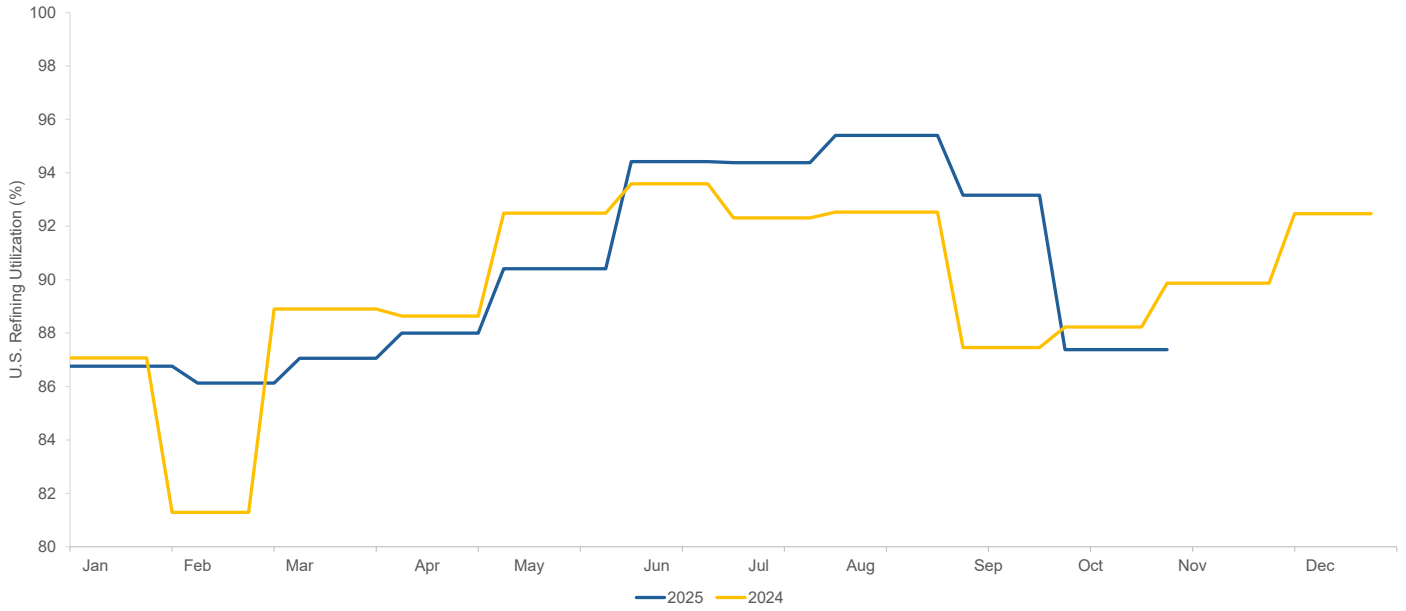


Source: FactSet, Granite Point Research

**Exhibit 12: Crude Oil YTD Performance**

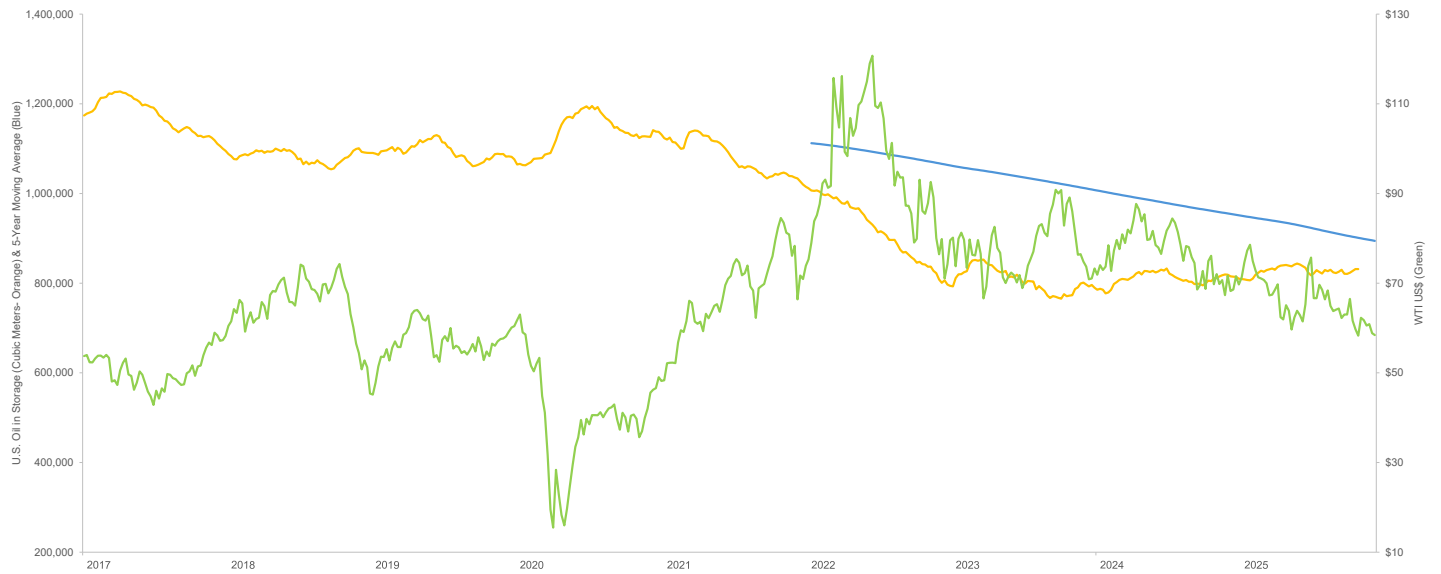


**Exhibit 13: U.S. Refining Utilization %**



Source: FactSet, Granite Point Research

**Exhibit 14: WTI and Crude Inventory**



Source: Source: FactSet, Granite Point Research

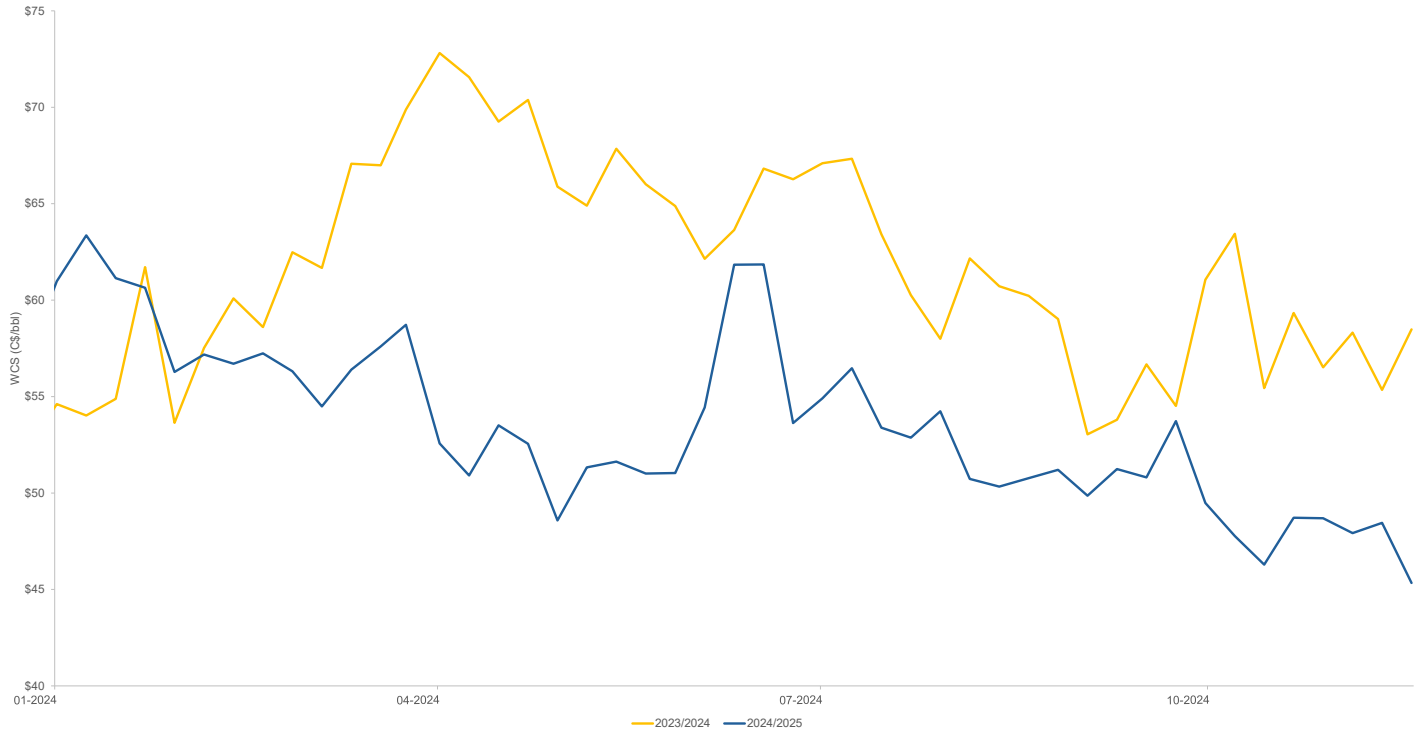
## Canadian Oil Market

**Exhibit 15: WTI:WCS Differential (US\$/bbl)**



Source: FactSet, Granite Point Research

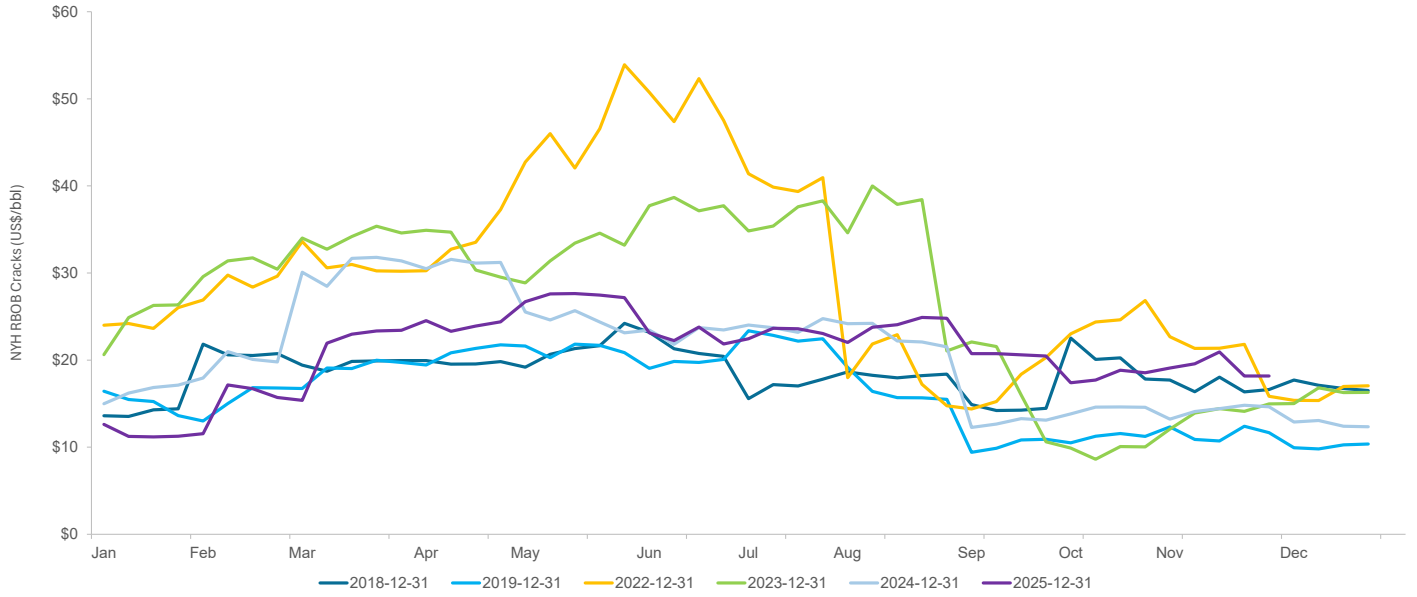
**Exhibit 16: Western Canadian Select (\$/bbl)**



Source: FactSet, Granite Point Research

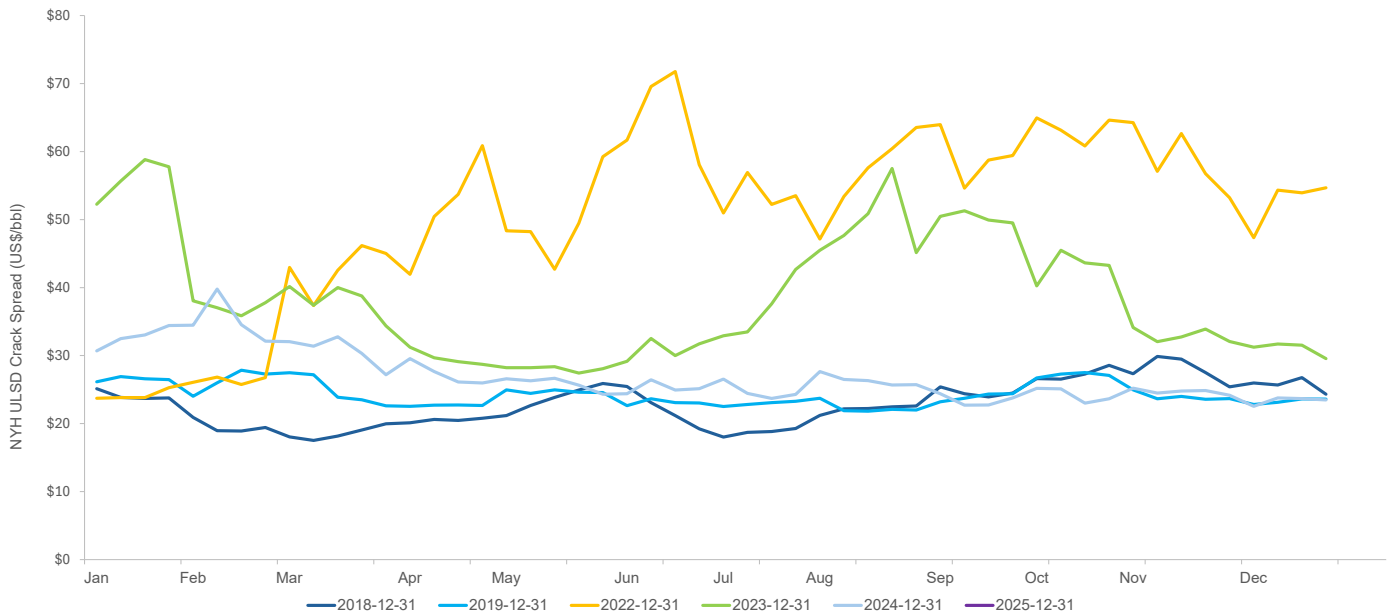
## Oil Products Market

**Exhibit 17: NYH RBOB Cracks (US\$/bbl)**



Source: FactSet, Granite Point Research

**Exhibit 18: NYH ULSD Cracks (US\$/bbl)**



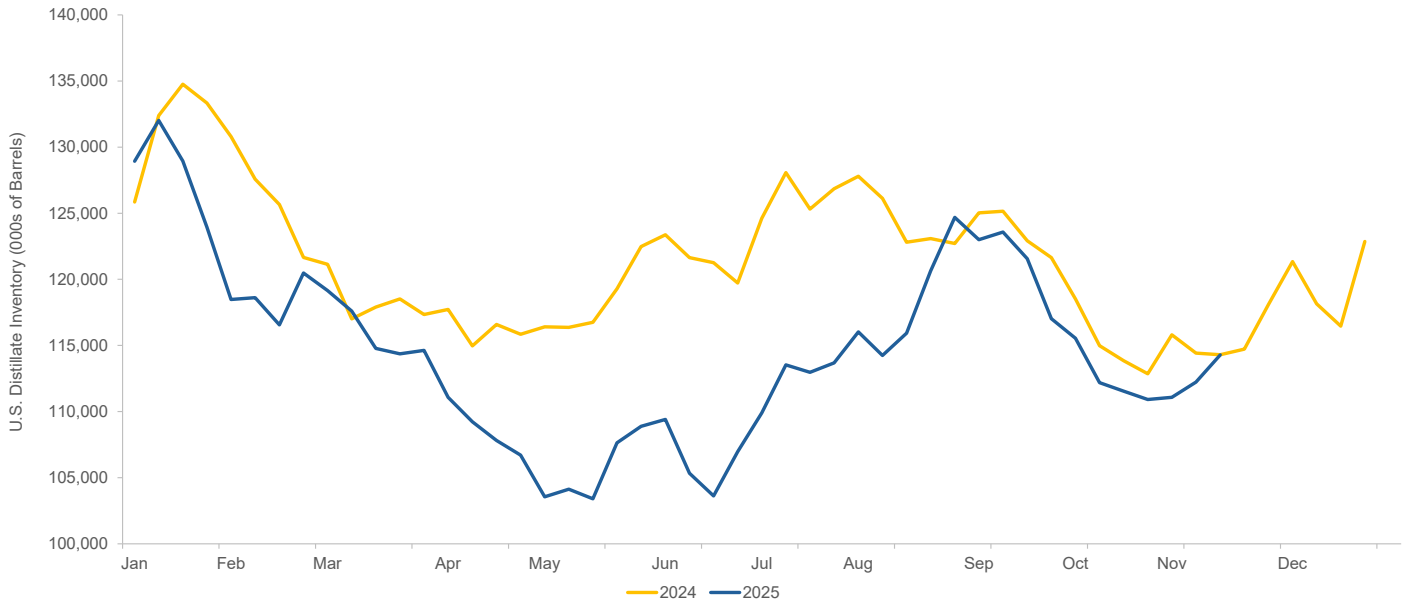
Source: FactSet, Granite Point Research

**Exhibit 19: U.S. Gasoline Inventories**



Source: FactSet, Granite Point Research

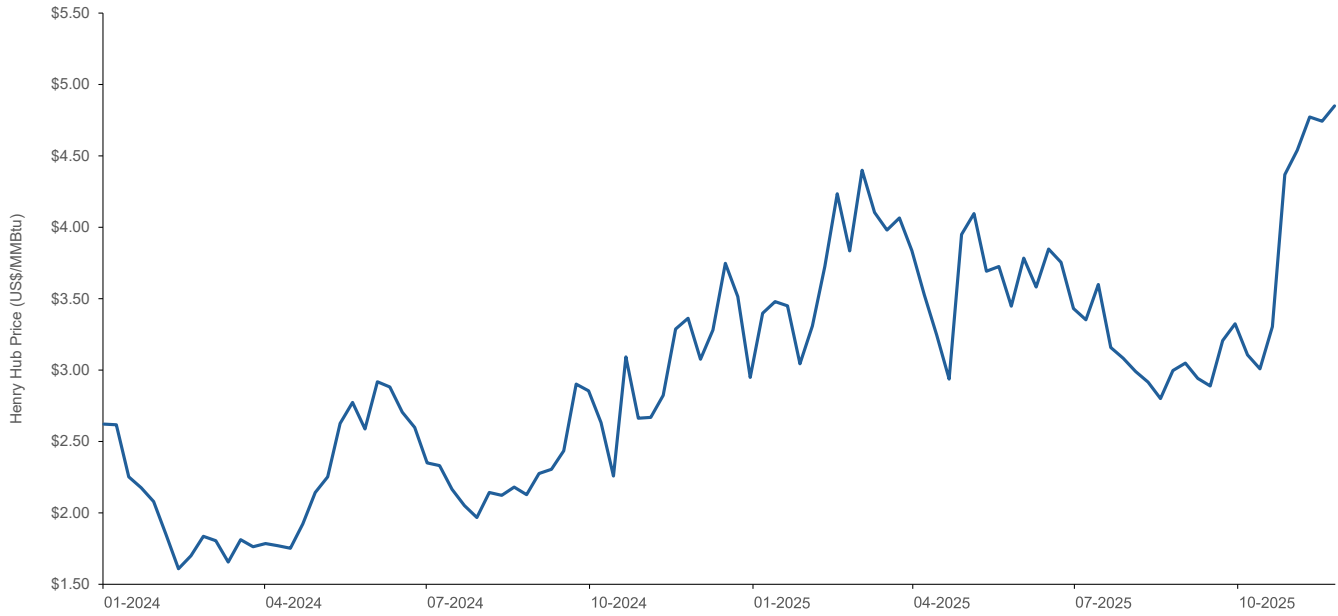
**Exhibit 20: U.S. Distillate Inventories**



Source: FactSet, Granite Point Research

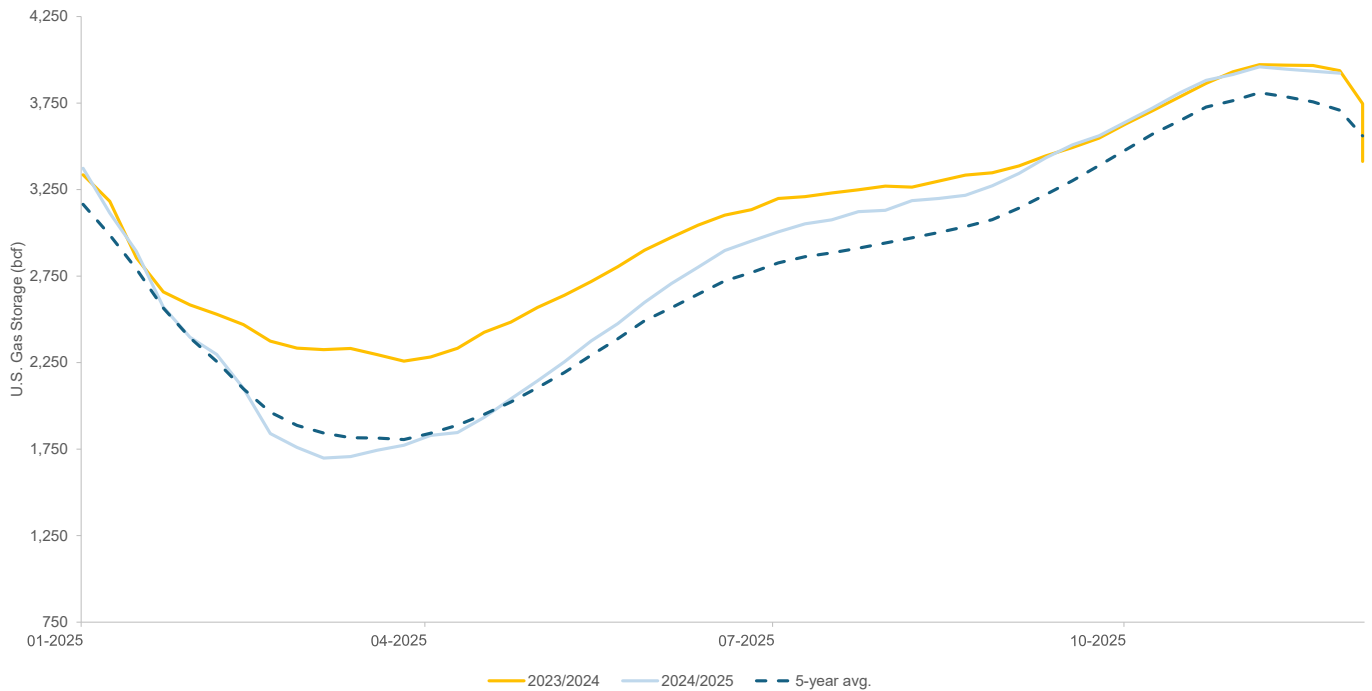
## Natural Gas Market

**Exhibit 21: Henry Hub Price (US\$/MMBtu)**



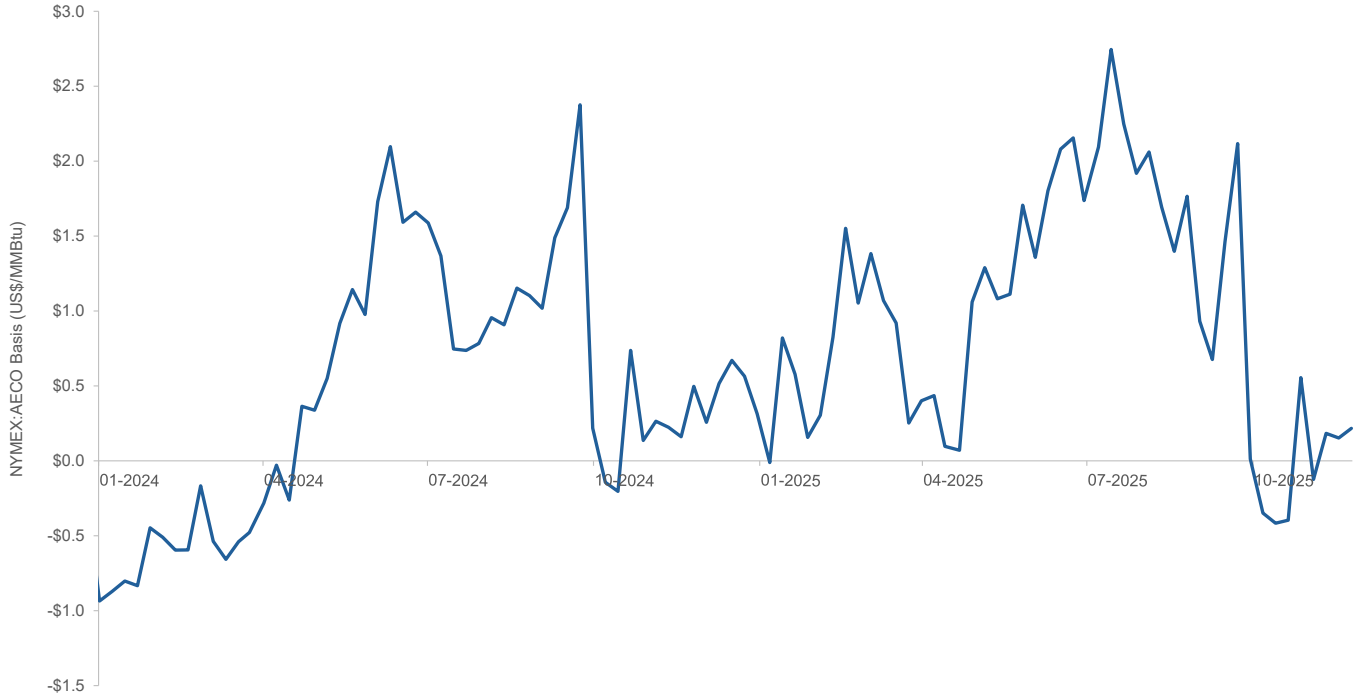
Source: FactSet, Granite Point Research

**Exhibit 22: U.S. Natural Gas in Storage (bcf)**



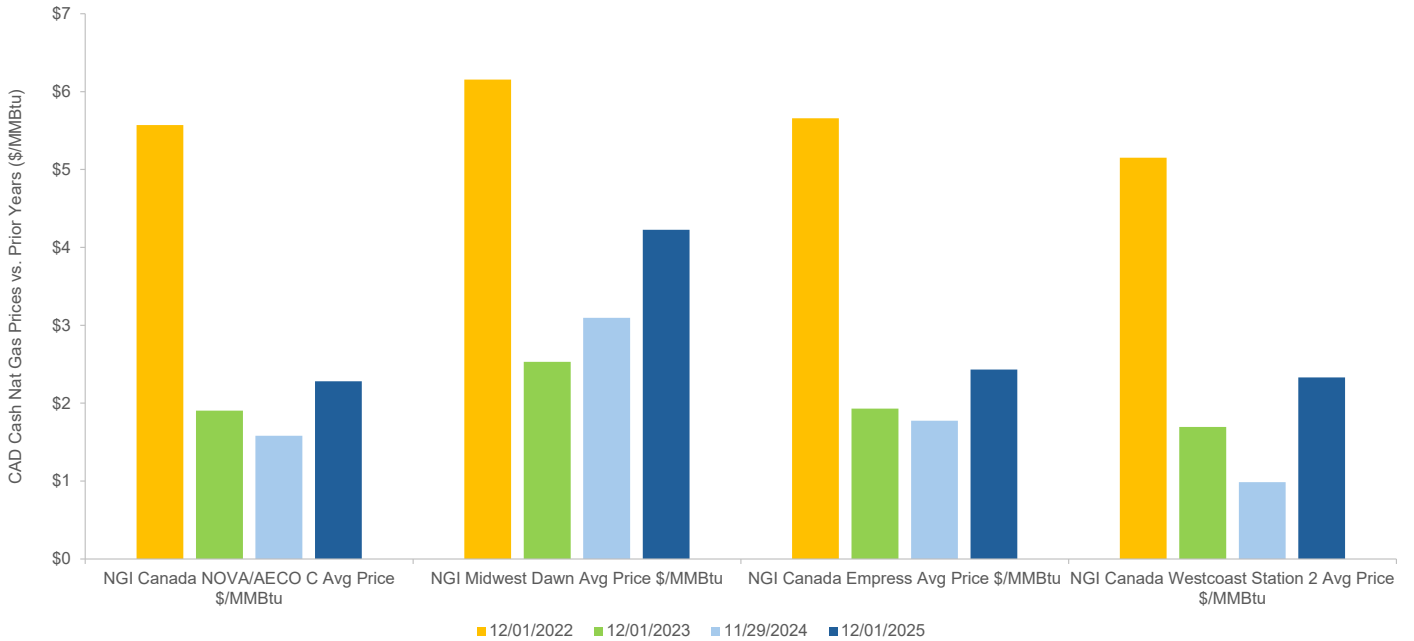
Source: FactSet, Granite Point Research

**Exhibit 23: NYMEX:AECO Basis (US\$/MMBtu)**



Source: FactSet, Granite Point Research

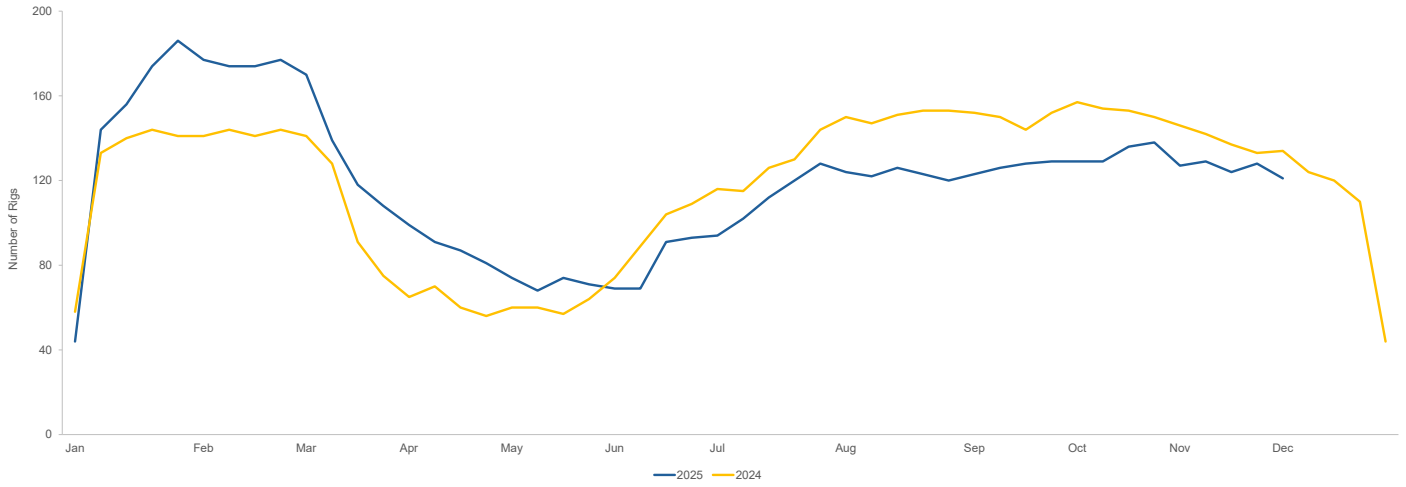
**Exhibit 24: Canadian Cash Natural Gas Prices Versus Prior Years**



Source: FactSet, Granite Point Research

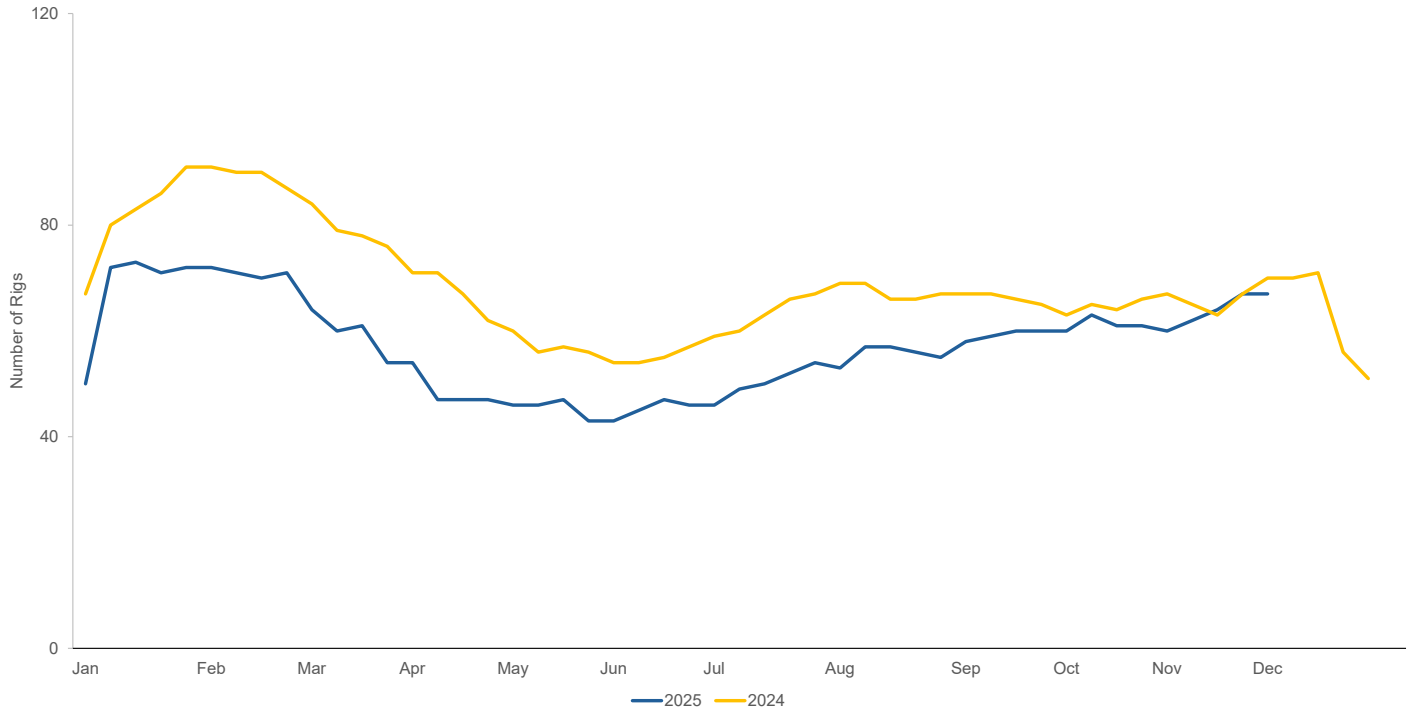
## Rig Counts – Canada

**Exhibit 25: Oil Rig Count – Canada**



Source: FactSet, Granite Point Research

**Exhibit 26: Natural Gas Rig Count - Canada**



Source: FactSet, Granite Point Research

## Important Disclosures

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RATING	COVERED COMPANIES
BUY	1
HOLD	
SELL	

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