

Oil & Gas

Resource Report: Monthly Oil & Gas Perspectives

January 2026 Edition

Bottom Line:

WTI and Brent prices moved sharply higher in January rallying 13.6% and 16.2% respectively as tensions between the U.S. and Iran grew. Last week Tehran announced that it would conduct a two-day live fire exercise in and around the Strait of Hormuz near where the buildup of U.S naval assets was occurring. WTI/WCS differentials widened at the beginning of the month but narrowed in the last week or so as some of the noise over cheap Venezuelan crude in the U.S. settled down.

Key Points

Natural Gas. NYMEX prices increased by 5.8% in January despite tumbling 25.9% in the last week of the month as the February contract rolled over. AECO prices fell 15.7% m/m as WCSB production continues to grow (up 180 mmcf/d in the last week of January).

Crude Oil. WTI prices rallied 13.6% in January as tensions between the U.S. and Iran continued.

Equities. Oil and gas equities followed the commodity throughout the month, with the TSX E&P Index and the S&P 500 E&P Index up 8.4%/8.6% respectively in January.



Oil & Gas

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Inside This Issue

1. A bounce back for crude oil

Commodity Currents

WTI prices rallied 13.6% in January as tensions between Iran and the U.S. continued. This was coupled with freeze-offs in the lower 48 states which caused supply disruptions. Last week Tehran announced that it would conduct a two-day live fire exercise in the Strait of Hormuz near the buildup of U.S naval assets. WTI/WCS differentials expanded in the early part of the month as worries over cheaper Venezuelan supply impacted WCS prices, but that gap narrowed by US\$1.25/bbl last week as some of the noise surrounding Venezuela settled down.

NYMEX natural gas prices increased by 5.8% month-over-month with AECO prices falling 15.7% m/m. NYMEX prices plummeted -25.9% w/w as the February contract rolled over in the last week of January. AECO prices fell sharply last week (-7.8%) as Western Canadian Sedimentary Basin (WCSB) production continues to grow (up 180 mmcf/d w/w) averaging 19.9 bcf/d. In the first half of January, natural gas in the U.S. remained under pressure as warmer-than-normal near-term forecasts pressured prices.

Equity Impact

The TSX E&P Index and the S&P 500 E&P Index were up 8.4%/8.6% respectively in January. Amongst the large cap names SU, XOM and CVE were the top performers for the month while North American producers were generally weaker m/m with Canadian E&Ps seeing generally larger underperformance. Among large cap equities COP, ARX and XOM saw the largest gains. Amongst the SMID producers the biggest gains came from PDF, CRC, BTU, MGY and TVE.

Updates from Our Coverage Universe

We published a special FOCUS report on BluEnergies Ltd. (BLU – TSXV, Buy, \$4.65 Target), a junior public company with pure play exposure to one of the last remaining deepwater fan plays in Africa. The Company has recently partnered with TotalEnergies which represents a tremendous vote of confidence in the Harper Basin and BluEnergies itself. We believe that on the Company's license area there is a multi-billion boe prospective resource potential. Read our full report [here](#).

Financings

CanCambria Energy (CCEC-TSXV, Buy, \$2.05 Target) successfully closed its twice-upsized private placement for gross proceeds of C\$3,275,350. The proceeds of the offering will be used to fund the procurement of long lead-time items prior to the start of the 2026 drilling program as well as resource evaluation of the Kiskunhalas Concession Area and support for the BA-IX tight-gas field and general corporate purposes. We view the announcement as a positive development toward advancing the Kiskunhalas Project drilling program. Read our full report [here](#).

Reconnaissance Energy Africa Ltd. (RECO-TSXV) successfully completed its upsized underwritten listed issuer financing exemption offering for aggregate proceeds of C\$36,800,098. The net proceeds of the offering will be used to conduct an extensive production test and installing production at the Kavango West 1X discovery well and advancing operations to spud the Kavango appraisal well as well as general corporate purposes.

Commodity Performance

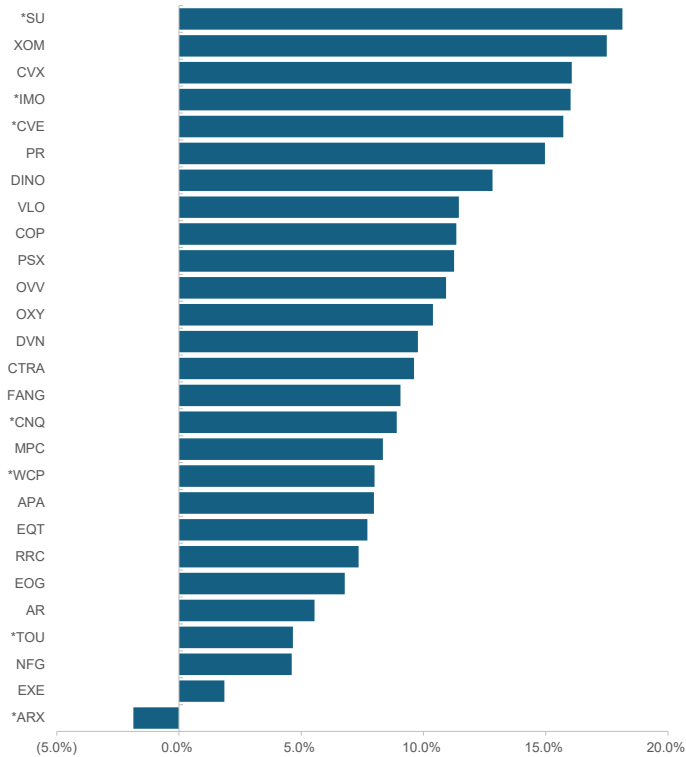
Exhibit 1: Commodities Performance Overview

	01/30/2026	01/23/2026	01/16/2026	12/31/2025	12/31/2025	01/31/2025	1 Week	2 Week	Percent Change			
									1 Month	YTD	Y/Y Chg.	
Commodities												
WTI (US\$/bbl)	65.21	61.07	59.44	57.42	57.42	72.53	6.8%	9.7%	13.6%	13.6%	(10.1%)	
Brent (US\$/bbl)	70.69	65.88	64.13	60.85	60.85	76.76	7.3%	10.2%	16.2%	16.2%	(7.9%)	
WCS (US\$/bbl)	50.63	45.47	45.16	43.83	43.83	56.28	11.3%	12.1%	15.5%	15.5%	(10.0%)	
Henry Hub Prompt (US\$/MMBtu)	3.906	5.27	3.105	3.692	3.692	2.93	(25.9%)	25.8%	5.8%	5.8%	33.3%	
AECO Prompt (C\$/Gj)	2.26	2.45	2.1	2.68	2.68	1.89	(7.8%)	7.6%	(15.7%)	(15.7%)	19.6%	
Indices												
TSX E&P	378.44	369.67	361.71	349.15	344.81	322.61	2.4%	4.6%	8.4%	9.8%	5.1%	
S&P500 E&P	665.59	635.30	614.49	612.98	608.52	643.08	4.8%	8.3%	8.6%	9.4%	(10.4%)	

Source: FactSet, Granite Point Research

Equity Performance Overview

Exhibit 2: Large Cap M/M Share Performance



Source: FactSet, Granite Point Research

Exhibit 3: Large Cap YTD Share Performance

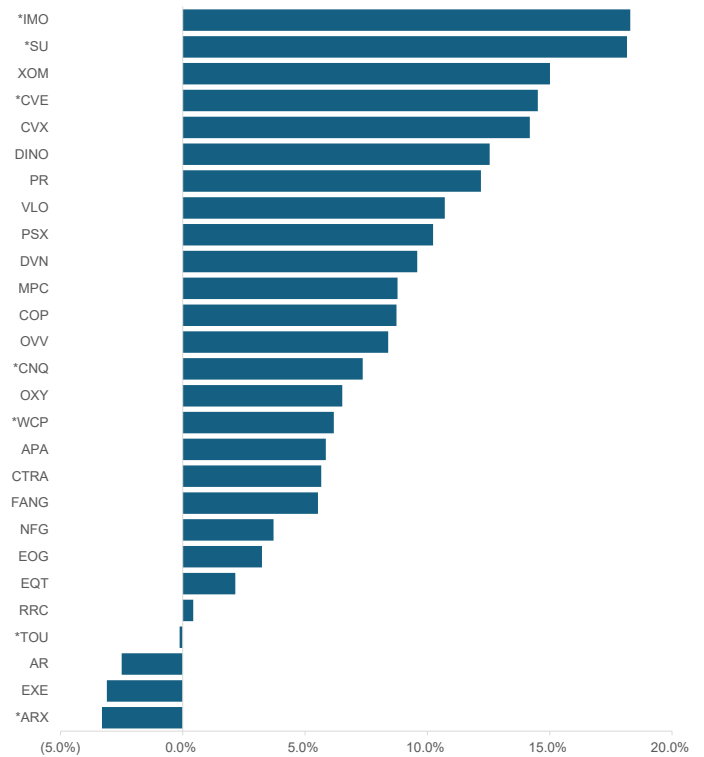


Exhibit 4: SMID M/M Share Performance

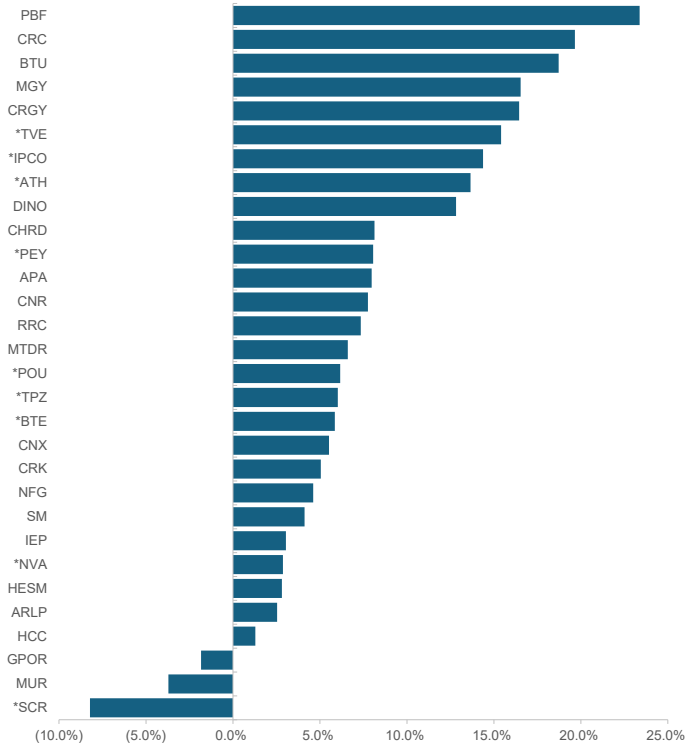


Exhibit 5: SMID YTD Share Performance

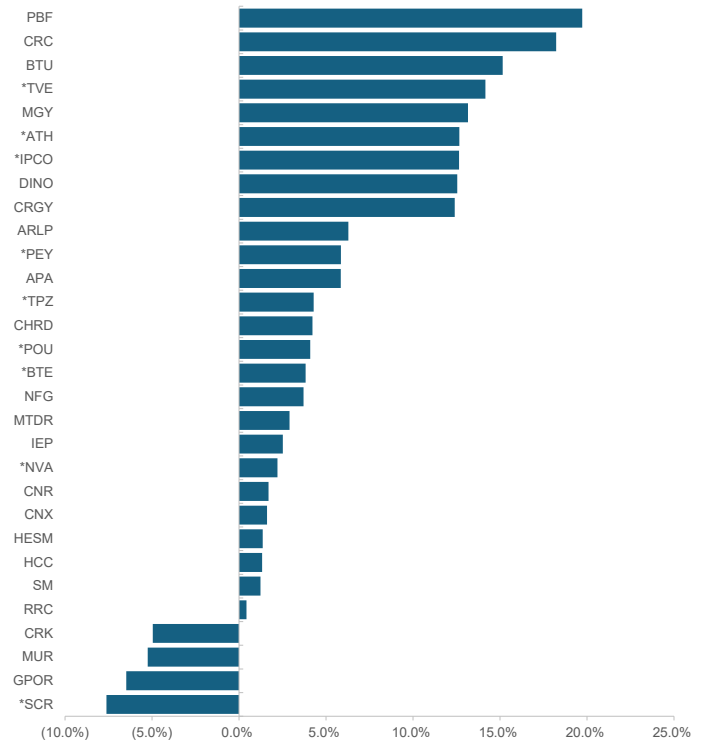


Exhibit 6: Large Cap 2026E Consensus M/M CFPS Revisions

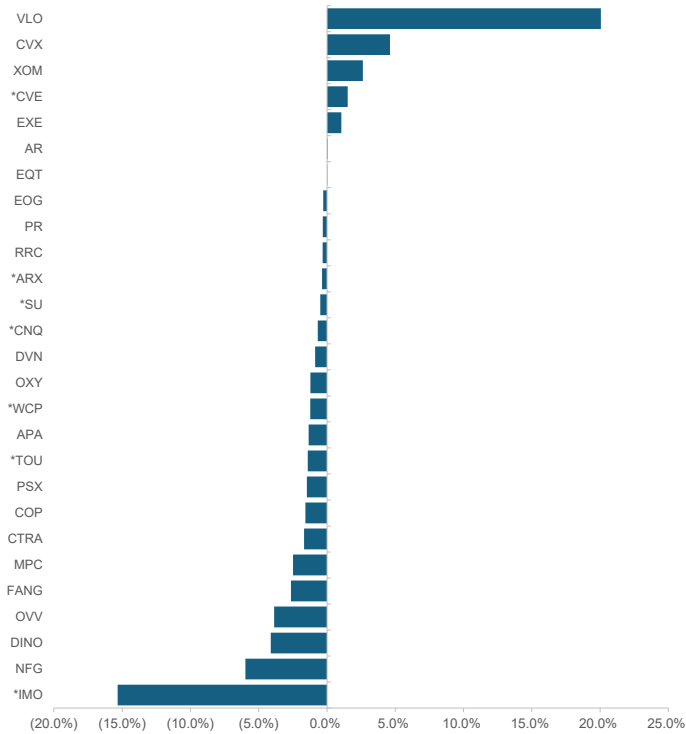
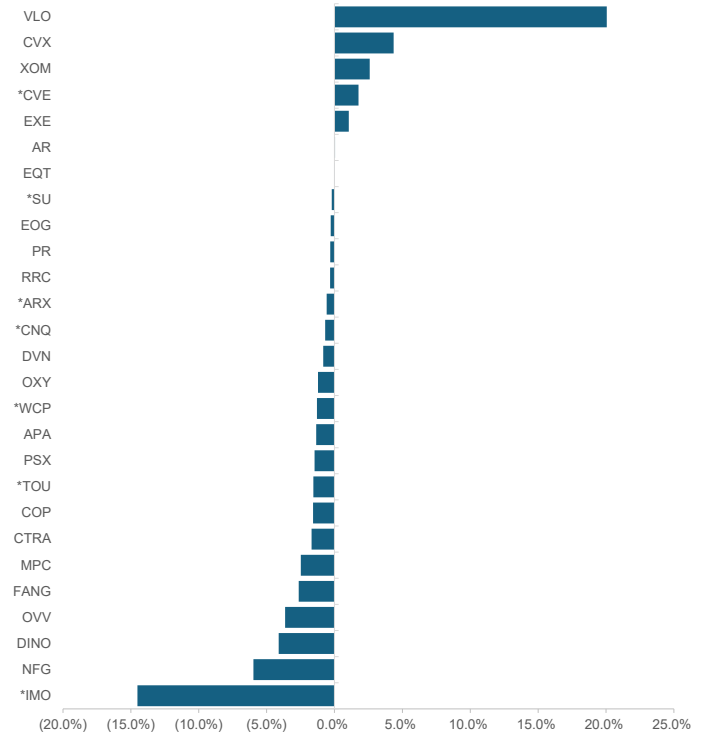
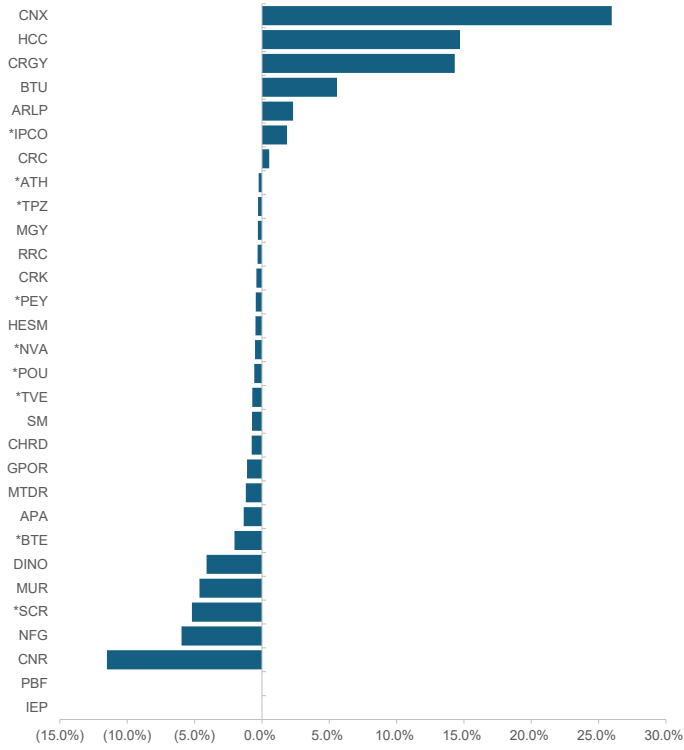
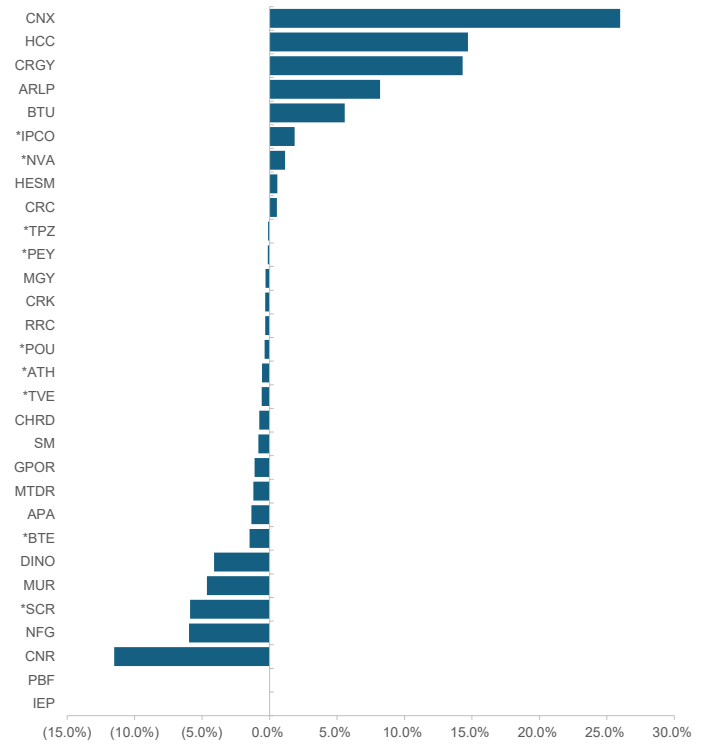


Exhibit 7: Large Cap 2026E Consensus YTD CFPS Revisions



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

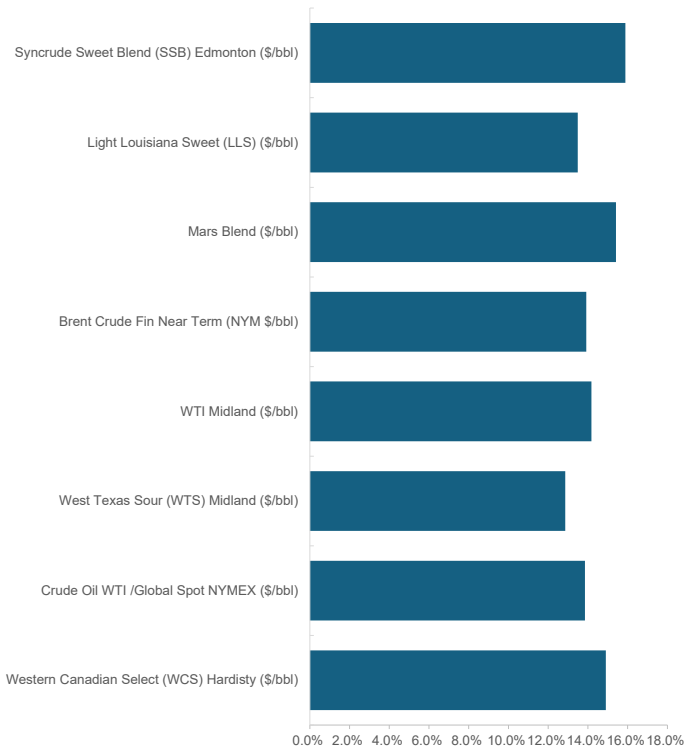
Oil Market

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

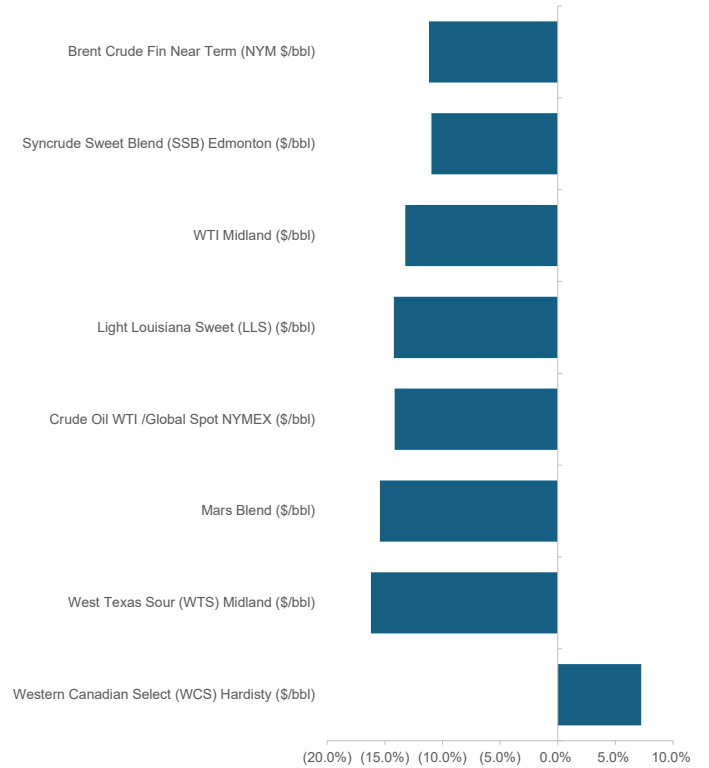
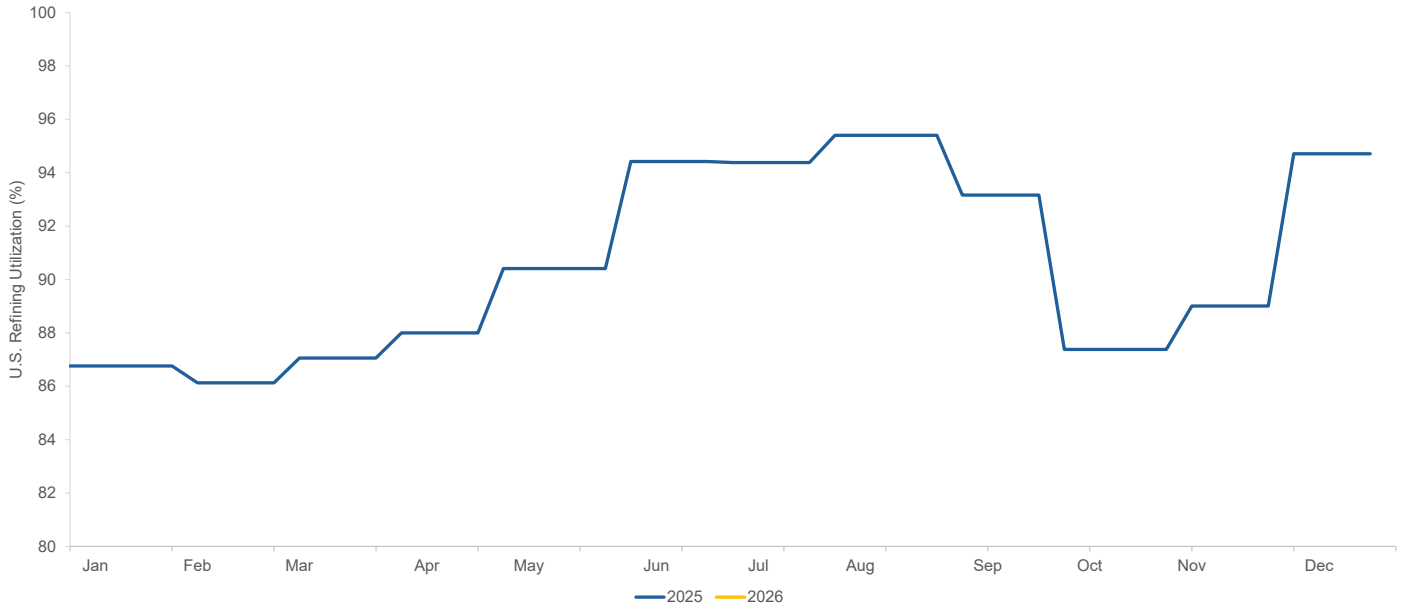


Exhibit 13: U.S. Refining Utilization %



Source: FactSet, Granite Point Research

Exhibit 14: WTI and Crude Inventory



Source: Source: FactSet, Granite Point Research

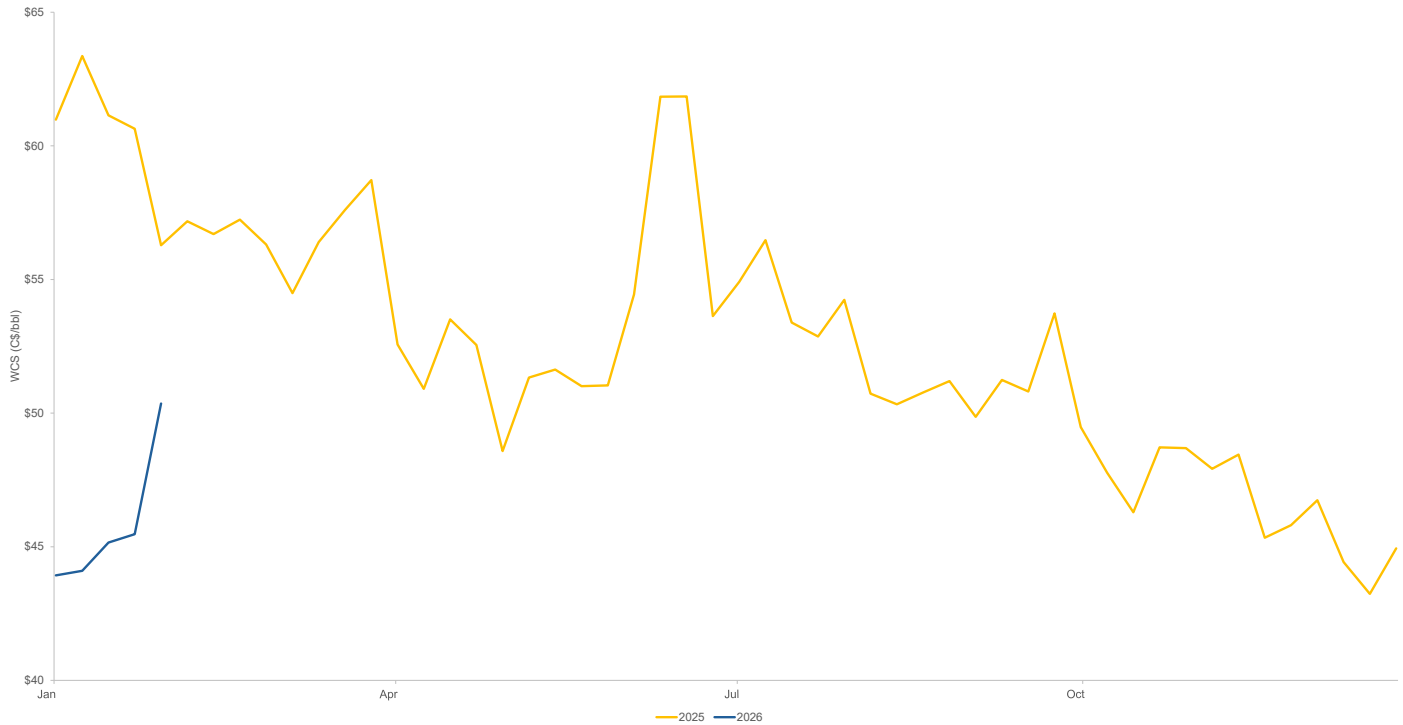
Canadian Oil Market

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



Source: FactSet, Granite Point Research

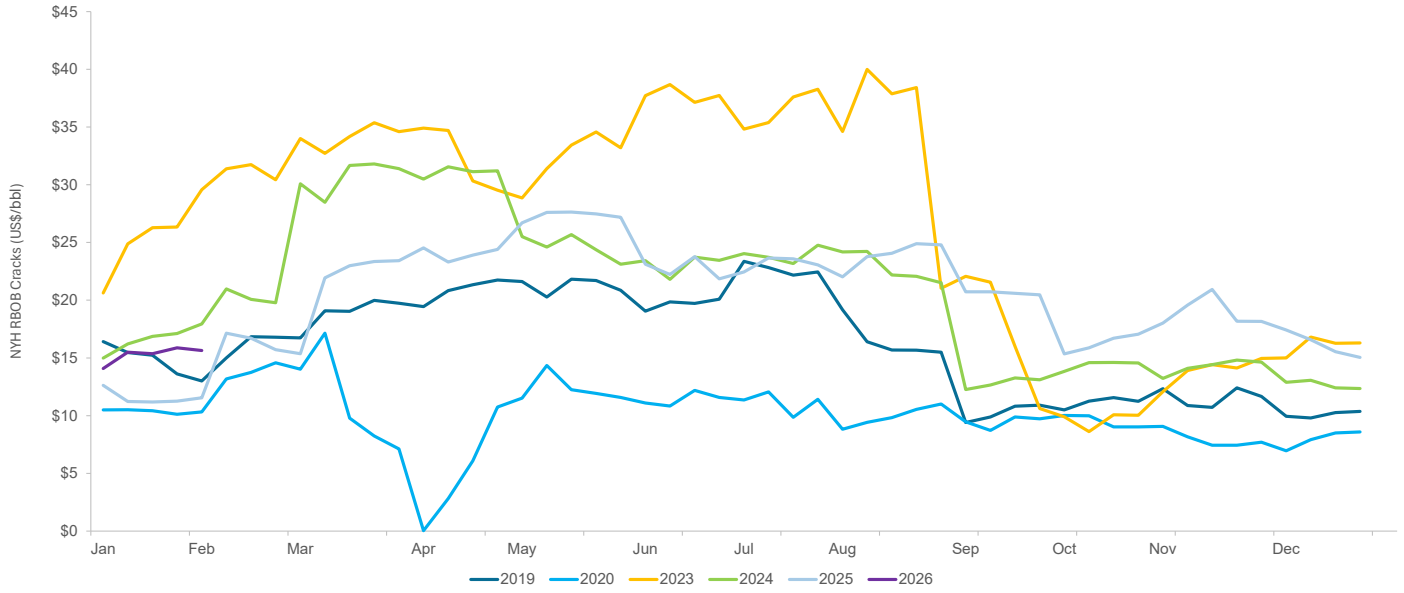
Exhibit 16: Western Canadian Select (\$/bbl)



Source: FactSet, Granite Point Research

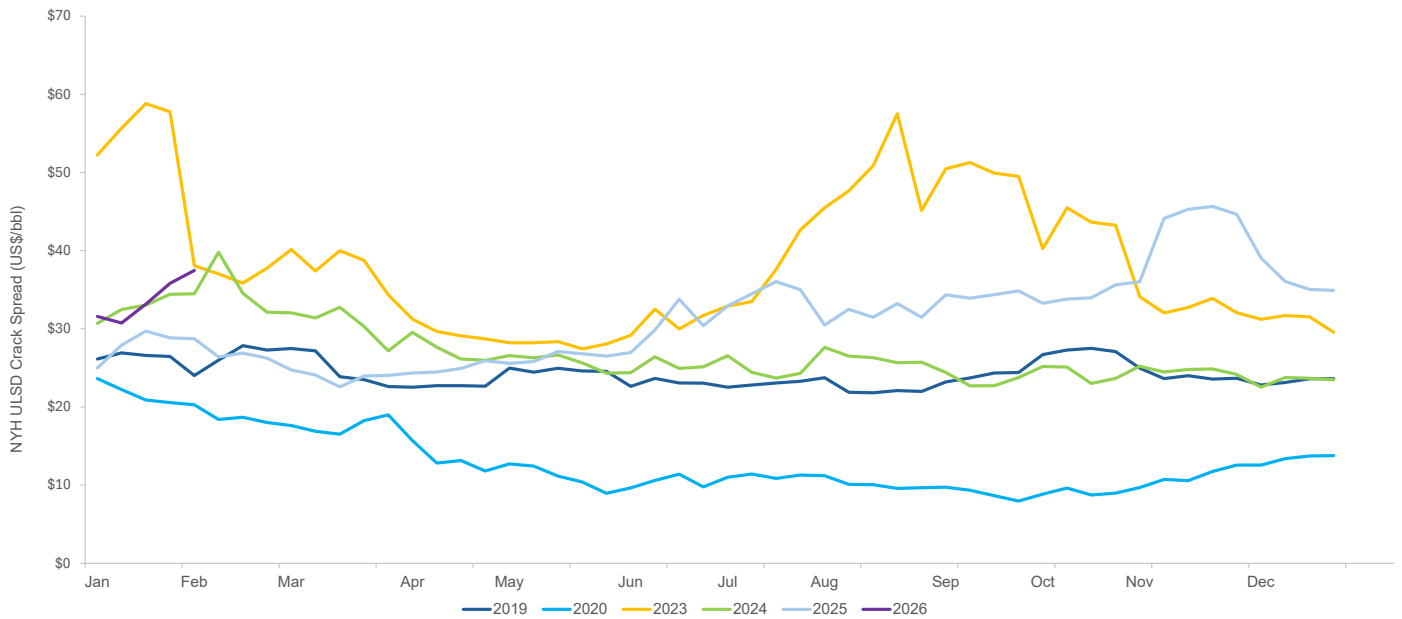
Oil Products Market

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

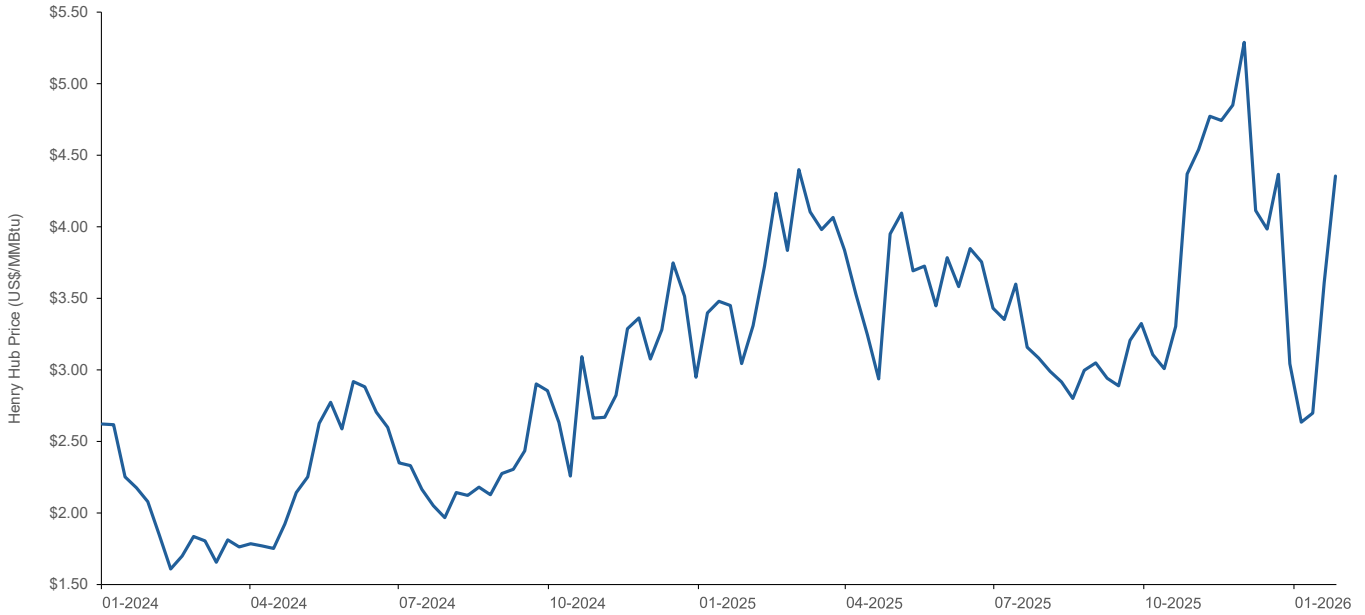
Exhibit 20: U.S. Distillate Inventories



Source: FactSet, Granite Point Research

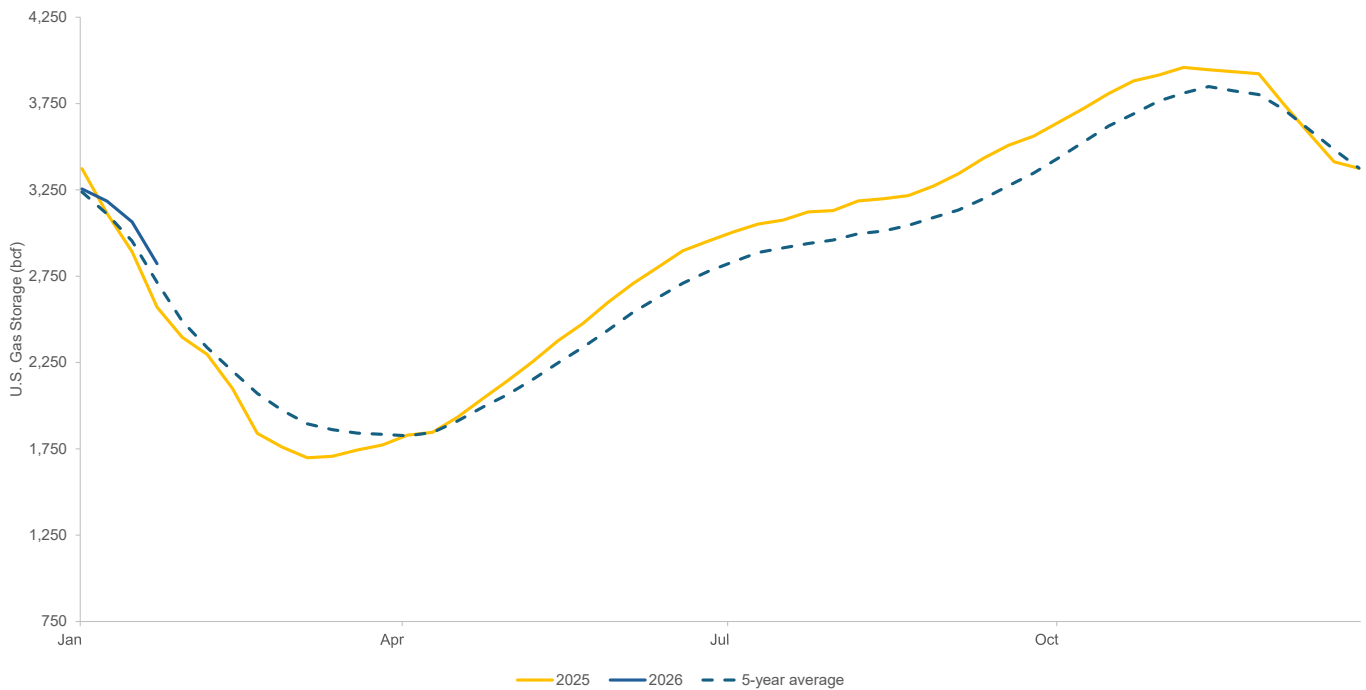
Natural Gas Market

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



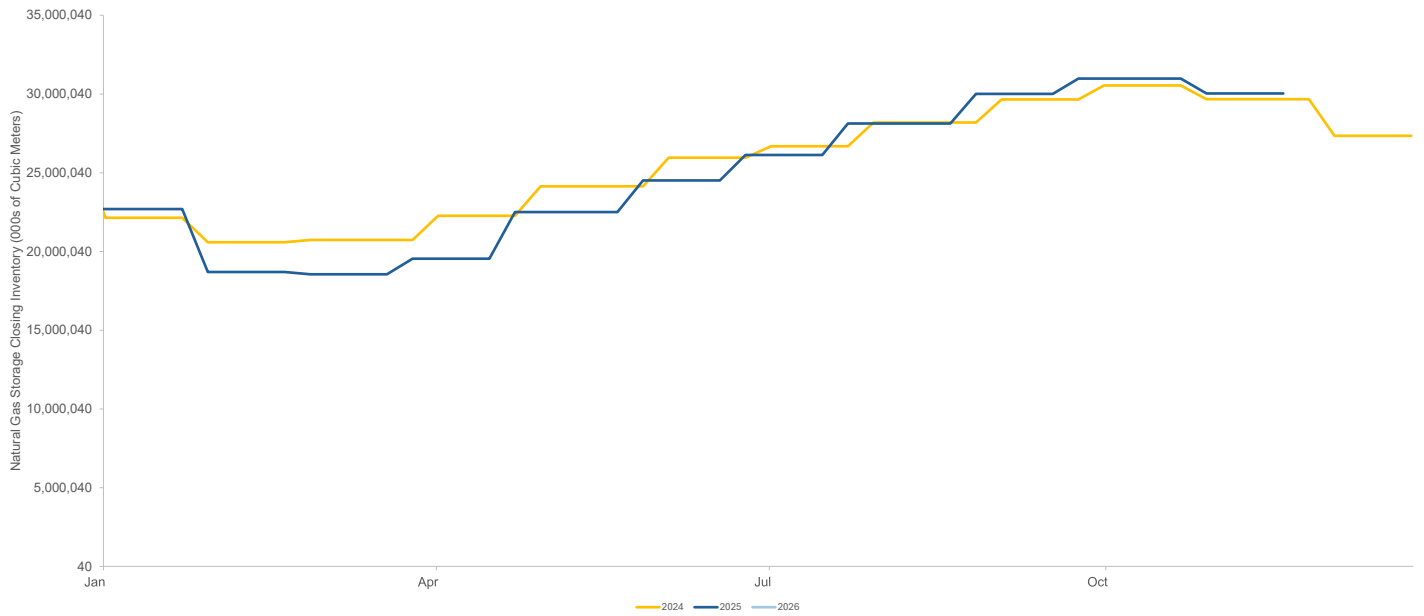
Source: FactSet, Granite Point Research

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



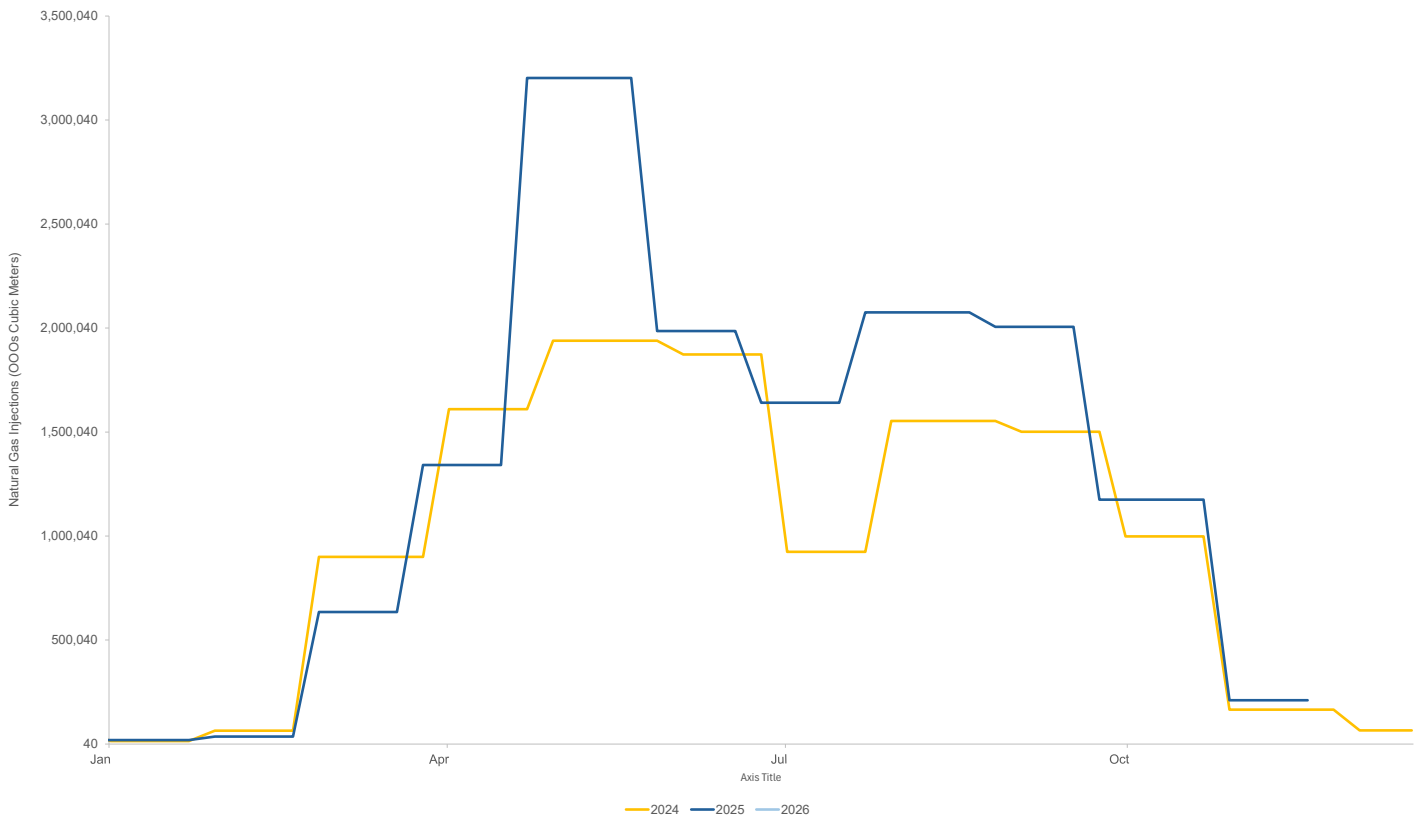
Source: FactSet, Granite Point Research

Exhibit 23: Natural Gas Storage Closing Inventory – Canada



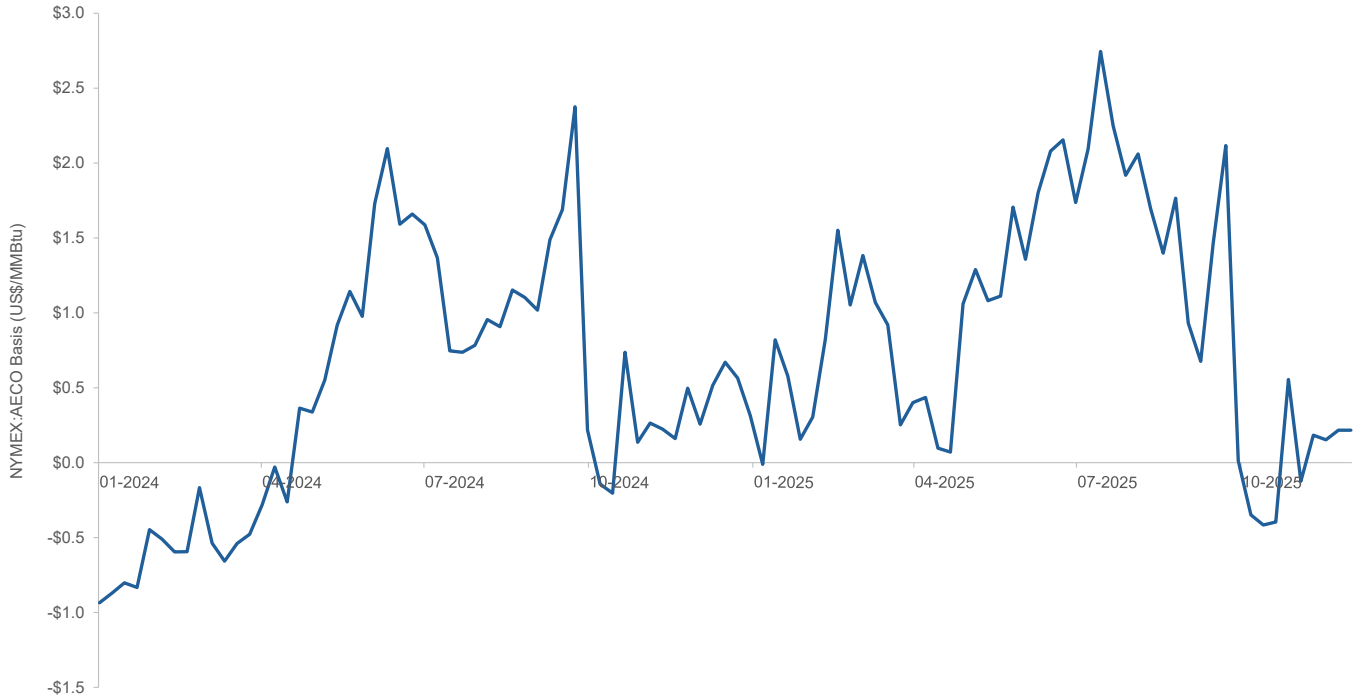
Source: FactSet, Granite Point Research

Exhibit 24: Natural Gas Storage Injections – Canada



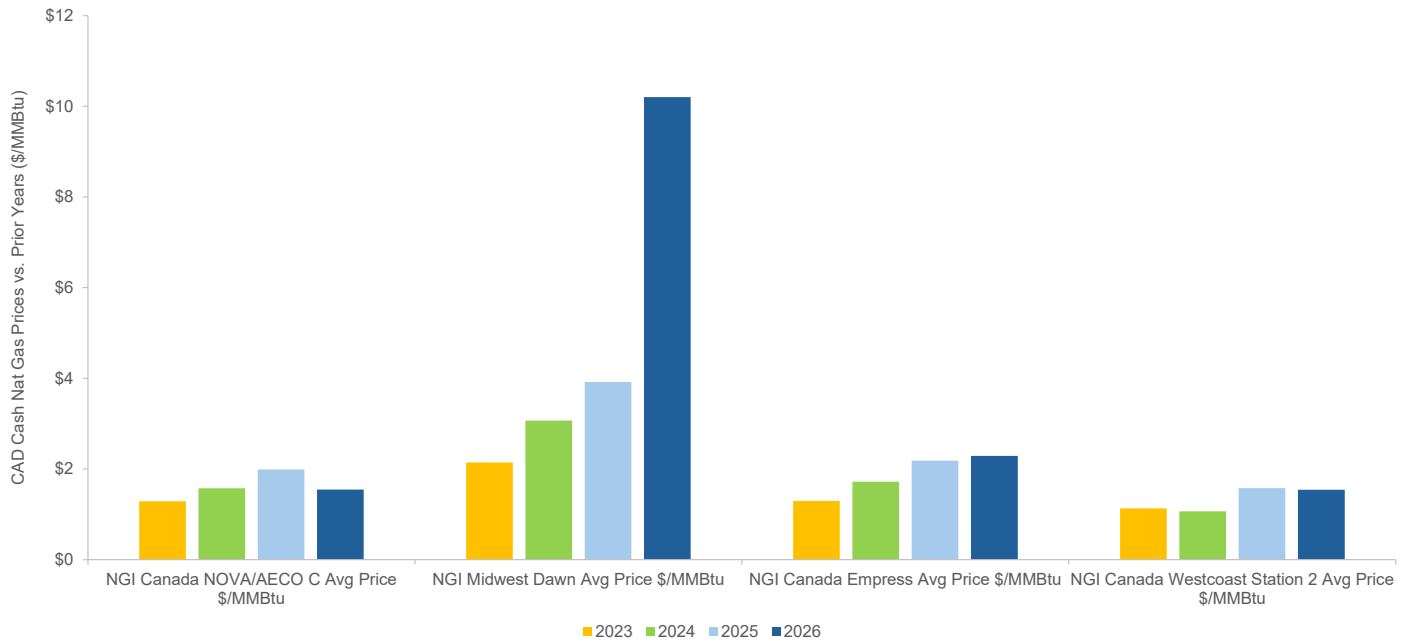
Source: FactSet, Granite Point Research

Exhibit 25: NYMEX:AECO Basis (US\$/MMBtu)



Source: FactSet, Granite Point Research

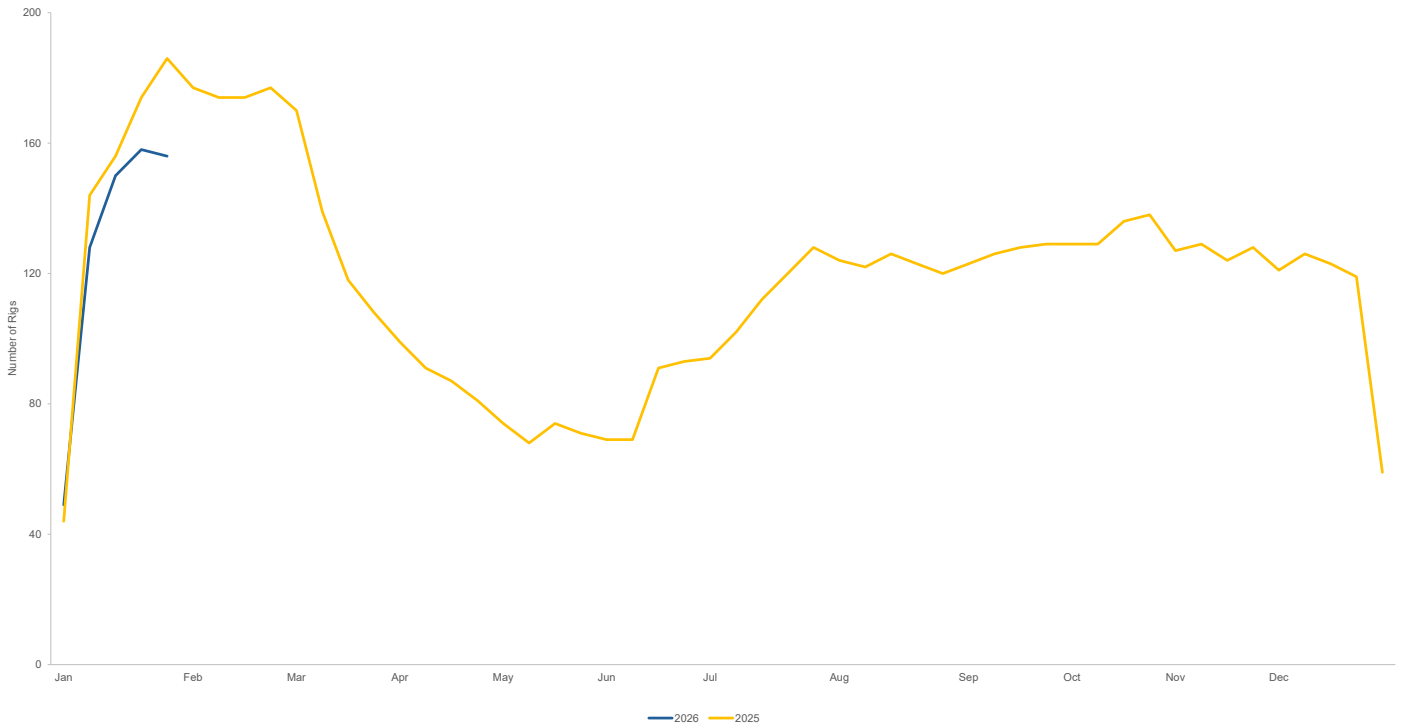
Exhibit 26: Canadian Cash Natural Gas Prices Versus Prior Years



Source: FactSet, Granite Point Research

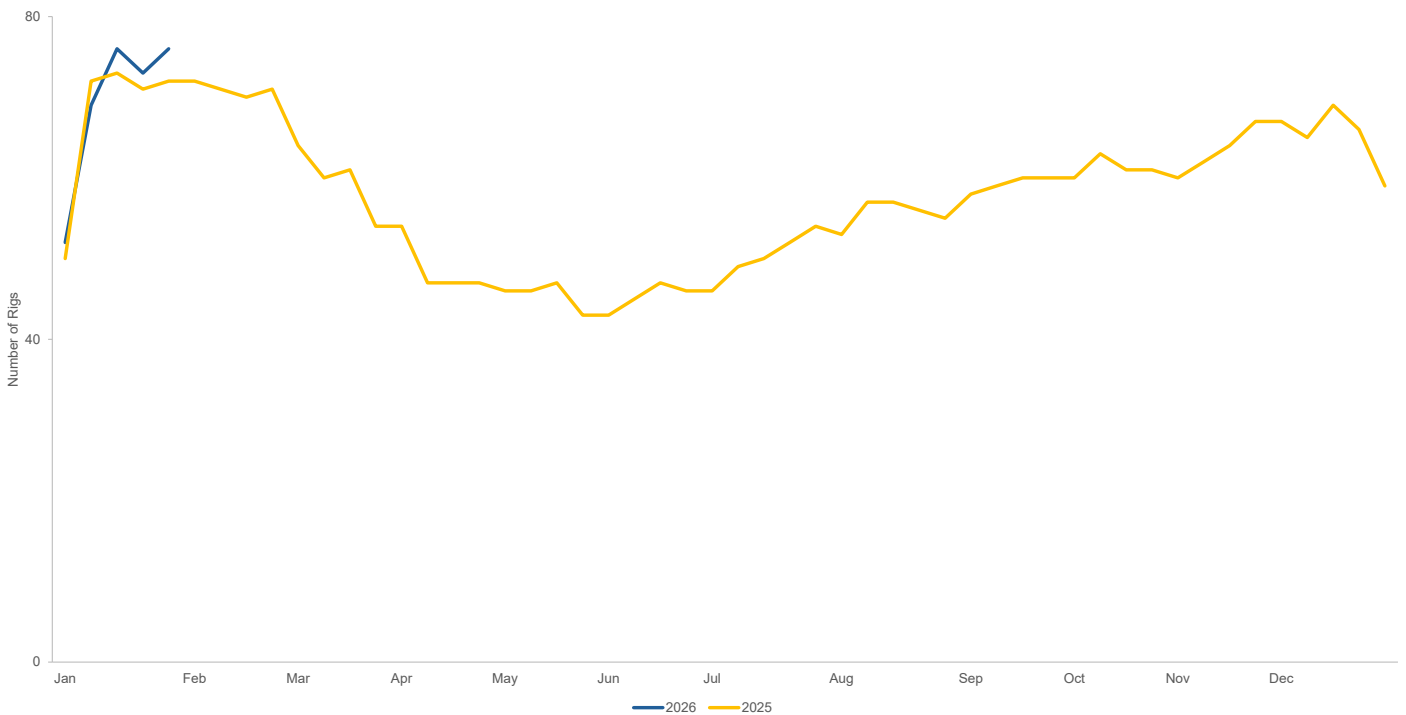
Rig Counts – Canada

Exhibit 27: Oil Rig Count – Canada



Source: FactSet, Granite Point Research

Exhibit 28: Natural Gas Rig Count - Canada



Source: FactSet, Granite Point Research

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RATING	COVERED COMPANIES
BUY	1
HOLD	
SELL	

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