



GREATER HOUSTON  
PARTNERSHIP

# UPDATE

# ENERGY

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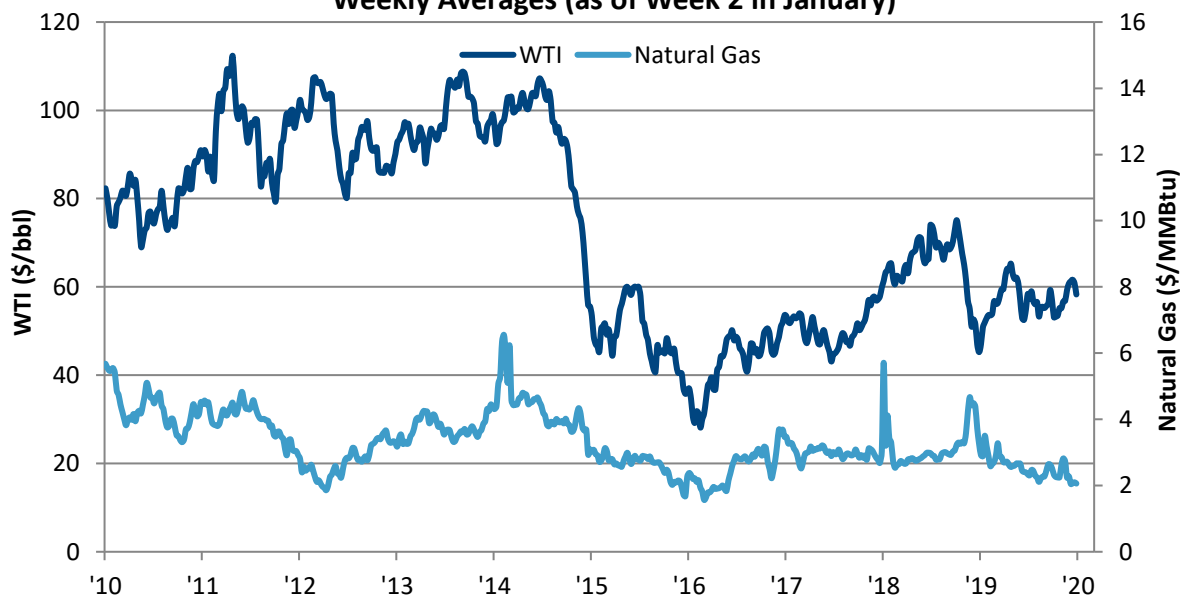
*January 27, 2020*

The closing spot price for a barrel of West Texas Intermediate (WTI), the U.S. benchmark for light, sweet crude, averaged \$58.29 per barrel during the second week of January '20, up 12.3 percent from \$51.92 for the same period in '19, according to the U.S. Energy Information Administration. Despite optimism from both announced OPEC production cuts and signs of a deescalating U.S.-China trade war, weakness in global oil demand coupled with rising fuel stocks are exerting downward pressure on oil prices. Furthermore, the coronavirus outbreak raises prospects of lower fuel prices.

Monthly WTI prices averaged \$59.88 per barrel in December '19. During the 12 months ending December '19, WTI averaged \$56.98 per barrel, a 12.3 percent decrease from \$64.94 over the corresponding period in '18.

During the second week of January '20, Henry Hub natural gas spot prices averaged \$2.06 per million British thermal units (MMBtu). In December '19, monthly natural gas prices averaged \$2.22 per MMBtu, down 45.0 percent from \$4.04 in December last year. For the past 12 months, gas prices averaged \$2.57 per MMBtu, compared to \$3.17 for the same period in '18.

**Spot Crude and Natural Gas Prices**  
**Weekly Averages (as of Week 2 in January)**



Source: U.S. Energy Information Administration

The U.S. Energy Information Administration (EIA) expects WTI to average \$59.50 per barrel in '20. EIA expects Henry Hub natural gas spot prices to average \$2.33/MMBtu in '20.

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