



GREATER HOUSTON
PARTNERSHIP

UPDATE



ENERGY

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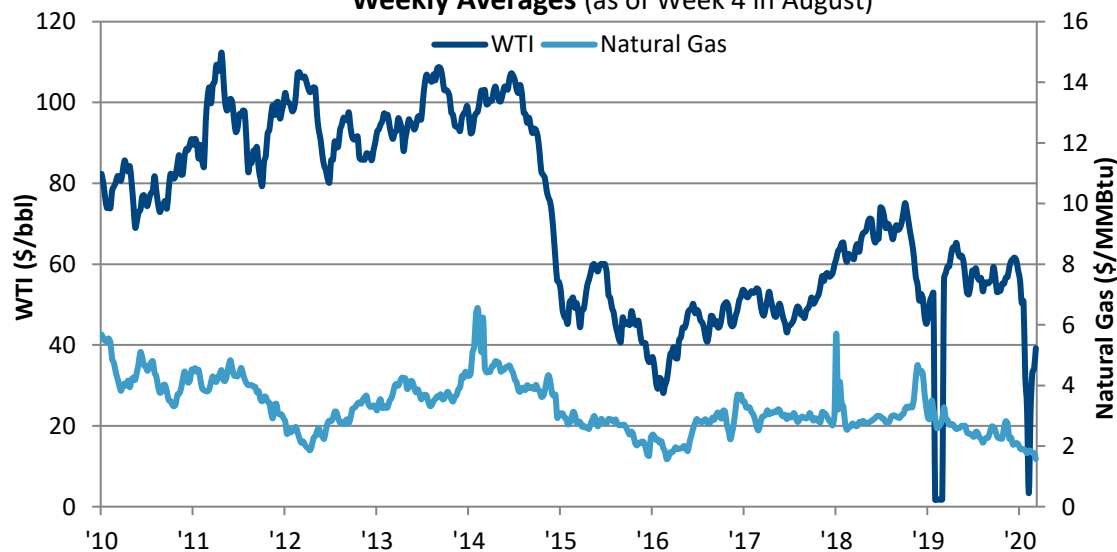
September 15, 2020

The closing spot price for West Texas Intermediate (WTI), the U.S. benchmark for light, sweet crude, averaged \$42.93 per barrel during the last week of August '20, down 22.2 percent from \$55.21 for the same period in '19, according to the U.S. Energy Information Administration (EIA). The COVID-19 pandemic continues to reduce global economic activity. However, oil prices rose in August as OPEC and partner countries maintained production cuts. Estimates show crude oil production in the United States rose to 10.8 million barrels per day (b/d) in August, an increase from its low of 10.0 million b/d in May.

During the 12 months ending August '20, WTI averaged \$44.29 per barrel, a 24.4 percent decrease from \$58.62 over the corresponding period in '19.

During the first week of September '20, Henry Hub natural gas spot prices averaged \$2.16 per million British thermal units (MMBtu). In August '20, monthly natural gas prices averaged \$2.30 per MMBtu, up 3.6 percent from \$2.22 in August last year. Higher natural gas spot prices reflected rising demand for natural gas from the U.S. electric power sector as a result of warmer-than-normal temperatures during August. For the past 12 months, gas prices averaged \$2.06 per MMBtu, compared to \$2.96 for the same period in '19.

Spot Crude and Natural Gas Prices
Weekly Averages (as of Week 4 in August)



Source: U.S. Energy Information Administration

The U.S. Energy Information Administration (EIA) expects WTI to average \$38.99 per barrel in '20. EIA expects Henry Hub natural gas spot prices to average \$2.16/MMBtu in '20.

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