October 2, 2026

GRANITE POINT RESEARCH

Oil & Gas

Resource Report: Monthly Oil & Gas Perspectives

September 2026 Edition

Oil & Gas

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Bottom Line:

WTI prices were up 5.4% in September, while Brent crude prices increased 14.4% over the month and with both contracts higher on a year-to-date basis. During the month the prospects for a quick resolution to the U.S./Iran war seemed to dim which supported generally higher crude oil prices.

Inside This Issue

1. LNG Canada Phase 2 Gets the Go Ahead
2. Oil & Gas Charts

Key Points

Natural Gas. NYMEX natural gas rallied 4.3% m/m with AECO prices soaring 70.3% month-over-month (m/m). Henry Hub prices were higher in September as the EIA posted a seasonally low storage build, as well as a decline in gas production. AECO prices were up as Western Canadian Sedimentary Basin (WCSB) production fell while LNG flows improved.

Crude Oil. WTI prices increased modestly in September up 5.4% (up 57.5% YTD) as prospects for a quick resolution to the Iran war dimmed.

Equities. The TSX E&P fell (2.8%) in September while the S&P 500 E&P fell (7.6%) as producers lagged the commodity.

LNG Canada Phase 2 Gets the Go-Ahead. Shell and its partners in LNG Canada agreed to proceed with a $30 billion-plus expansion of its facility on the B.C. coast that will double output of liquefied natural gas as global demand surges.

Important Disclosures: See pages 15-16

Commodity Currents

WTI prices increased 5.4% in September (up 57.5% YTD) as Middle East tensions continued unabated. Brent, the international benchmark, increased 14.4% in September and is up 70.1% on a year-to-date basis. Western Canadian Select (WCS) fell (3.5%) in September and is up 48.0% year-to-date.

NYMEX natural gas prices increased 4.3% m/m with AECO prices rallying 70.3% m/m. Henry Hub prices were higher during September as the EIA posted a seasonally low storage build, as well as a decline in gas production. AECO prices were up as Western Canadian Sedimentary Basin (WCSB) production fell while LNG flows improved.

Equity Impact

The TSX E&P Index was down (2.8%) while the S&P 500 E&P Index was down (7.6%) in September, as producers lagged the commodity during the month. Amongst the large cap names VLO, MPC and DINO were the top performers for the month while year-to-date MPC, VLO and DINO had the strongest performance so far in 2026. Amongst the SMID names the biggest gains came from CVI, PBF and CLMT in September while year-to-date the best performance came from PBF, CLMT and DK.

LNG Canada Phase 2 Gets the Go-Ahead

Once completed the LNG Canada facility will rank as one of the largest LNG export terminals in the world. Shell and its partners in LNG Canada agreed to proceed with a $30 billion-plus expansion of its facility on the B.C. coast that will double its output of liquified natural gas as global demand surges. The expansion, once complete, will increase production to 28 million tonnes of LNG per year (3.68 billion cubic feet per day). As part of the Phase 2 expansion the company will be adding two LNG processing trains at the facility in Kitimat, B.C. along with new storage and condensate tanks as well as an expanded utility and process systems.

Natural gas will flow to the facility through the Coastal GasLink (CGL) pipeline, a 670-kilometer pipeline from northeastern B.C. will also expand by adding five new compressor stations along the route. The project will nearly double CGL's existing capacity from approximately 2.1 Bcf/d to 4.2 Bcf/d with construction expected to begin in early 2027 with completion anticipated for early 2030s.

The increased LNG capacity will help improve sagging prices for Canadian producers and helps diversify Canada's exports away from the U.S. and toward the fast-growing Asia Pacific region.

Commodity Performance

Exhibit 1: Commodities Performance Overview

	09/30/2026	09/23/2026	09/16/2026	08/31/2026	12/31/2025	09/30/2025	Percent Change 1 Week	2 Week	1 Month	YTD	Y/Y Chg.
Commodities											
WTI (US$/bbl)	90.42	92.16	102.43	85.76	57.42	62.37	(1.9%)	(11.7%)	5.4%	57.5%	45.0%
Brent (US$/bbl)	103.53	103.08	105.83	90.49	60.85	67.02	0.4%	(2.2%)	14.4%	70.1%	54.5%
WCS (US$/bbl)	64.87	67.91	72.22	67.19	43.83	50.39	(4.5%)	(10.2%)	(3.5%)	48.0%	28.7%
Henry Hub Prompt (US$/MMBtu)	3.02	3.06	3	2.9	4	3.12	(1.2%)	0.8%	4.3%	(24.4%)	(3.1%)
AECO Prompt (C$/GJ)	1.72	1.65	1.42	1.01	2.68	0.62	4.2%	21.1%	70.3%	(35.8%)	177.4%
Indices											
TSX E&P	457.30	460.56	469.37	470.71	344.81	349.15	(0.7%)	(2.6%)	(2.8%)	32.6%	31.0%
S&P500 E&P	742.01	764.52	788.52	802.73	608.52	612.98	(2.9%)	(5.9%)	(7.6%)	21.9%	21.0%

Source: FactSet, Granite Point Research

Equity Performance Overview

Exhibit 2: Large Cap M/M Share Performance

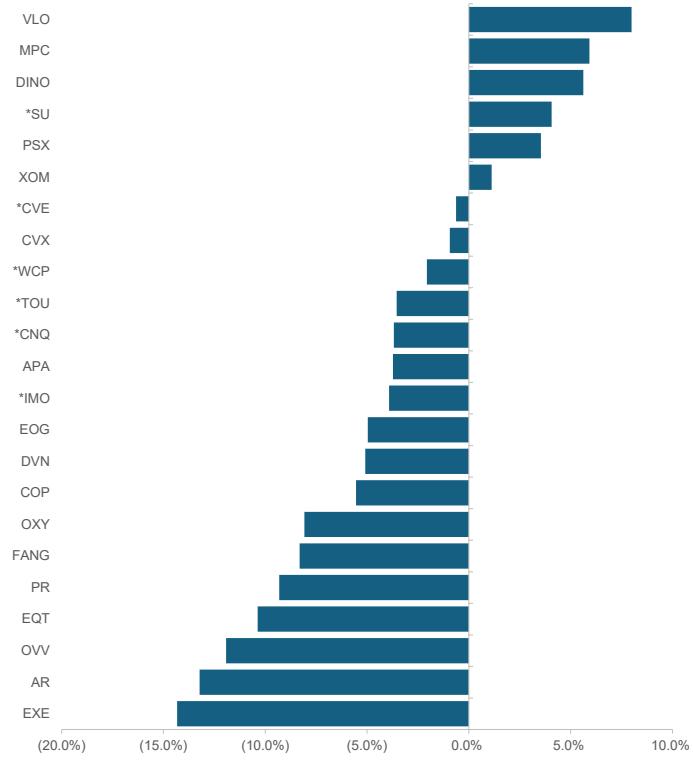
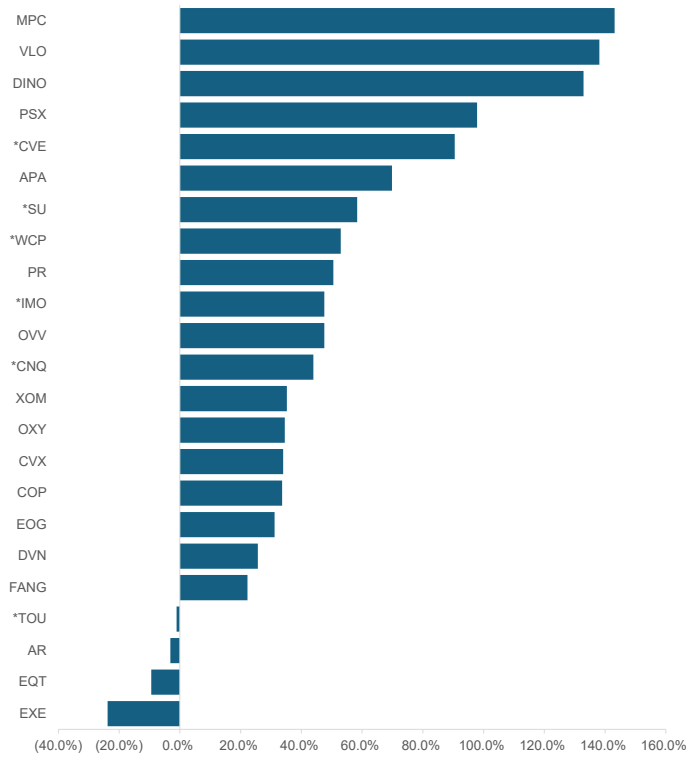


Exhibit 3: Large Cap YTD Share Performance



Source: FactSet, Granite Point Research; Note: * = Canadian listed stock

Exhibit 4: SMID M/M Share Performance

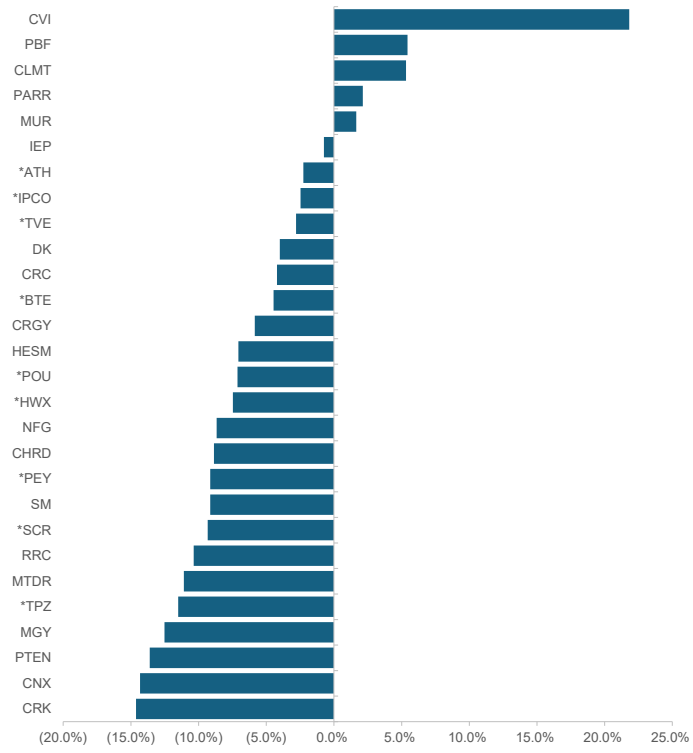


Exhibit 5: SMID YTD Share Performance

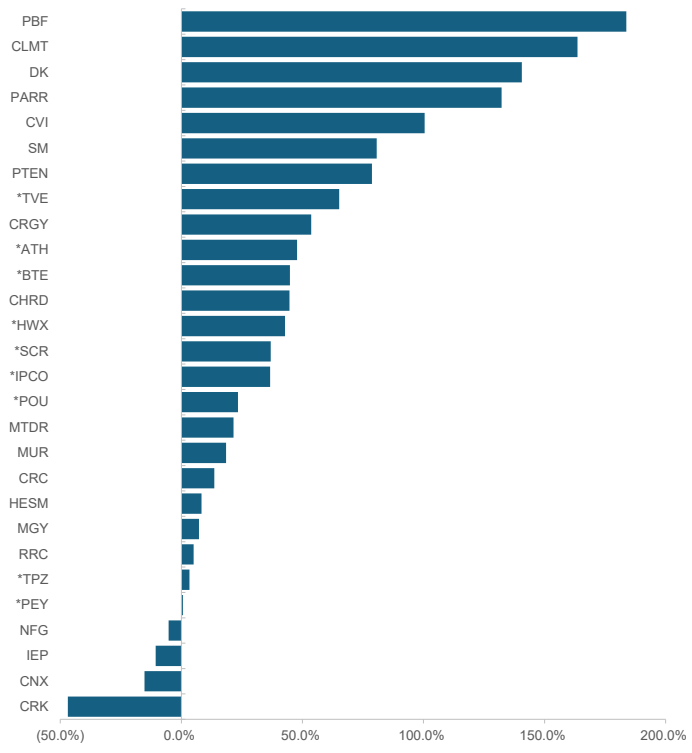


Exhibit 6: Large Cap 2026E Consensus M/M CFPS Revisions

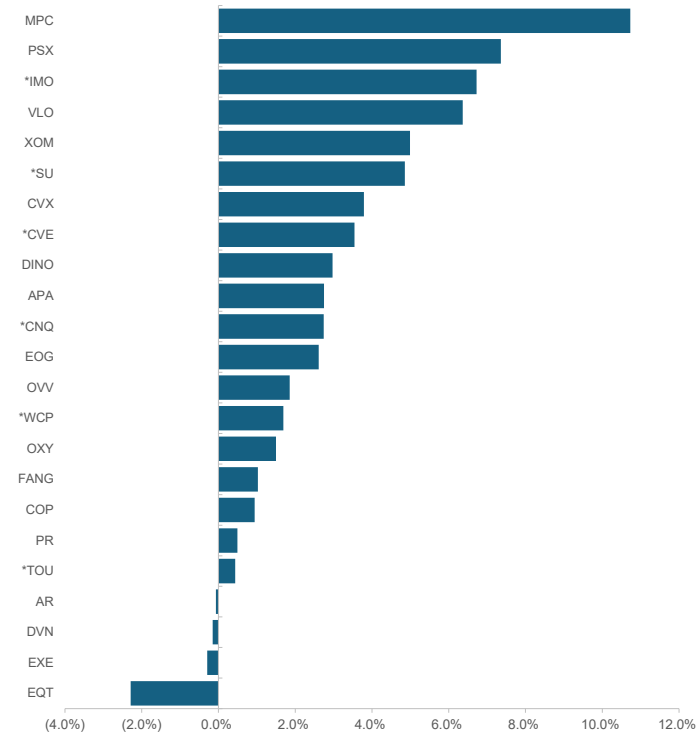
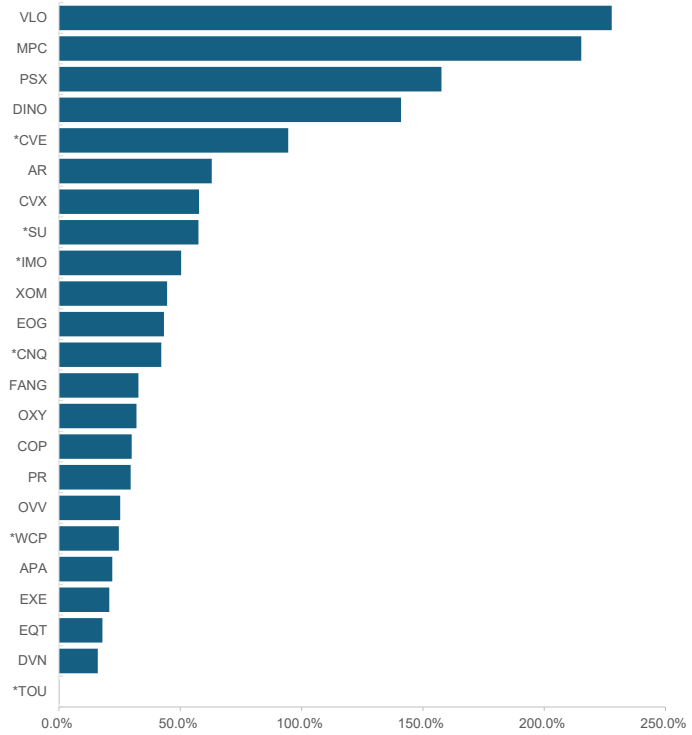


Exhibit 7: Large Cap 2026E Consensus YTD CFPS Revisions



Source: FactSet, Granite Point Research, Note * = Canadian listed stock

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

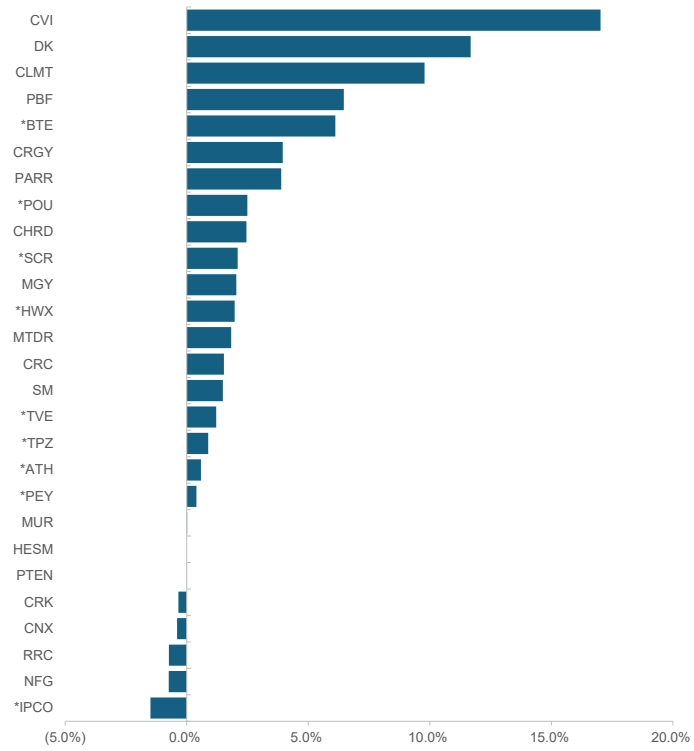
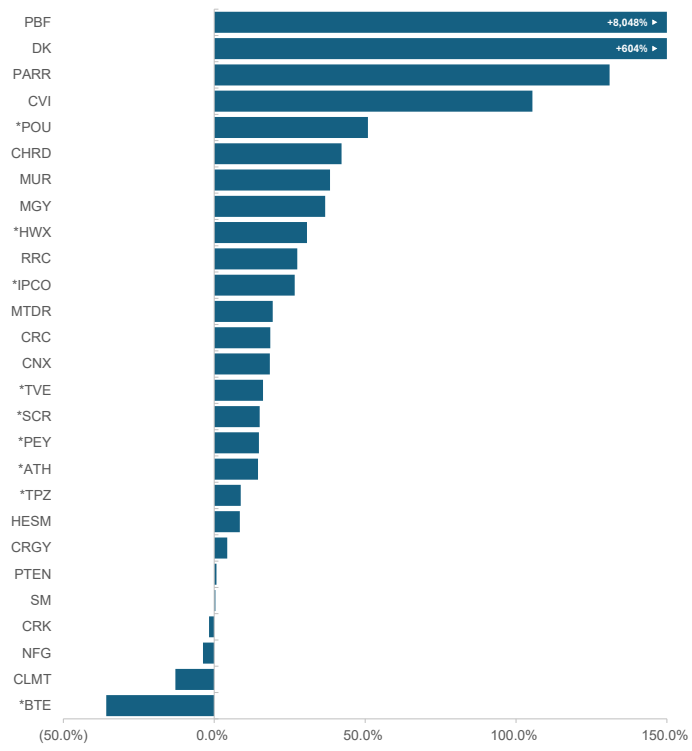


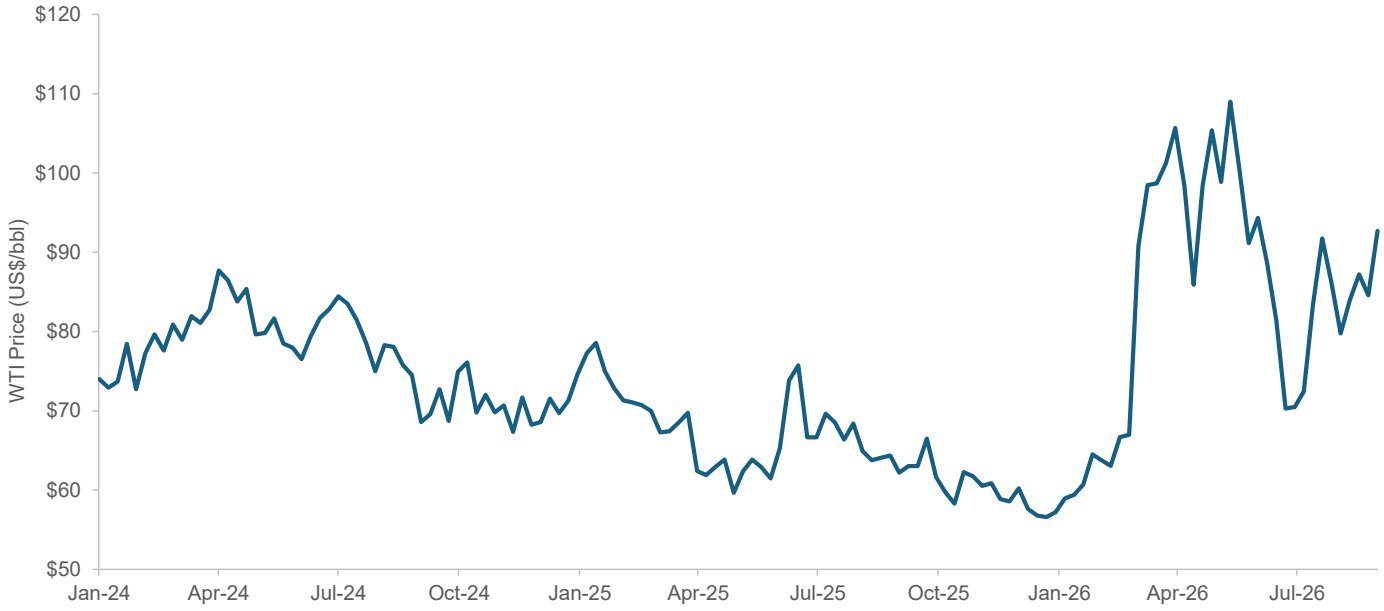
Exhibit 9: SMID 2026E Consensus YTD CFPS Revisions



Source: FactSet, Granite Point Research, Note * = Canadian listed stock

Oil Market

Exhibit 10: WTI Price



Source: FactSet, Granite Point Research

Exhibit 11: Crude Oil M/M Performance

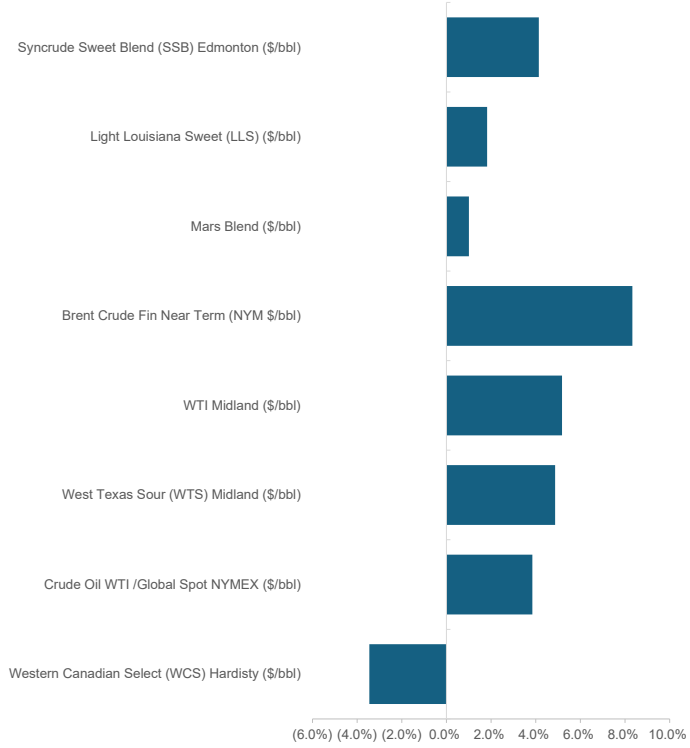
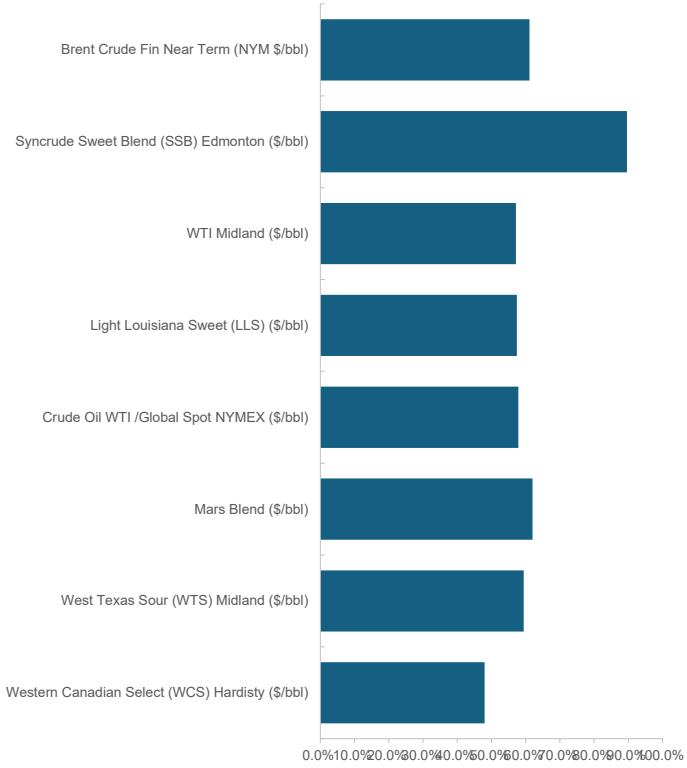
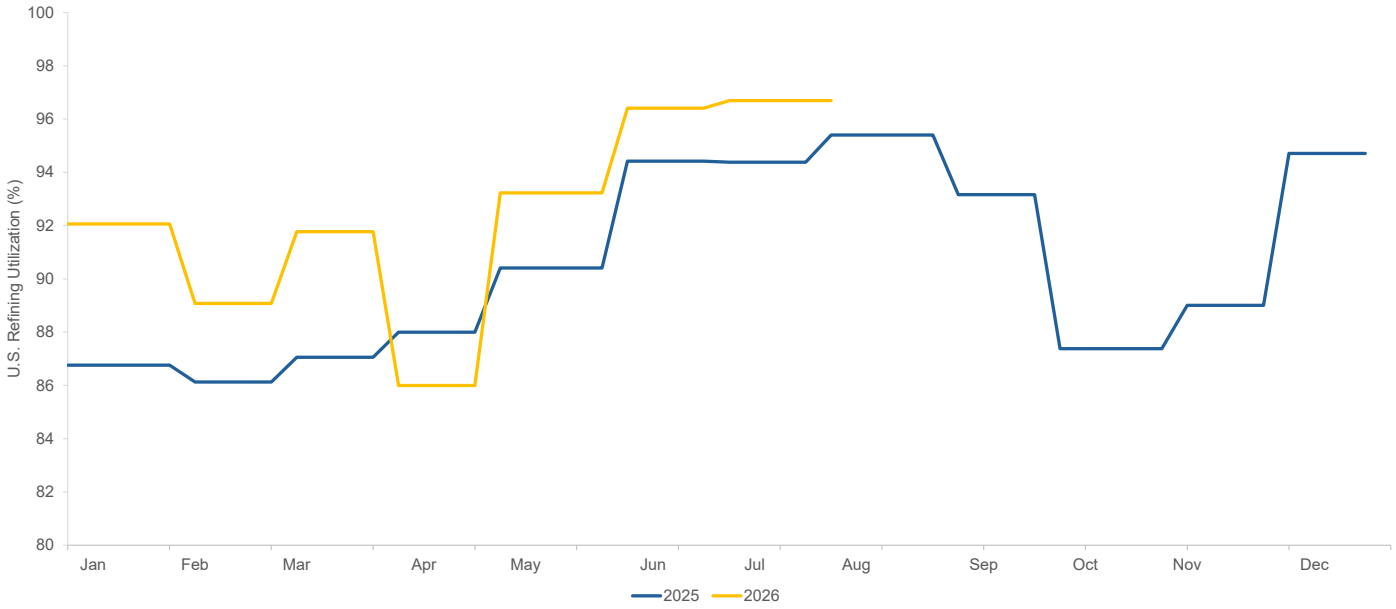


Exhibit 12: Crude Oil YTD Performance



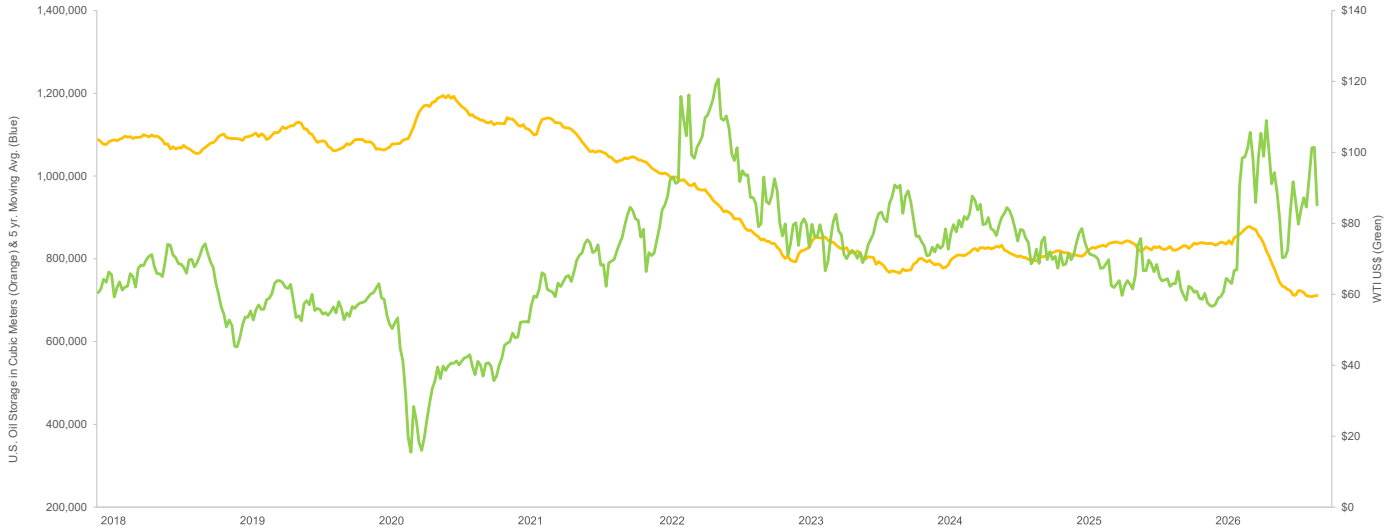
Source: FactSet, Granite Point Research

Exhibit 13: U.S. Refining Utilization %



Source: FactSet, Granite Point Research

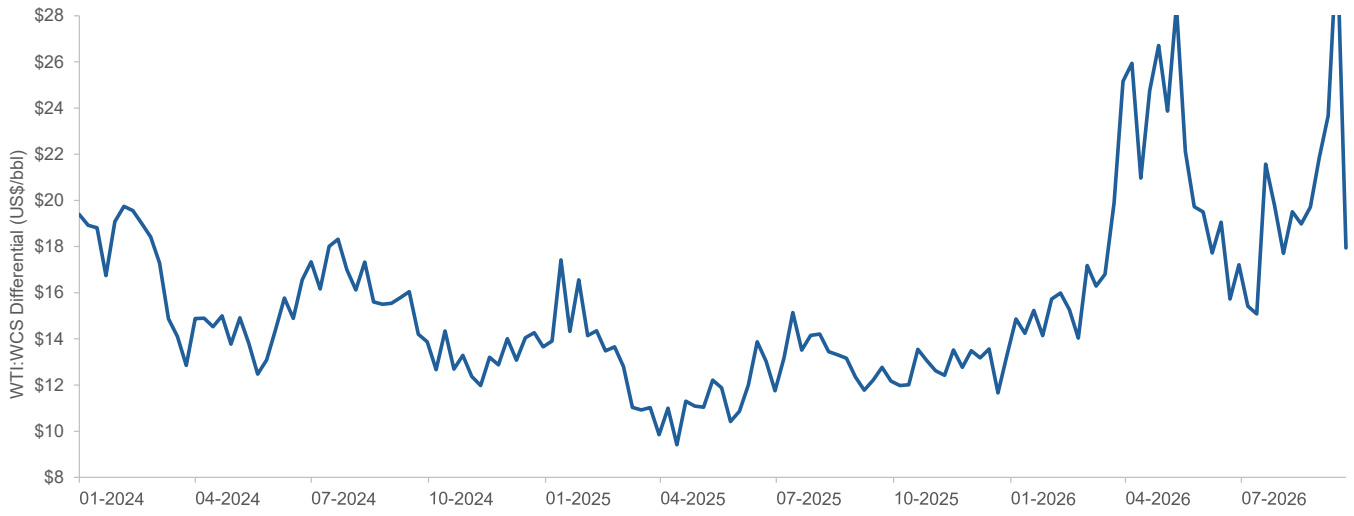
Exhibit 14: WTI and Crude Inventory



Source: FactSet, Granite Point Research

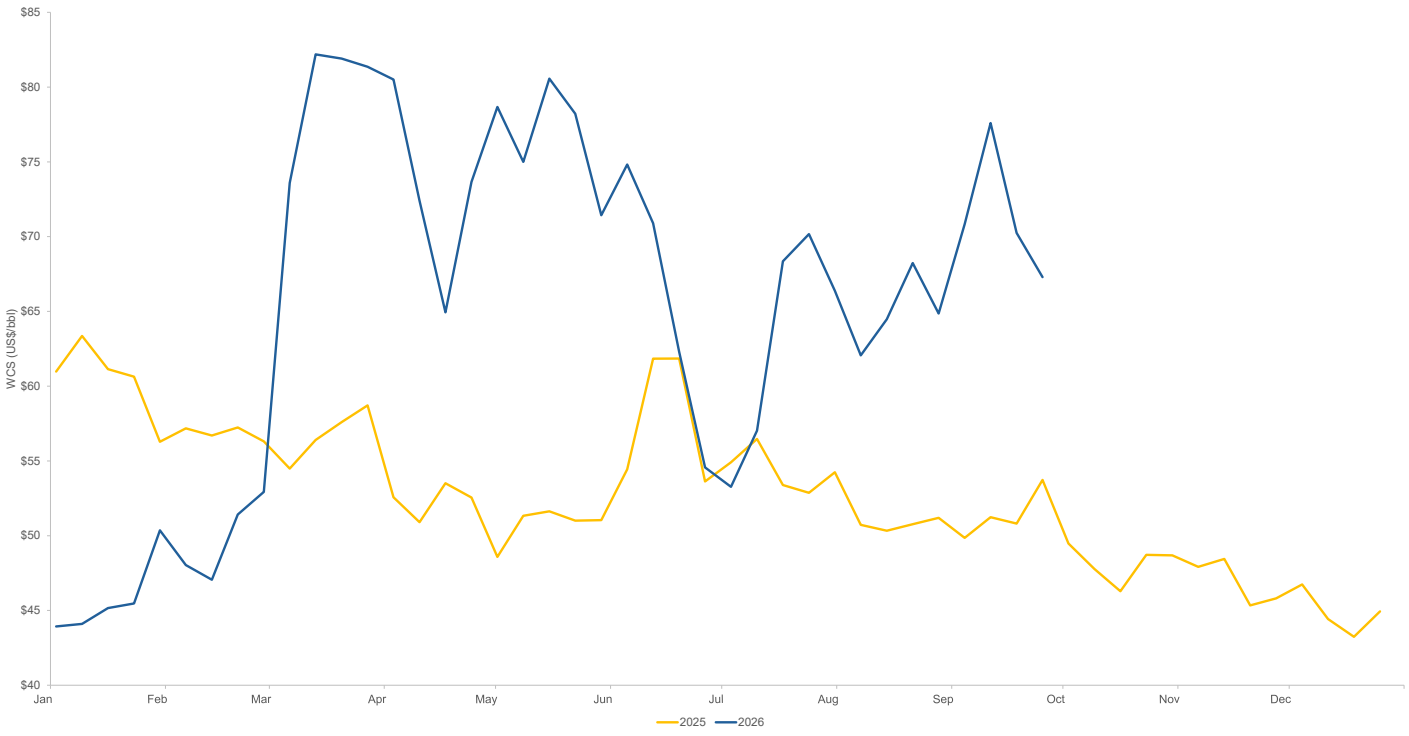
Canadian Oil Market

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



Source: FactSet, Granite Point Research

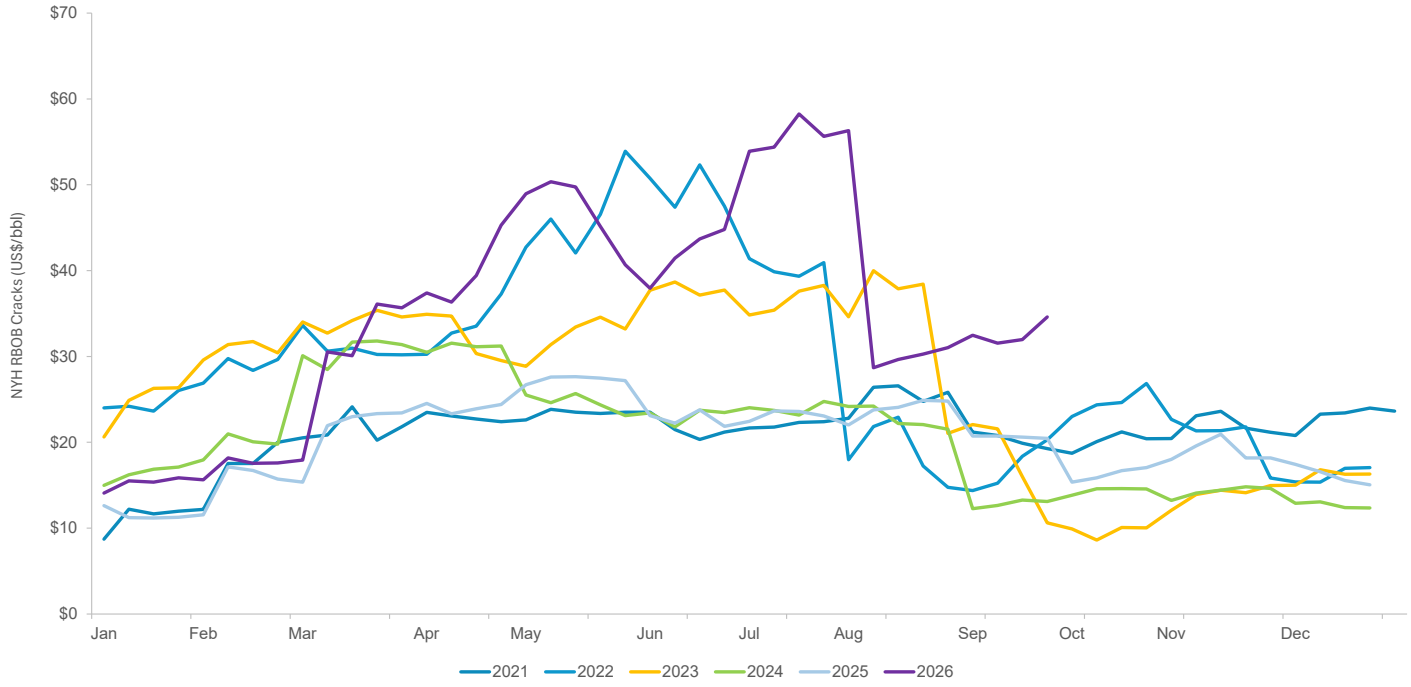
Exhibit 16: Western Canadian Select ($/bbl)



Source: FactSet, Granite Point Research

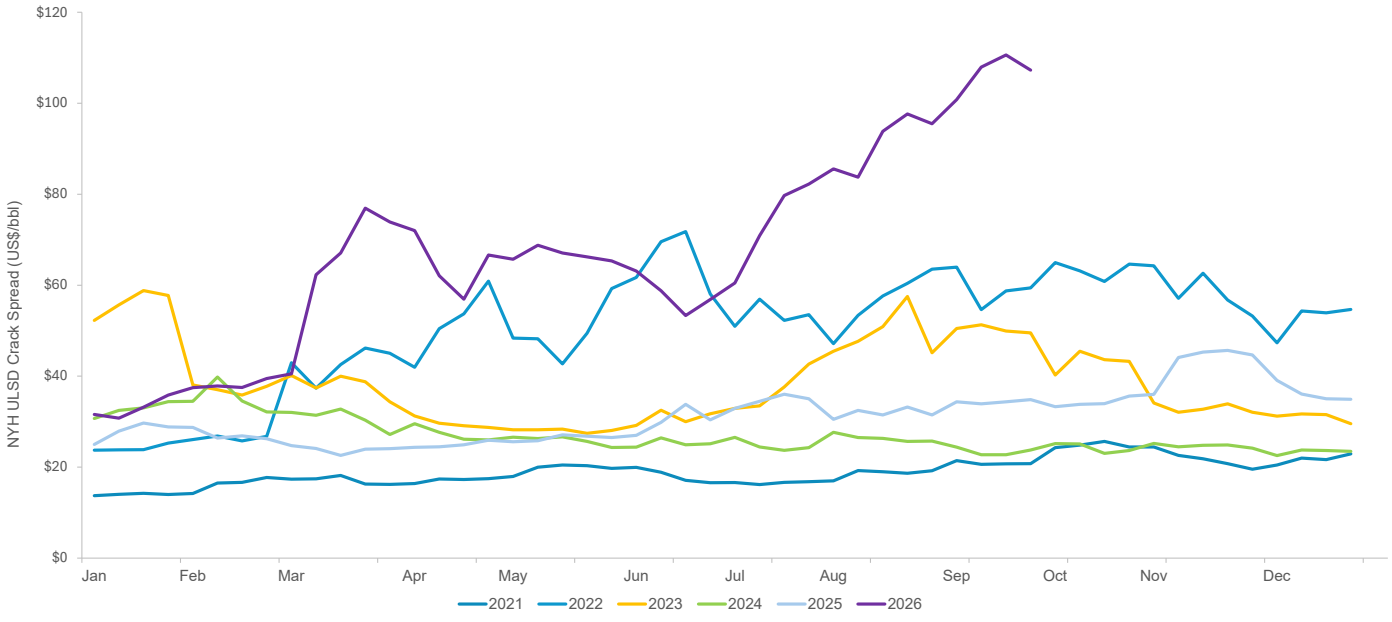
Oil Products Market

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



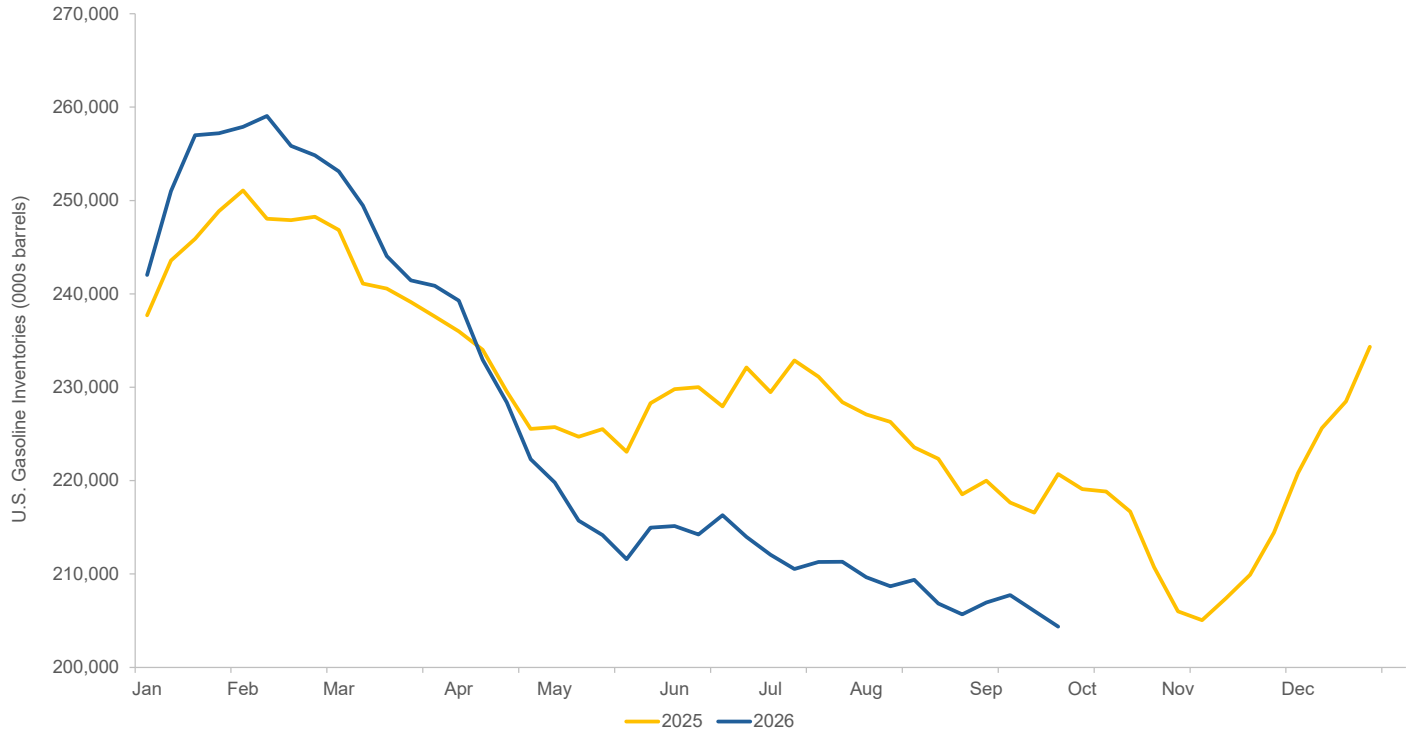
Source: FactSet, Granite Point Research

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



Source: FactSet, Granite Point Research

Exhibit 19: U.S. Gasoline Inventories



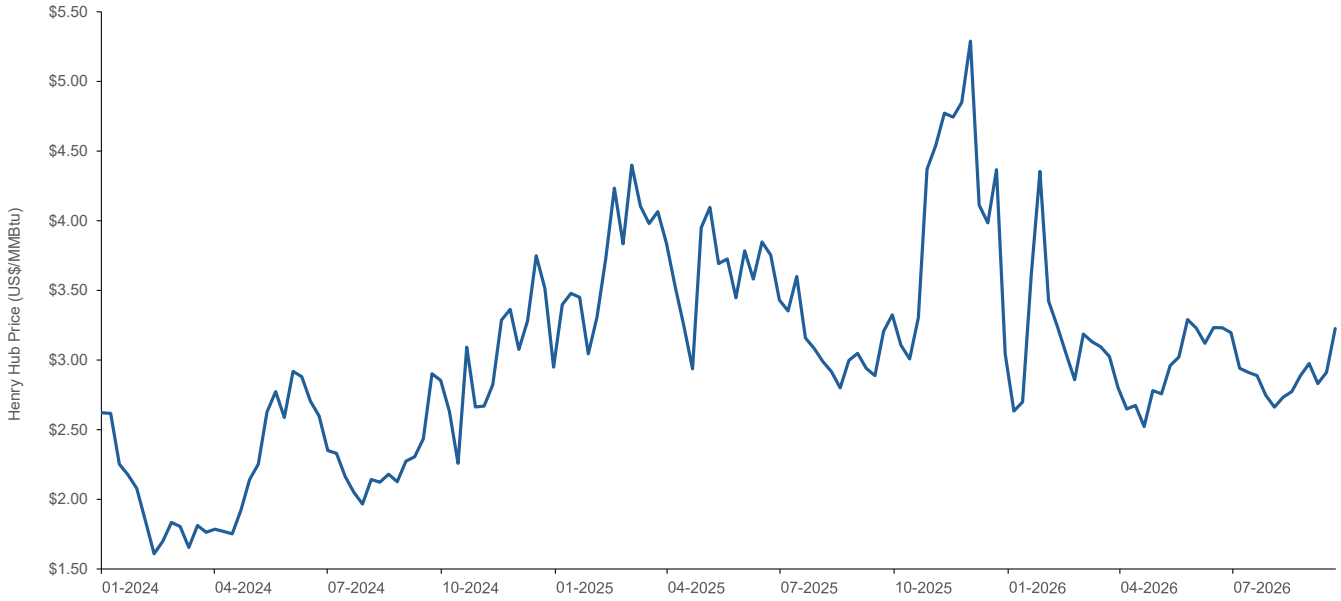
Source: FactSet, Granite Point Research

Exhibit 20: U.S. Distillate Inventories

Source: FactSet, Granite Point Research

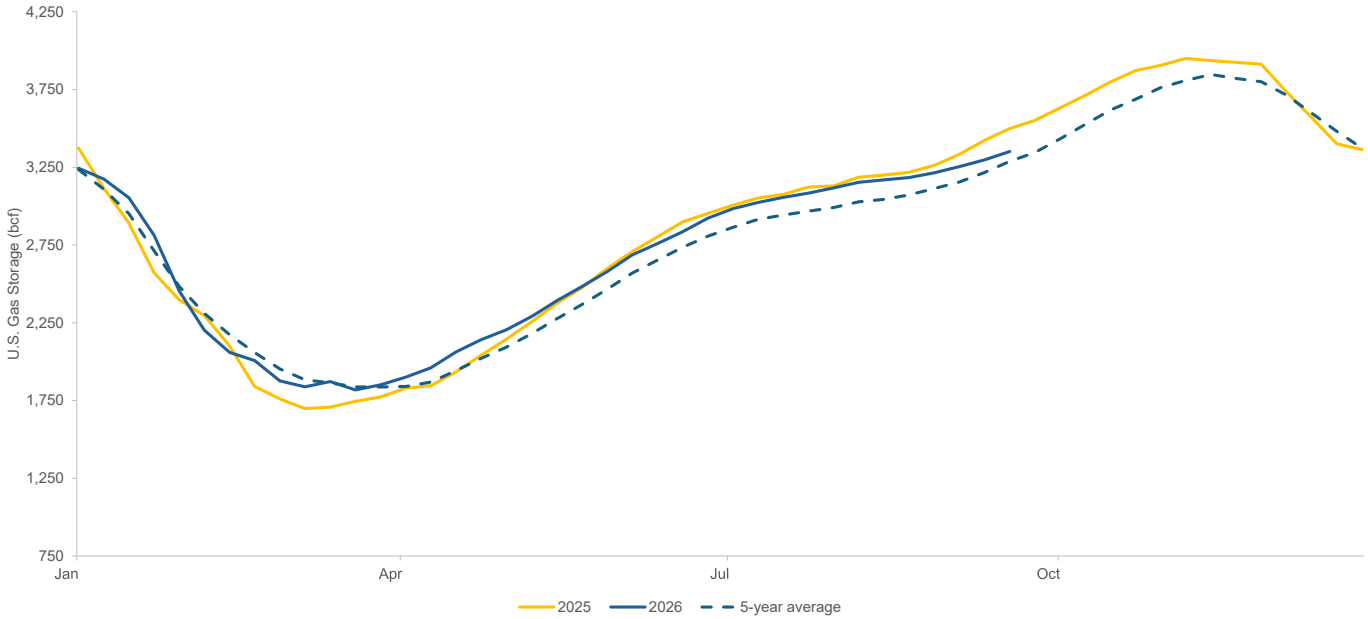
Natural Gas Market

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



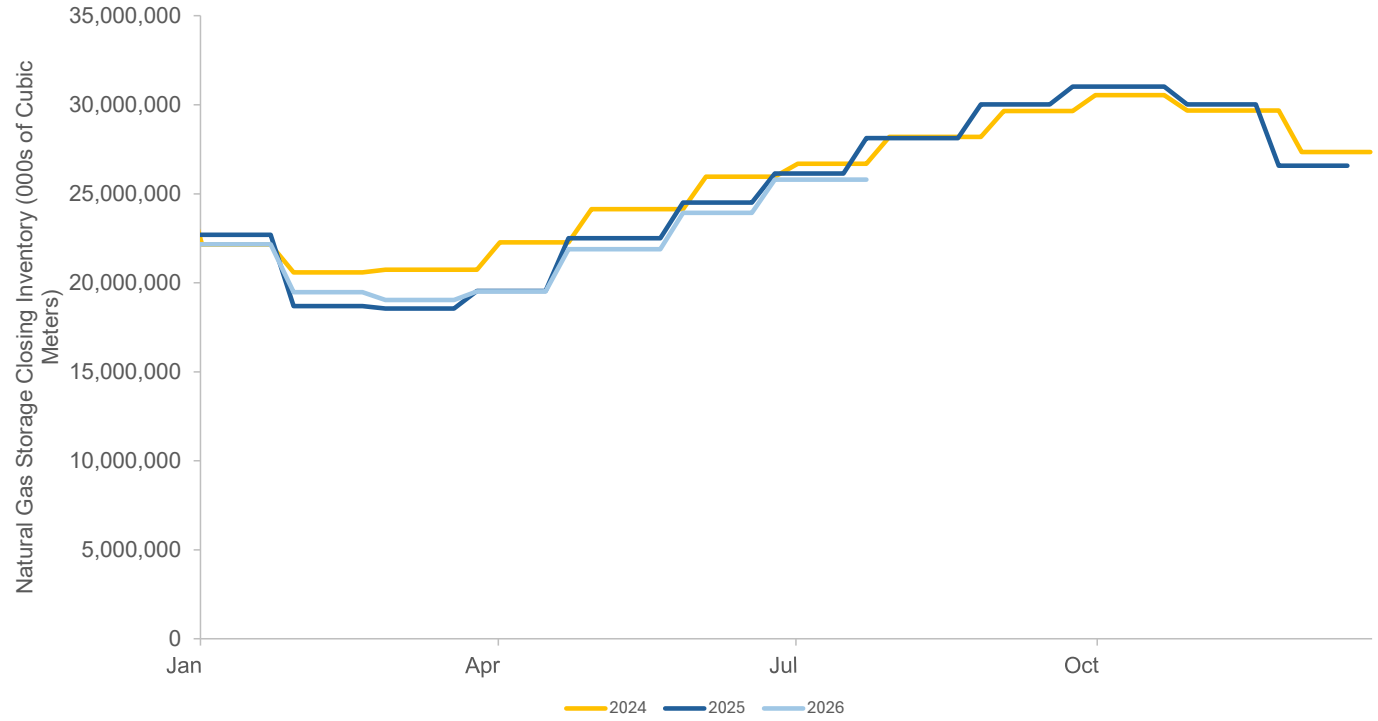
Source: FactSet, Granite Point Research

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



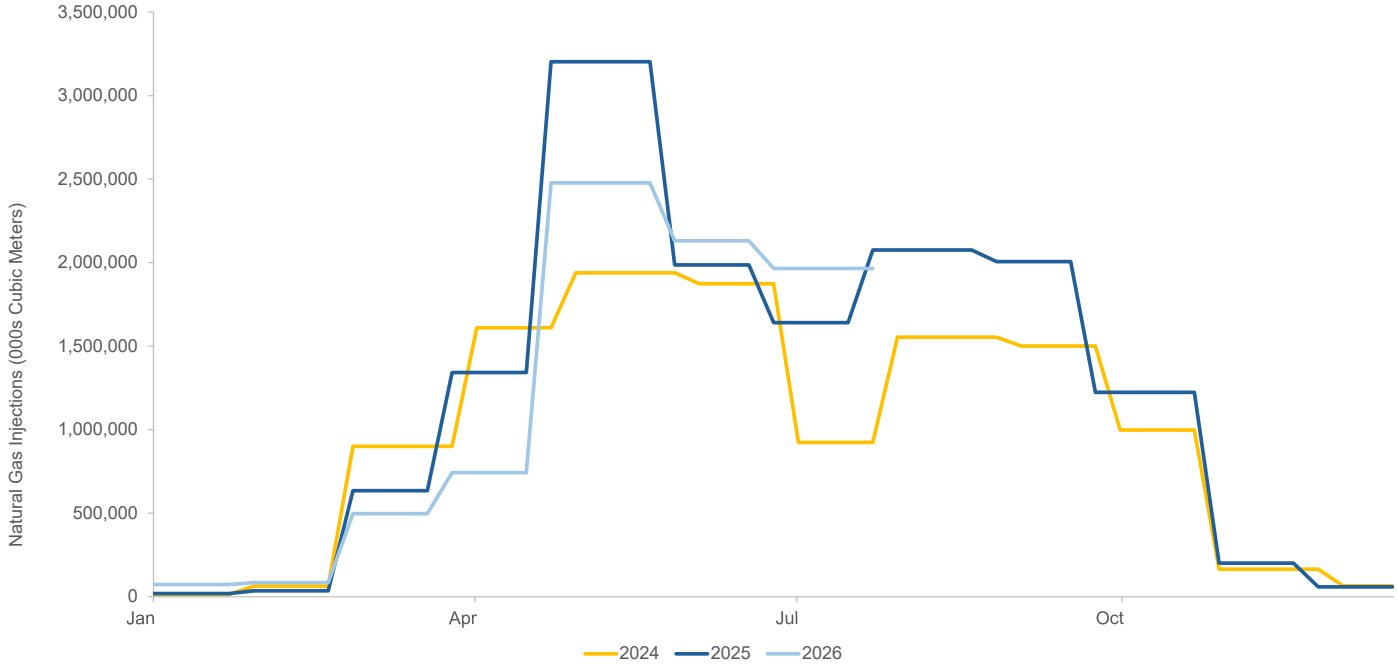
Source: FactSet, Granite Point Research

Exhibit 23: Natural Gas Storage Closing Inventory — Canada



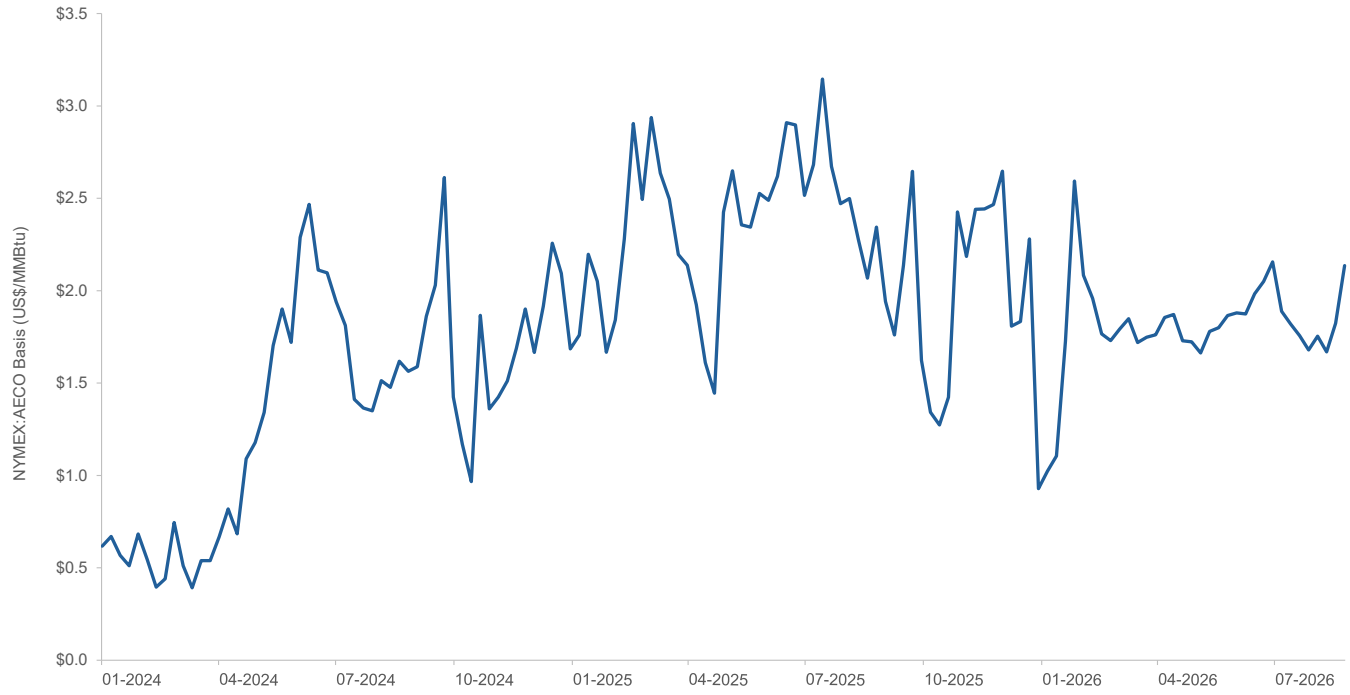
Source: FactSet, Granite Point Research

Exhibit 24: Natural Gas Storage Injections — Canada



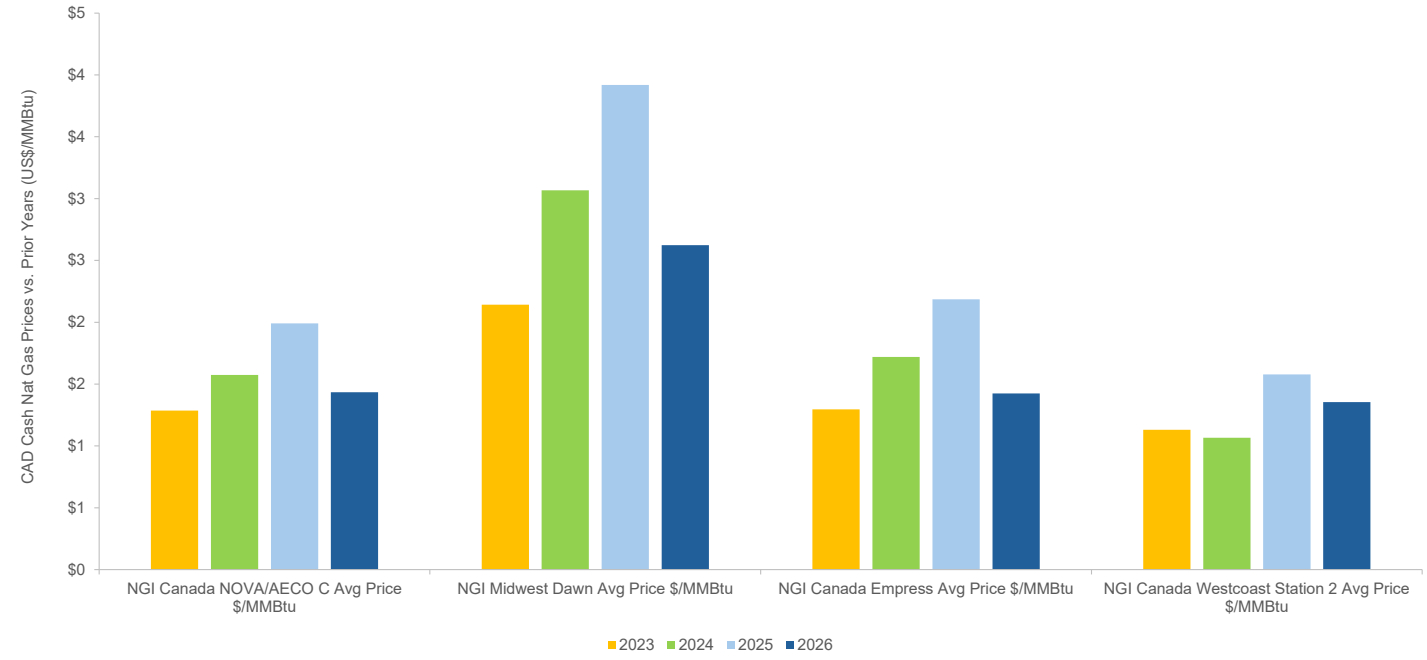
Source: FactSet, Granite Point Research

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



Source: FactSet, Granite Point Research

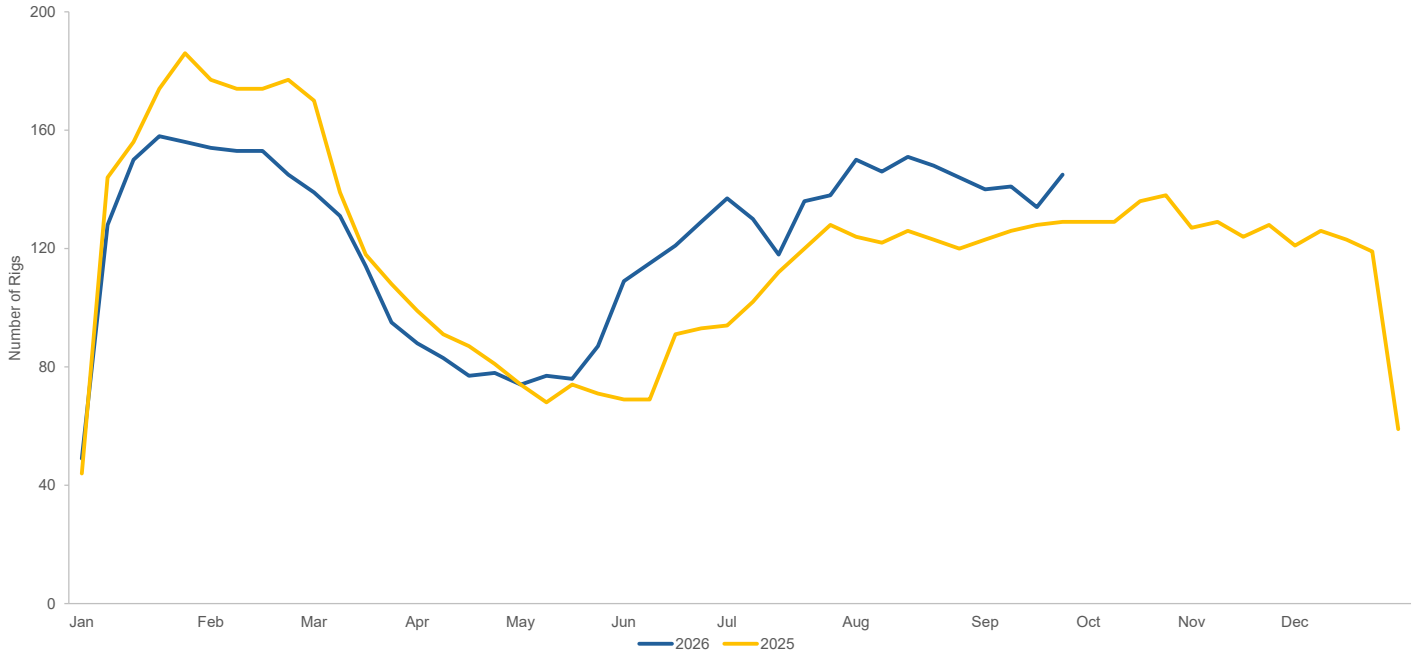
Exhibit 26: Canadian Cash Natural Gas Prices Versus Prior Years



Source: FactSet, Granite Point Research

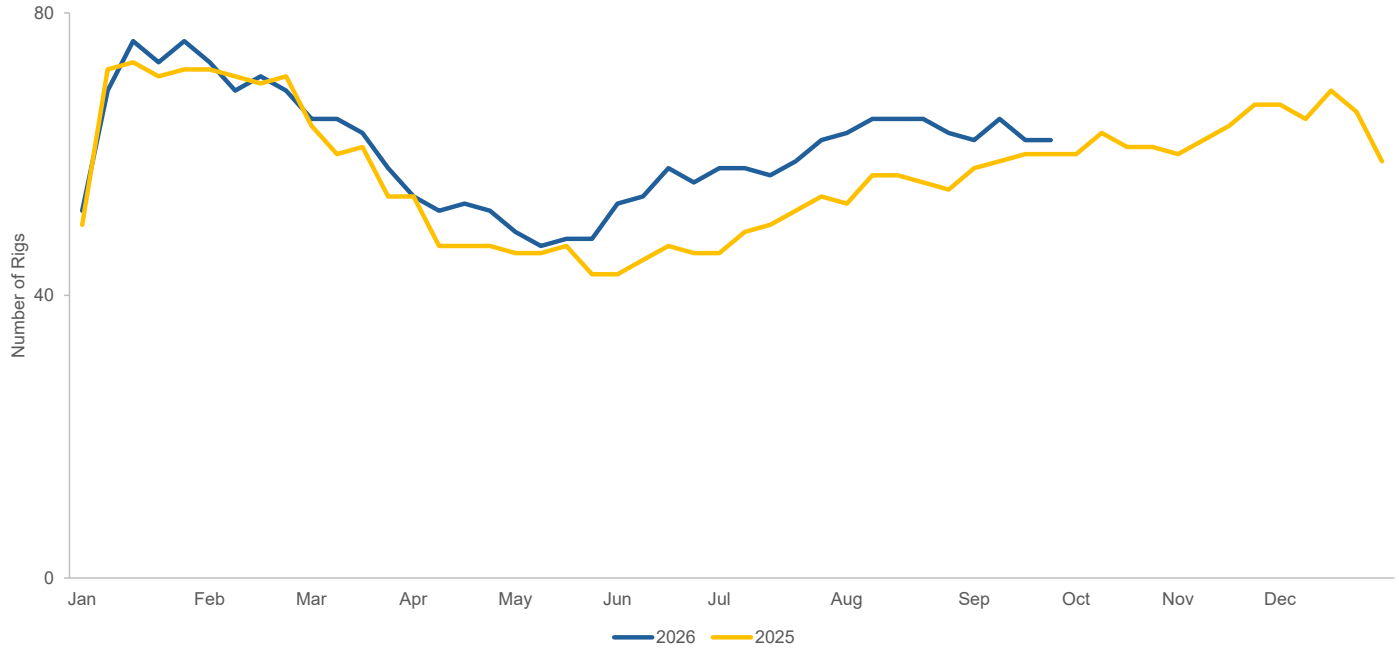
Rig Counts — Canada

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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SELL	

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