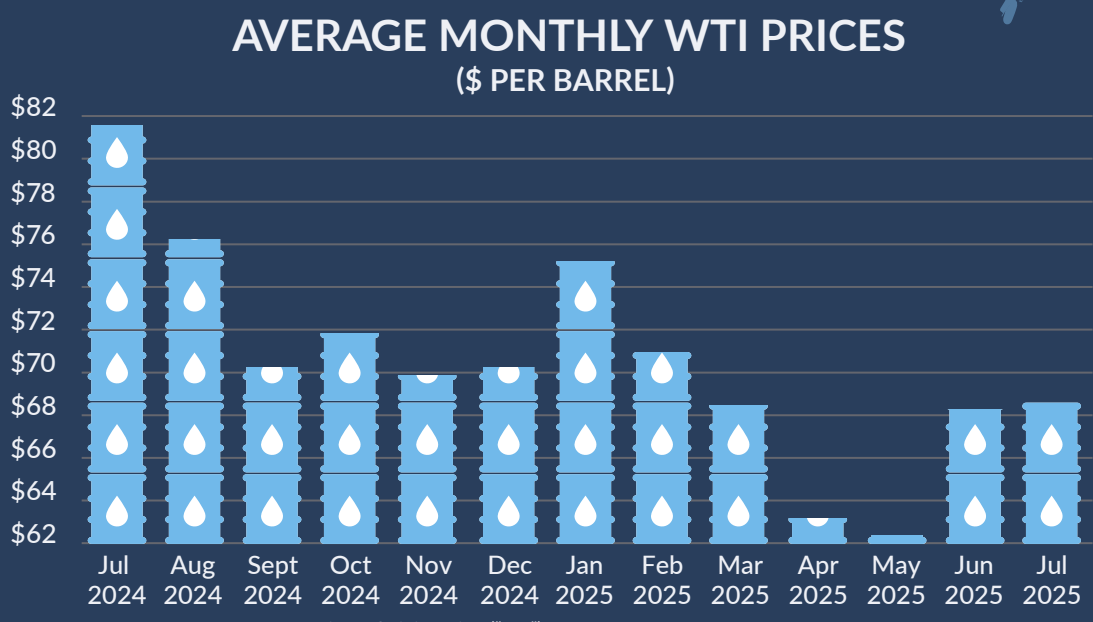


Oil Prices Steady Despite War

Despite recent conflict between Israel and Iran, **oil prices have proven resilient** as direct risks to the region's fossil fuels abated following a ceasefire between the two countries in June. **Oil production increases by the Organization of the Petroleum Exporting Countries** and their allies (collectively "OPEC+"), coupled with spare U.S. production capacity and a potential decline in worldwide oil demand growth, have also leveled out oil prices.

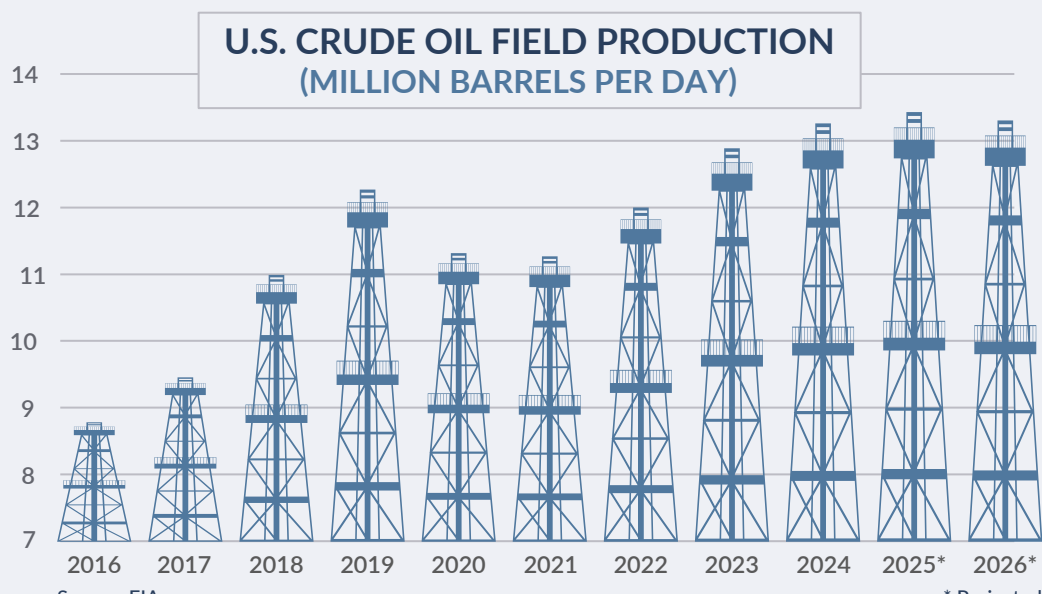
West Texas Intermediate ("WTI") crude oil is the benchmark grade of crude for the U.S.



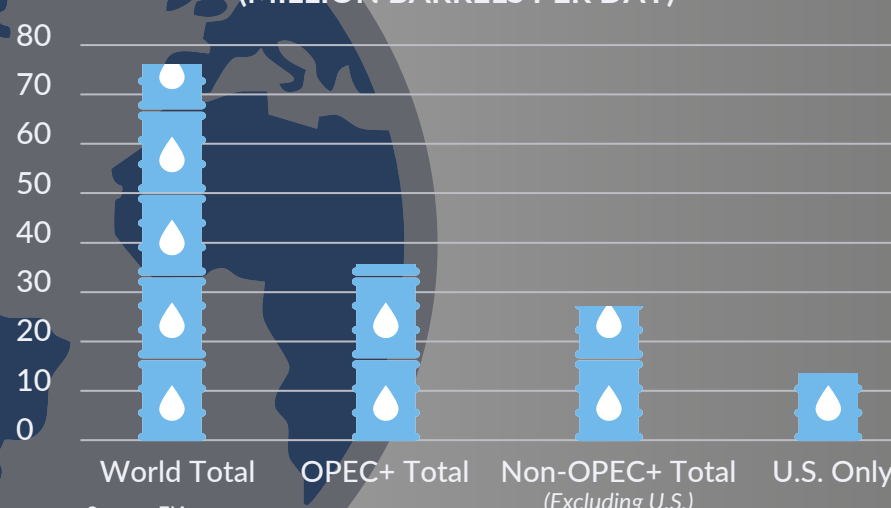
STILL ON TOP

U.S. Leads Oil Production Though Pace Slows

The U.S. has set the record for worldwide oil production over the past two years. **The country is on pace to set another oil production record this year**, though it is below previous EIA estimates due to lower crude prices, which disincentivize drilling activity. **U.S. oil production in 2026 is slated to decrease slightly.**



WORLD OIL PRODUCTION IN 2024 (MILLION BARRELS PER DAY)



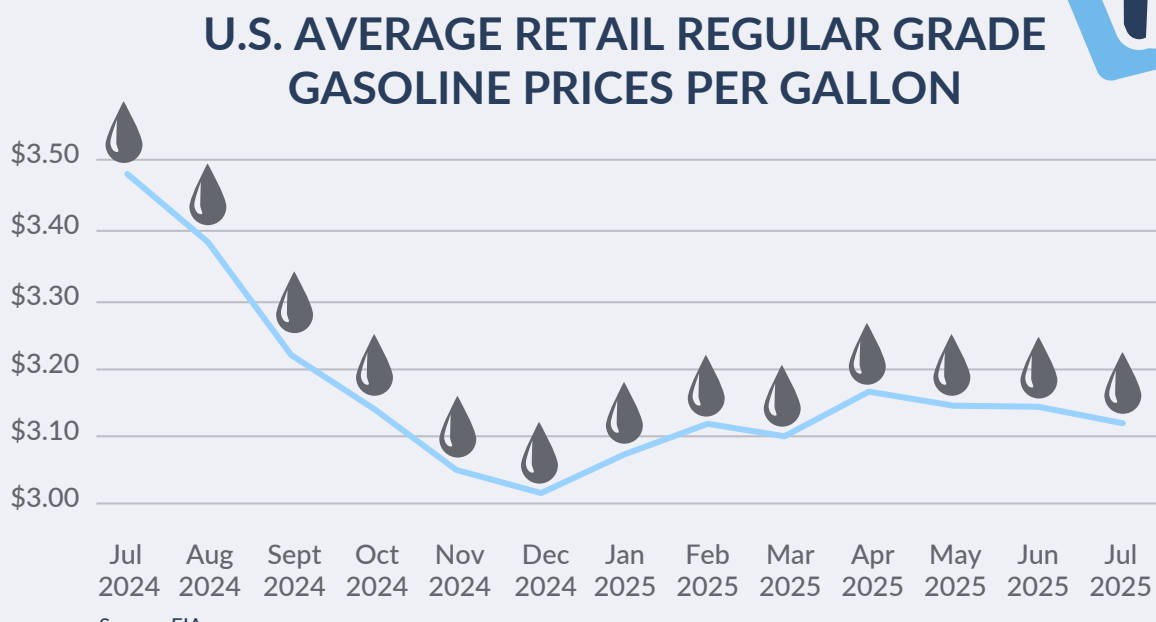
Although OPEC+ is a powerhouse of oil production, the U.S., as the world's top oil producer, **has the ability to fill production voids when OPEC+ reduces production levels.**

Nonetheless, the breakeven price for oil production in parts of the U.S. is higher than it is for many OPEC+ members, **making U.S. producers more sensitive to market price declines.**

RELIEF AT THE PUMP

Gasoline Sees Lowest July Price Since 2021

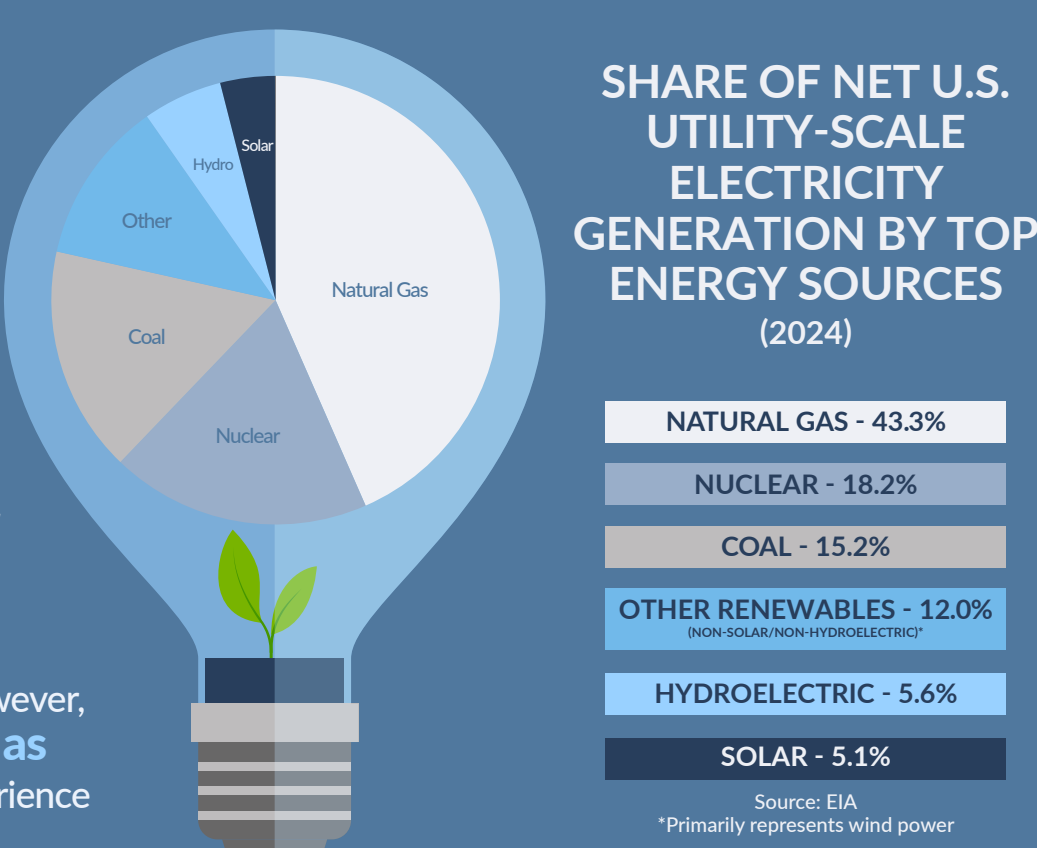
U.S. consumers have seen **lower gasoline prices in 2025**, with the average per-gallon retail price in July representing a **four-year low** for that month, which is typically the busiest driving month. The lower prices – **largely driven by high supplies and modest oil prices** – are a welcome reprieve for consumers looking to reduce commuting expenses.



SUNNY OUTLOOK

Natural Gas Still Top Power Source but Solar Gains

Natural gas continues to reign as the top energy source used to produce electricity in the U.S. However, **it is losing ground to renewables such as solar and wind power** and is slated to experience stagnant growth over the next two years.



Solar power has experienced a tremendous surge in recent years, going from a negligible share of the U.S. power grid several years ago to **5.1% in 2024**, excluding small-scale personal systems. Nonetheless, solar power's outlook has been clouded by a U.S. spending bill passed in the summer of 2025 that limited governmental incentives.

SOLAR POWER GENERATED AT UTILITY-SCALE FACILITIES (IN THOUSAND MEGAWATT-HOURS)

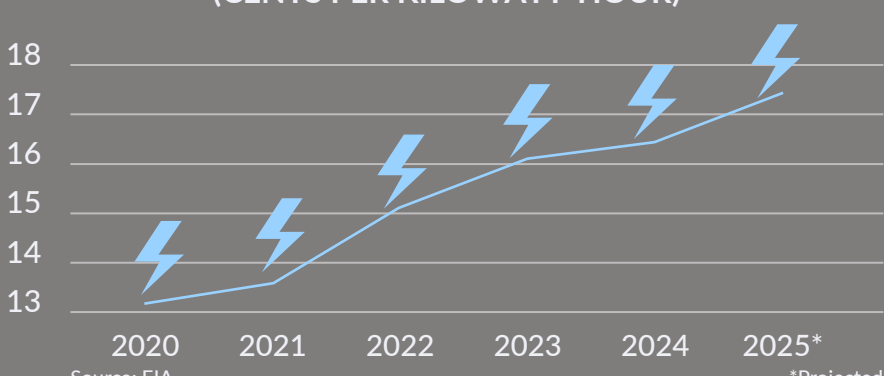
24,893 218,538

2015 2024

Source: EIA

Electricity prices have marched noticeably upward since 2020, though the average growth in prices over the period is well below the 10.1% price spike seen in 2022, when inflation reached a 40-year high. Nonetheless, growth in electricity prices continues to outpace inflation. The EIA expects this trend to continue at least through 2026.

AVERAGE MONTHLY NOMINAL U.S. RESIDENTIAL ELECTRICITY PRICE (CENTS PER KILOWATT-HOUR)

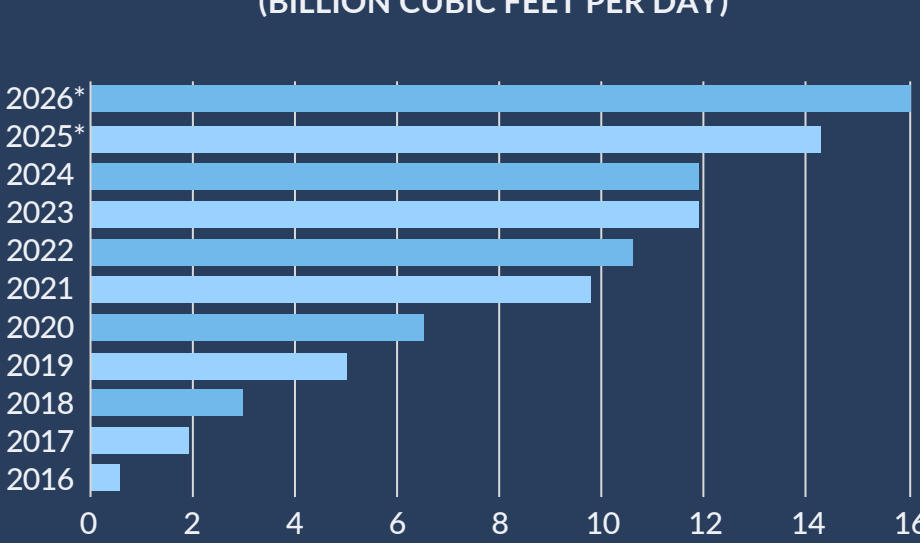


STEPPING ON THE GAS

U.S. Natural Gas Exports Keep Rising

The U.S. has become the world's largest exporter of liquefied natural gas ("LNG") in recent years as a result of competitive prices and investments in natural gas infrastructure. The U.S. has been a net exporter of natural gas since 2016. Since then, **the country's LNG exports have grown dramatically.**

U.S. LNG EXPORTS (BILLION CUBIC FEET PER DAY)



LNG, which represents natural gas cooled into a condensed liquid form, **takes up 600 times less volume than the equivalent mass of the commodity in its gaseous state within a pipeline**, enabling LNG to be transported in special shipping vessels to customers overseas.

VOLUME OF LNG COMPARED TO NATURAL GAS IN PIPELINE (IN UNITS)*

RATIO 1:600

