Giant Capital

April 2026 Report

1.0 Market and Portfolio Commentary

1.1 Macro Industry Commentary

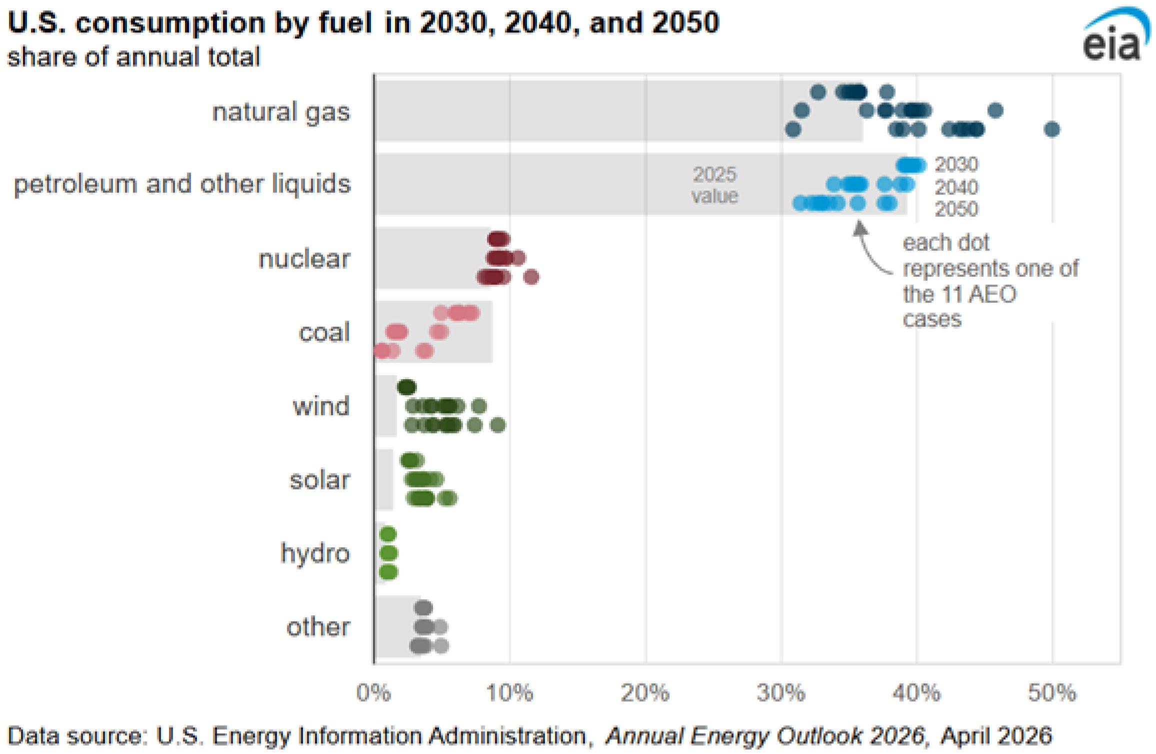
General Market Commentary

US Henry Hub prompt gas prices drifted lower through April with generally benign weather requiring little cooling or heating driven demand. Month-on-month the prompt fell from $2.89/mmbtu at close on 31 March to $2.78/mmbtu at close on 30 April. Calendar 2026 also fell, beginning April at $3.40/mmbtu and ending at $3.28/mmbtu.

The volatility of oil prices was in marked contrast to the stability of those for natural gas. The global benchmarks, Brent and WTI, both reacted with large moves to announcements, often misleading, by the conflicts' principal protagonists. Overall, with the Strait of Hormuz remaining shut, prices increased month-on-month. The prompt began April at $101.38/bbl and closed the month at $105.07/bbl. Calendar 2026 rose from $82.81/bbl to $89.89/bbl.

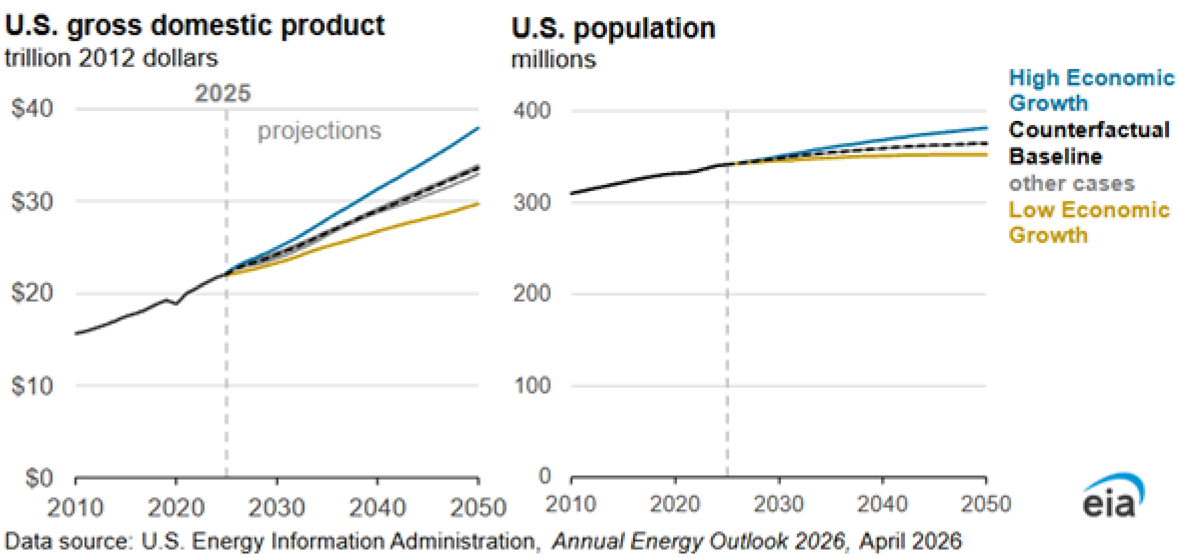
The EIA has released its 2026 Annual Energy Outlook with several scenarios considering the supply of, and demand for, energy in the US in 2030, 2040 and 2050. Natural gas together with petroleum and other liquids continue to dominate energy supply across the forecast horizon in all scenarios (Figure 1).

Figure 1: Forecast US Consumption of Fuel in 2030, 2040 and 2050 (Source: EIA)



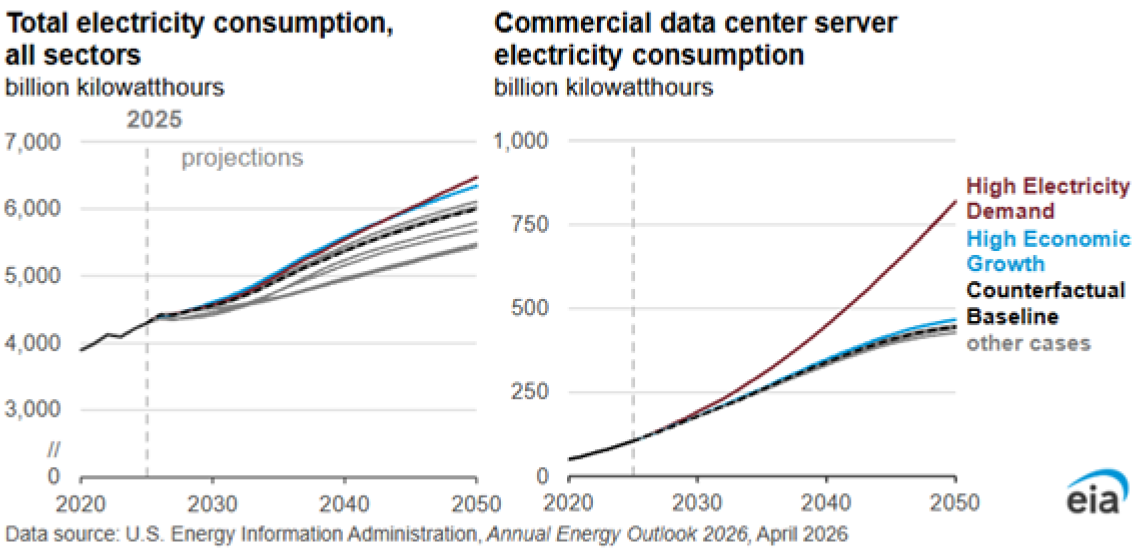
Population and GDP changes are very highly correlated with energy consumption. The EIA's forecasts assume that US GDP grows at an annual average rate between 1.2% and 2.2% through 2050, compared to 2.2% per year over the period from 200 to 2025 (LHS, Figure 2). The EIA projects a US population in 2050 of between 352 million and 382 million people (RHS, Figure 2).

Figure 2: Forecast US GDP and Population (Source: EIA)



After 15 years of nearly flat US electricity consumption, over the last 5 years demand has increased on average by 2.1% per year. The EIA projects that total electricity consumption will continue growing through 2050 at a rate of 0.9% to 1.6% p.a. (LHS, Figure 3), with data centre server energy use a major contributor to this growth (RHS, Figure 3). In the High Electricity Demand case, the EIA projects that data centre server energy use alone will grow to 818 billion kilowatt-hours in 2050, a scenario that delivers server electricity consumption in 2050 more than 16 times that in 2020. The High Electricity Demand case shows 84% more data centre server electricity use than the minimum Baseline case.

Figure 3 Forecast US Electricity Consumption (Source: EIA)



The latest Baker Hughes rig count data follows. In April, US total land rigs decreased from 536 to 527. Total oil rigs fell from 411 to 410, gas rigs fell from 130 to 129.

Baker Hughes

NORTH AMERICA Rotary Rig Count

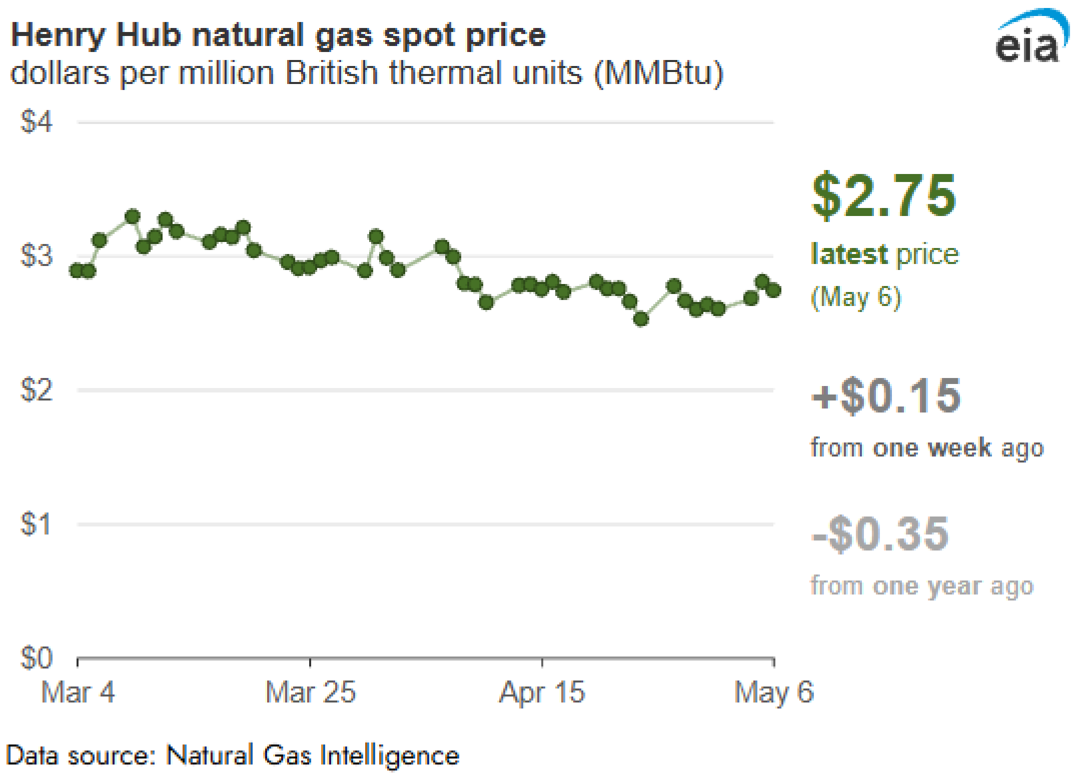
08/05/2026

Location	Week	+/-	Week	+/-	YearAgo
Inland Waters	3	0	3	0	3
Land	527	2	525	-37	564
Offshore	18	-1	19	7	11
United States Total	**548**	**1**	**547**	**-30**	**578**
Gulf of Mexico	**9**	**-1**	**10**	**0**	**9**
Canada	**124**	**1**	**123**	**10**	**114**
North America	**672**	**2**	**670**	**-20**	**692**
U.S. Breakout Information	**This Week**	**+/-**	**Last Week**	**+/-**	**Year Ago**
Gas	129	-1	130	21	108
Oil	410	2	408	-57	467
Miscellaneous	9	0	9	6	3
Directional	50	0	50	9	41
Horizontal	481	1	480	-41	522
Vertical	12	0	12	-3	15

Gas Market

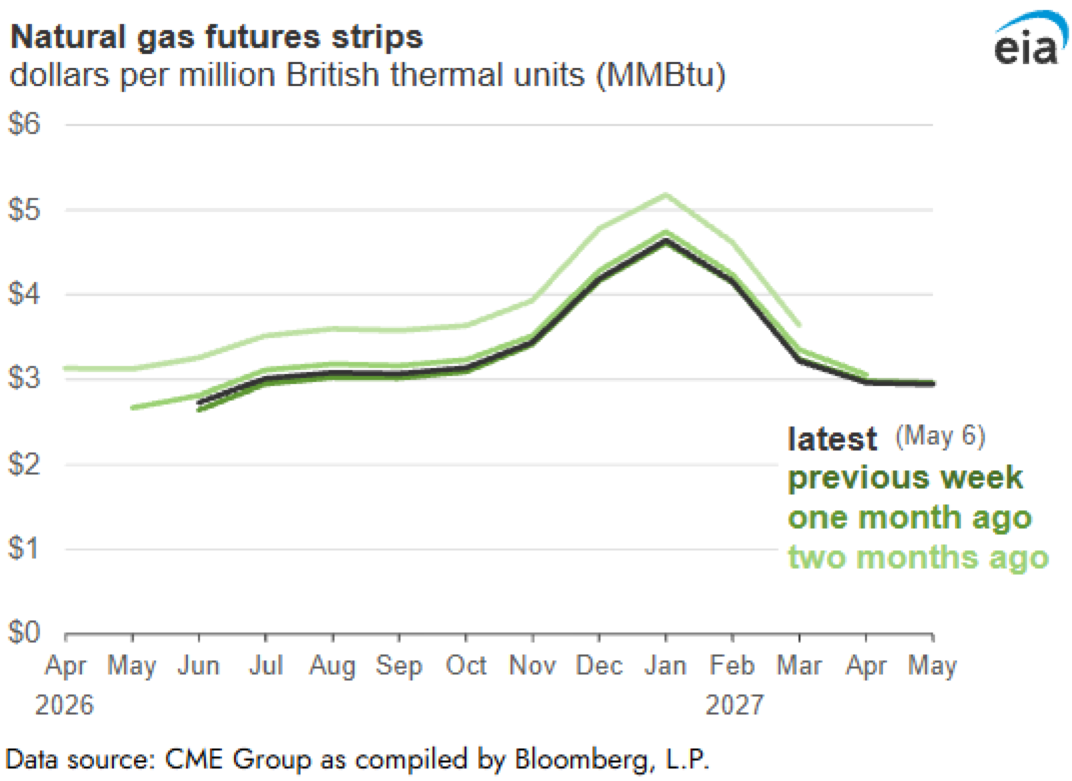
Henry Hub prompt prices were uncharacteristically stable throughout April, drifting marginally lower on benign weather (Figure 4).

Figure 4: Henry Hub Natural Gas Spot Price (Source: EIA)



With limited near-term opportunities to increase LNG exports and ample domestic seasonal natural gas storage and supply, the Henry Hub forward strip has also edged lower from its levels two months ago, although there has been little change in the curve over the last month (Figure 5).

Figure 5: Natural Gas Futures Strips (Source: Bloomberg, via IEA)

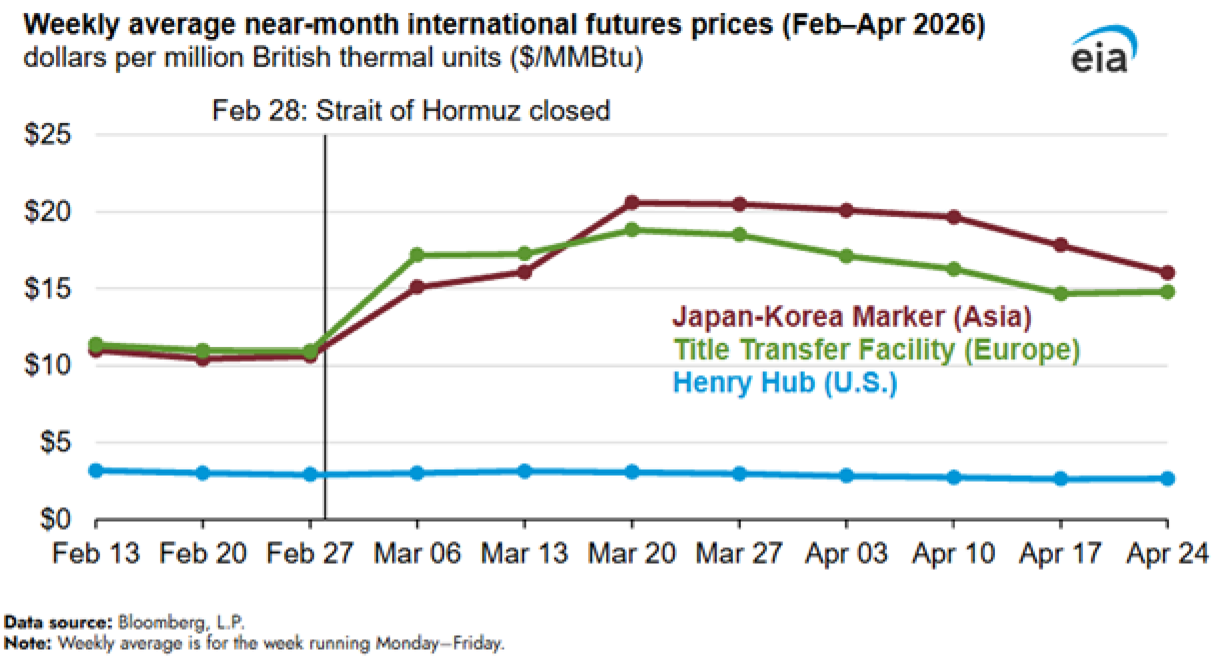


Global LNG exports are down sharply due to the ongoing Strait of Hormuz shock (Figure 6).

Figure 6: YoY Change in Global LNG Loadings (Source: Kpler, GS)

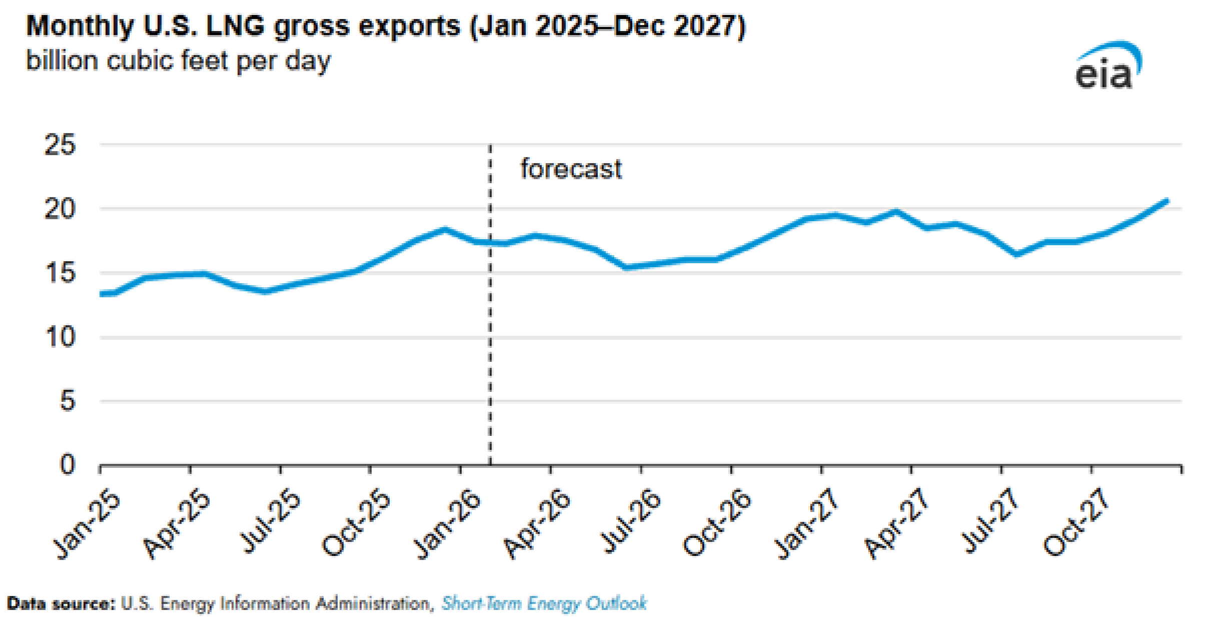
Loss of supply has driven international natural gas prices higher. Futures prices for LNG delivered to the Title Transfer Facility (TTF), the European benchmark price, increased to $14.80/mmbtu for the week ended 24 April, 35% higher than before the closure of the Strait of Hormuz. The front-month futures price for the Asian benchmark Japa-Korea Marker (JKM), rose 51% over the same period to $16.02/mmbtu (Figure 8).

Figure 8: Weekly Average Near-Month International Futures Prices (Source: Bloomberg, via EIA)



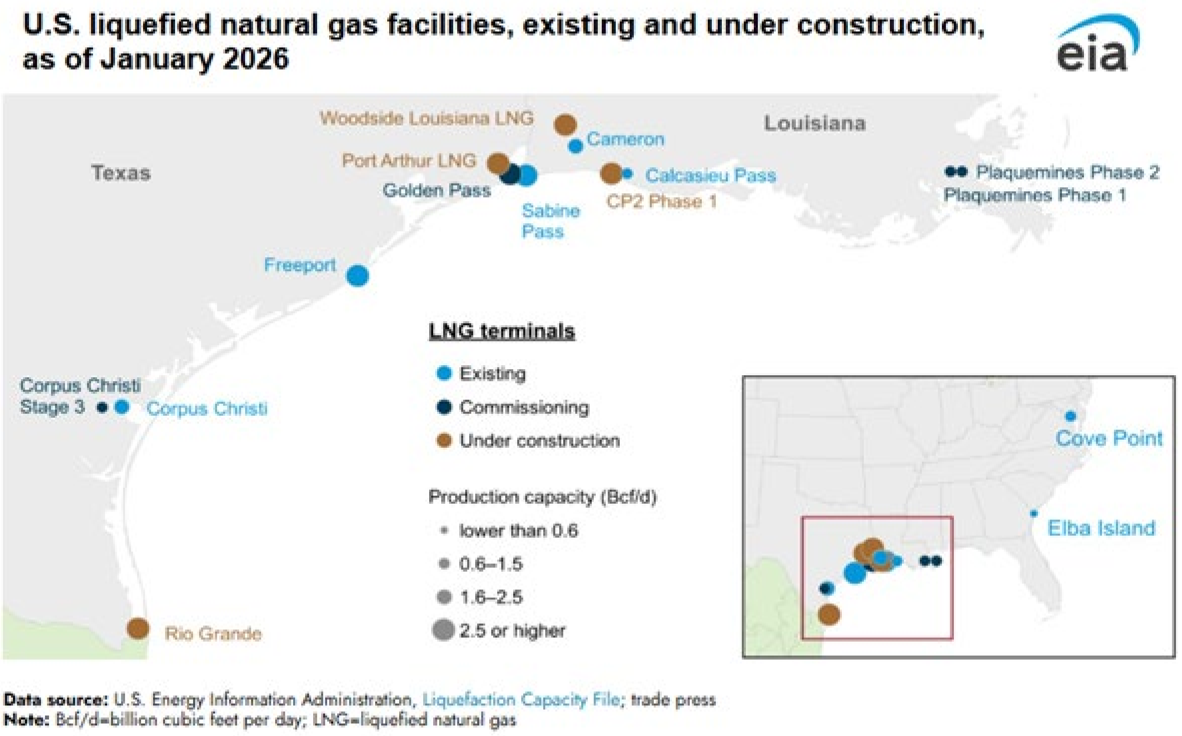
The EIA expects that US LNG exports will continue to increase, although not by enough to replace all the missing Qatari volumes. Approximately 2.4bcf/d of new LNG export capacity will come online between April and December 2026 – Golden Pass (Trains 1-2) and Corpus Christi Stage 3 (Trains 5 – 7) (Figure 9).

Figure 9: Monthly US LNG Gross Exports (Jan 2025 – Dec 2027) (Source: EIA)



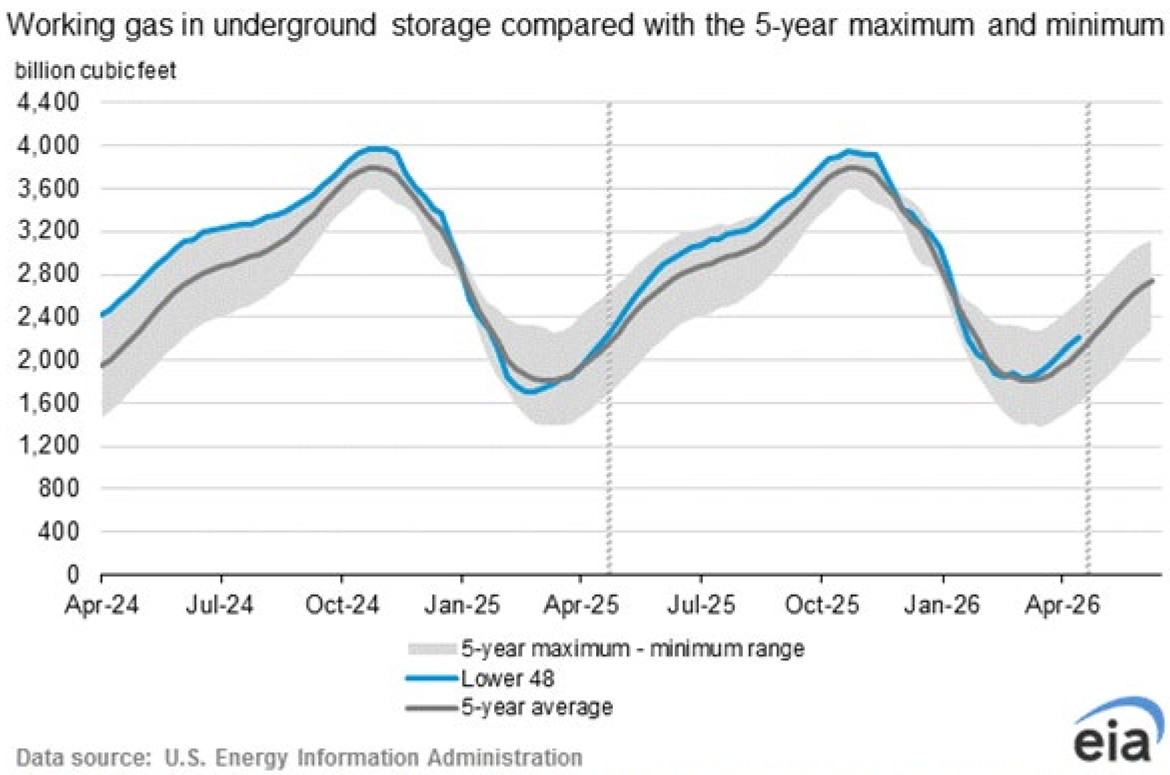
Golden Pass LNG shipped its first cargo from Train 1 on 22 April. The facility was developed by a joint venture between Qatar Energy (70%) and ExxonMobil (30%). The project consists of three liquification trains with combined total peak capacity of 2.4bcf/d. Golden Pass LNG aims to start up Train 2 in 2H26 and Train 3 in 1H27. Figure 10 shows the location of current and coming US LNG terminals.

Figure 10: US LNG Facilities (Source: EIA)



Working gas in storage was 2,205bcf as of 1 May 2026, according to EIA estimates, an increase of 63bcf from the previous week. Stocks were 75bcf higher than last year at this time and 139 bcf above the five-year average of 2,066bcf (Figure 11).

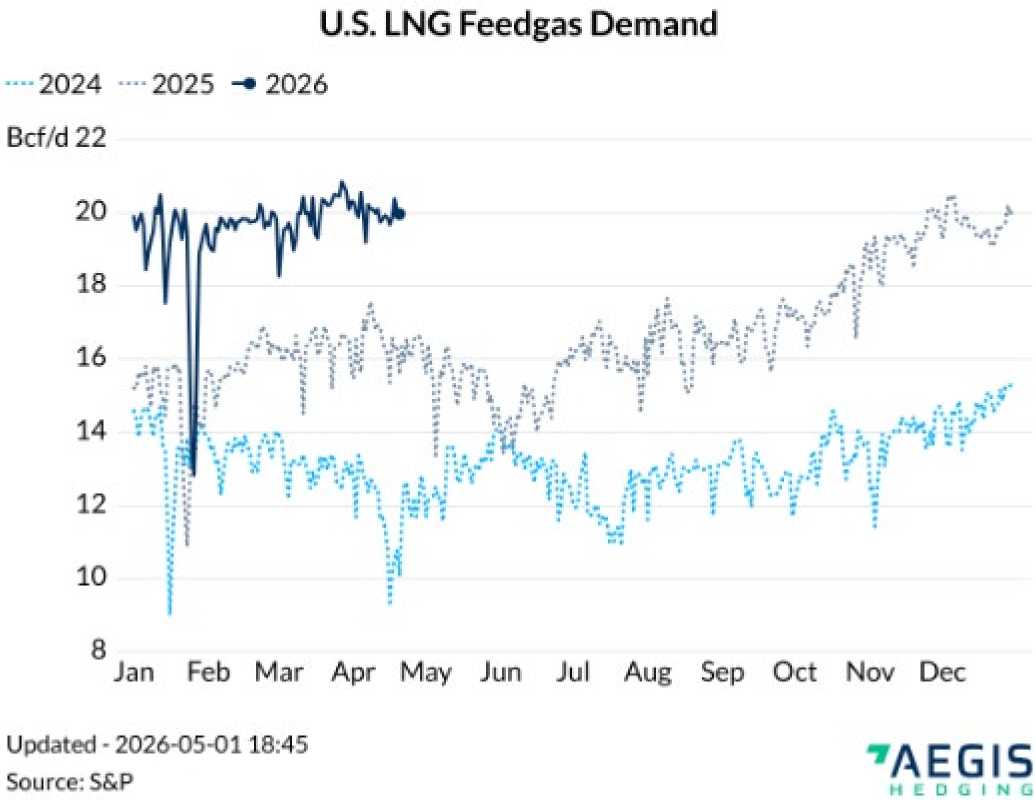
Figure 11: US L48 Natural Gas in Storage (Source: EIA)



Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2021 through 2025. The dashed vertical lines indicate current and year-ago weekly periods.

US LNG feedgas demand remained steady at approx. 20 bcf/d through April (Figure 12). All US LNG export facilities are running at maximum capacity.

Figure 12: US LNG Feedgas Demand (Source: S&P, via AEGIS)

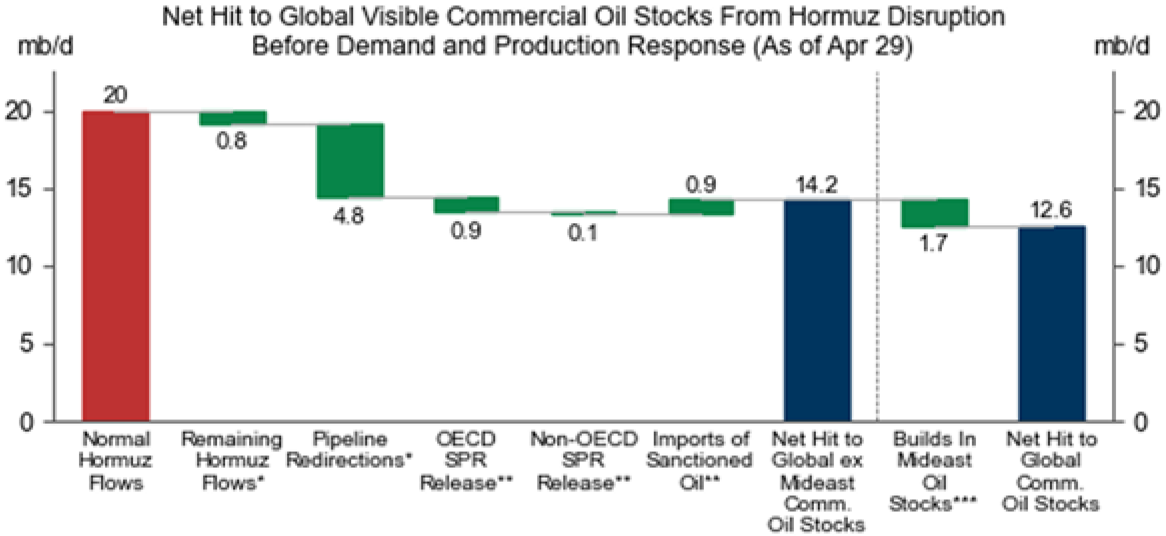


Oil Market

Goldman estimates that disruption to transit through the Strait of Hormuz have reduced global commercial oil stocks by 12.6mmbbld before considering demand and production responses (Figure 13).

Figure 13: Impact of Hormuz Disruption on Oil Stocks (source: various, via GS)

Exhibit 2: We Estimate a Net Hit from Strait of Hormuz Disruptions to Global Commercial Oil Stocks of 12.6mb/d Now (Before the Demand and Production Response)

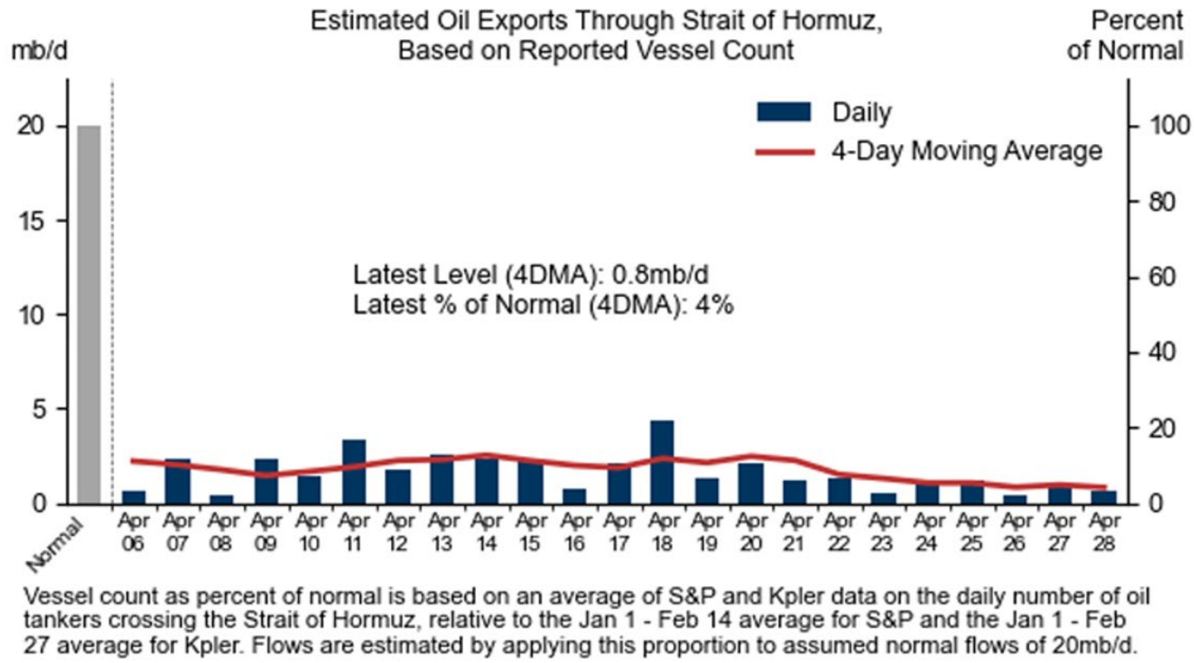


Changes are smoothed by taking a *4-day or **7-day moving average. We define the hit relative to 2025 average flows of 3.5mb/d for pipelines, 0.06/0.05mb/d for OECD/non-OECD SPR builds, and 4.9mb/d for imports of sanctioned (Iran and Russia) crude and condensate. ***Builds in Mideast stocks are the average daily change since Feb 27.

Source: Kpler, Goldman Sachs Global Investment Research

Based on reported vessel counts, Goldman estimates that average daily oil flows through the Strait of Hormuz are down by 96% from their normal levels (Figure 14).

Figure 14: Estimated Oil Exports through the Strait of Hormuz (Source: various, via GS)

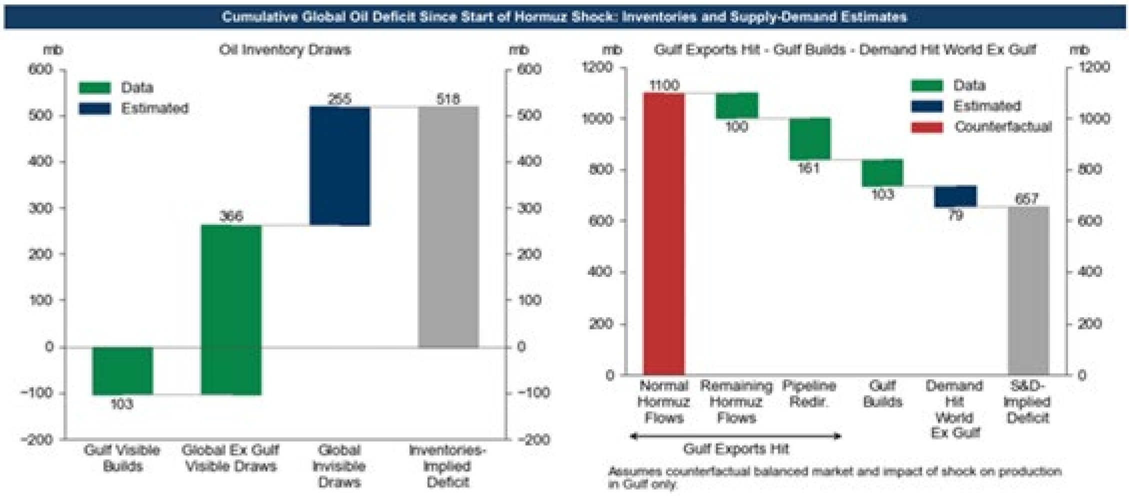


Source: S&P Global Commodities at Sea, Kpler, Goldman Sachs Global Investment Research

As of 24 April, Goldman estimates that there has been a cumulative global decline in oil reserves in storage of between 500 and 700mmbbls (Figure 15).

Figure 15: Cumulative Global Oil Deficit since Start of Hormuz Shock (Source: various, via GS)

Exhibit 15: We Estimate 500-700mb of Global Draws Since the Start of the Hormuz Shock as of April 24

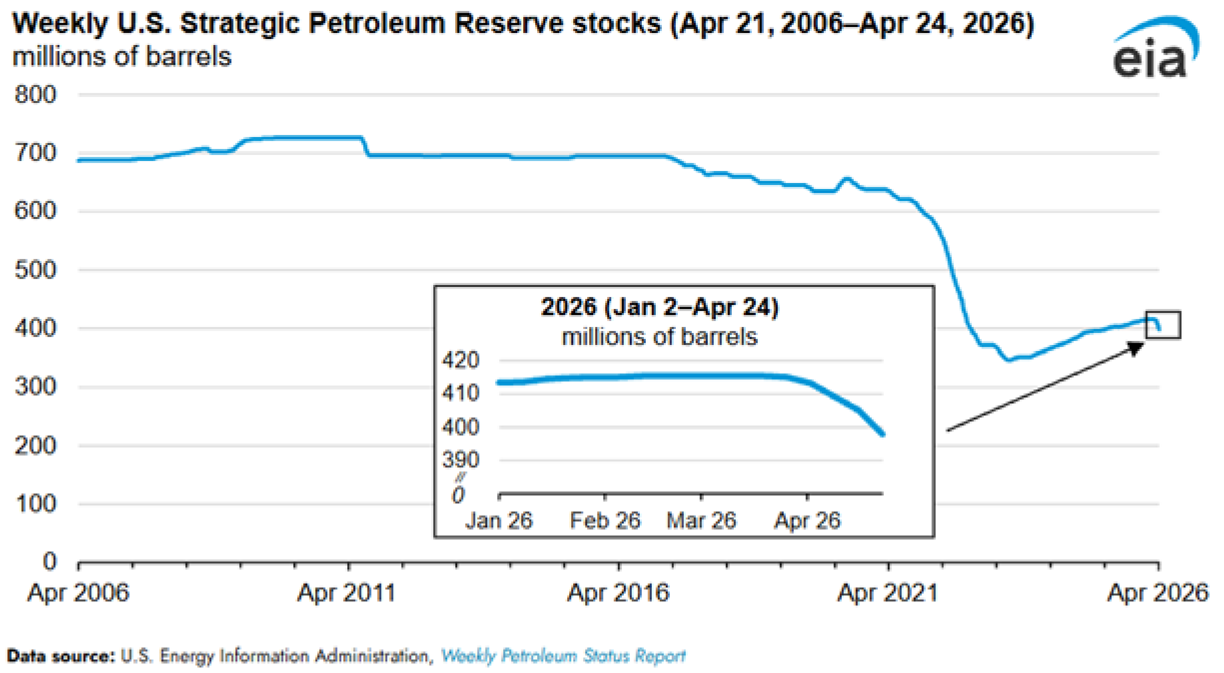


We use that the global oil deficit is equal to 1) all global oil inventory draws (left panel) and 2) global oil demand minus global oil production (right panel). The right panel estimates global demand minus global production as the hit to Gulf production minus the hit to global demand (assuming a counterfactual balanced market and no short-term production response outside the Gulf). We estimate the hit to Gulf production as the the sum of the hits to Gulf exports demand (tracked with Hormuz- and pipeline flows), Gulf local demand, and Gulf inventories. We consider all global inventories (commercial and strategic; on land and on water; crude, NGLs, and products).

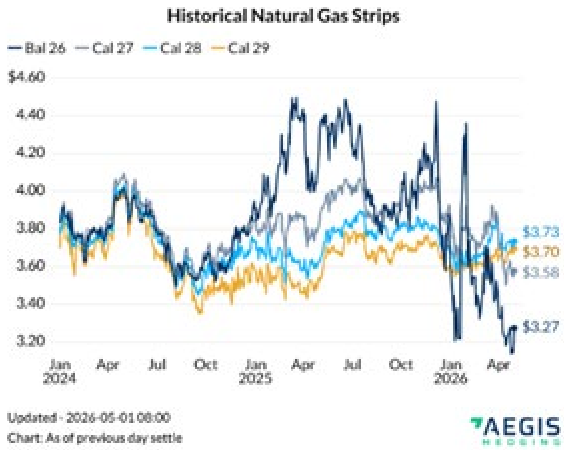
Source: Kpler, S&P Global Commodities at Sea, Goldman Sachs Global Investment Research

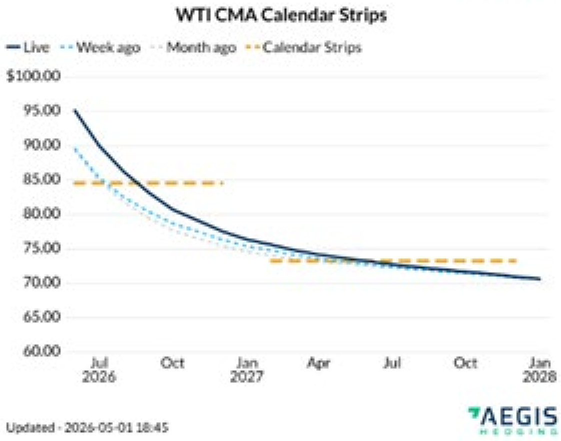
According to EIA data, between the week ending 20 March and that ending 24 April, the US Department of Energy (DOE) released at total of 17.5mmbbl of crude oil from the US Strategic Petroleum Reserve (SPR, Figure 16). The total planned release from the SPR is 172mmbbl.

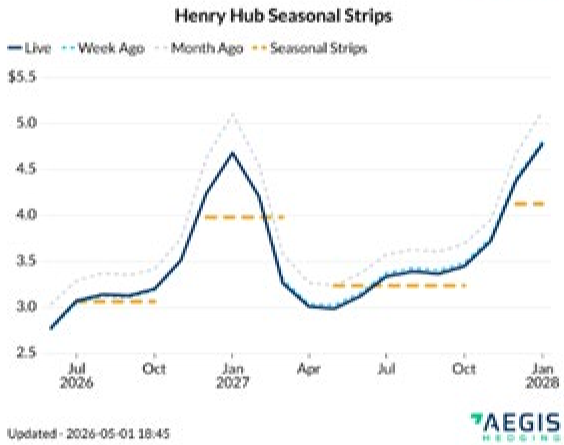
Figure 16: Weekly US SPR Stocks (Source: EIA)



Gas and Oil Prices 1 May 2026







Crude Oil Swap Pricing

	2026	2027	2028	2029
NYMEX WTI	$86.52	$73.27	$69.28	$66.58
LLS	$89.46	$76.53	$72.02	$69.62
Mars	$90.07	$76.21	$68.52	$66.12
Dubai	$91.39	$79.21	$75.13	$72.77
WCS-WTI	-$15.15	-$14.76	-$14.24	NaN
ICE Brent	$93.67	$79.02	$74.85	$72.58
Dated Brent	$98.03	$79.72	$75.00	$72.73
West TX Sour (WTS)	$86.91	$73.30	$69.27	$66.62

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Table: As of previous day settle

Natural Gas Liquids

	Month 1	2026	2027	2028
MBV x-TET C2	$0.203	$0.217	$0.225	$0.230
MBV x-TET C3	$0.854	$0.841	$0.746	$0.649
MBV x-TET C4	$1.163	$1.137	$0.920	$0.780
MBV x-TET C5	$2.167	$1.932	$1.523	$1.407

Natural Gas Basis Swap Pricing

	prompt	Winter 26/27	Summer 26	Winter 27/28	Summer 27
Henry Hub Fixed	$2.767	$3.967	$3.041	4.133	$3.240
Panhandle East	-$0.613	$-0.411	$-0.669	-0.399	$-0.608
Eastern Gas South	-$0.815	$-0.689	$-0.909	-0.693	$-0.902
Waha	-$8.250	$-1.348	$-5.223	-1.687	$-1.601
TETCO M3	-$0.715	$2.124	$-0.756	1.908	$-0.703
Houston Ship Channel	-$0.365	$-0.550	$-0.396	-0.392	$-0.435
Columbia Gulf Mainline	-$0.288	$-0.237	$-0.296	-0.298	$-0.285
NGPL TXOK	-$0.370	$-0.522	$-0.364	-0.433	$-0.406
SOCAL	-$1.758	$-0.113	$-0.963	0.100	$-0.402
AECO	-$1.708	$-1.939	$-1.906	-1.844	$-1.699
Chicago City-Gates	-$0.345	$0.212	$-0.348	0.194	$-0.306

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Table: As of previous day settle

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