SUPPORTING MATERIALS FOR HOUSE OF REPRESENTATIVES ENERGY & COMMERCE COMMITTEE SUBCOMMITTEE ON ENERGY & POWER

McGRAW HILL FINANCIAL

PLATTS

McGRAW HILL FINANCIAL

"21st Century Energy Markets: How the Changing Dynamics of World Energy Markets Impact our Economy and Energy Security"

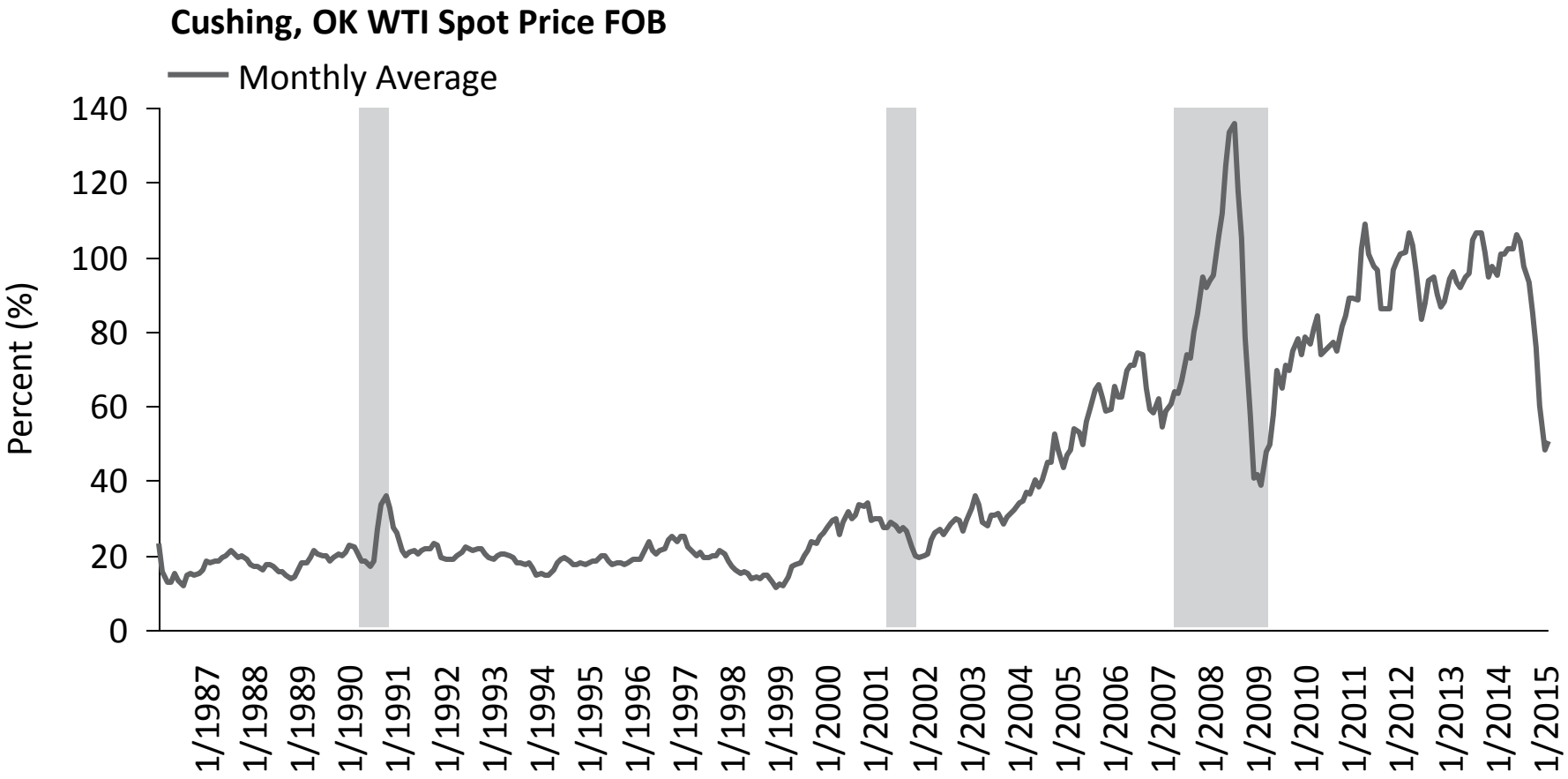
March 2, 2015

John Kingston

President, McGraw Hill Financial Global Institute

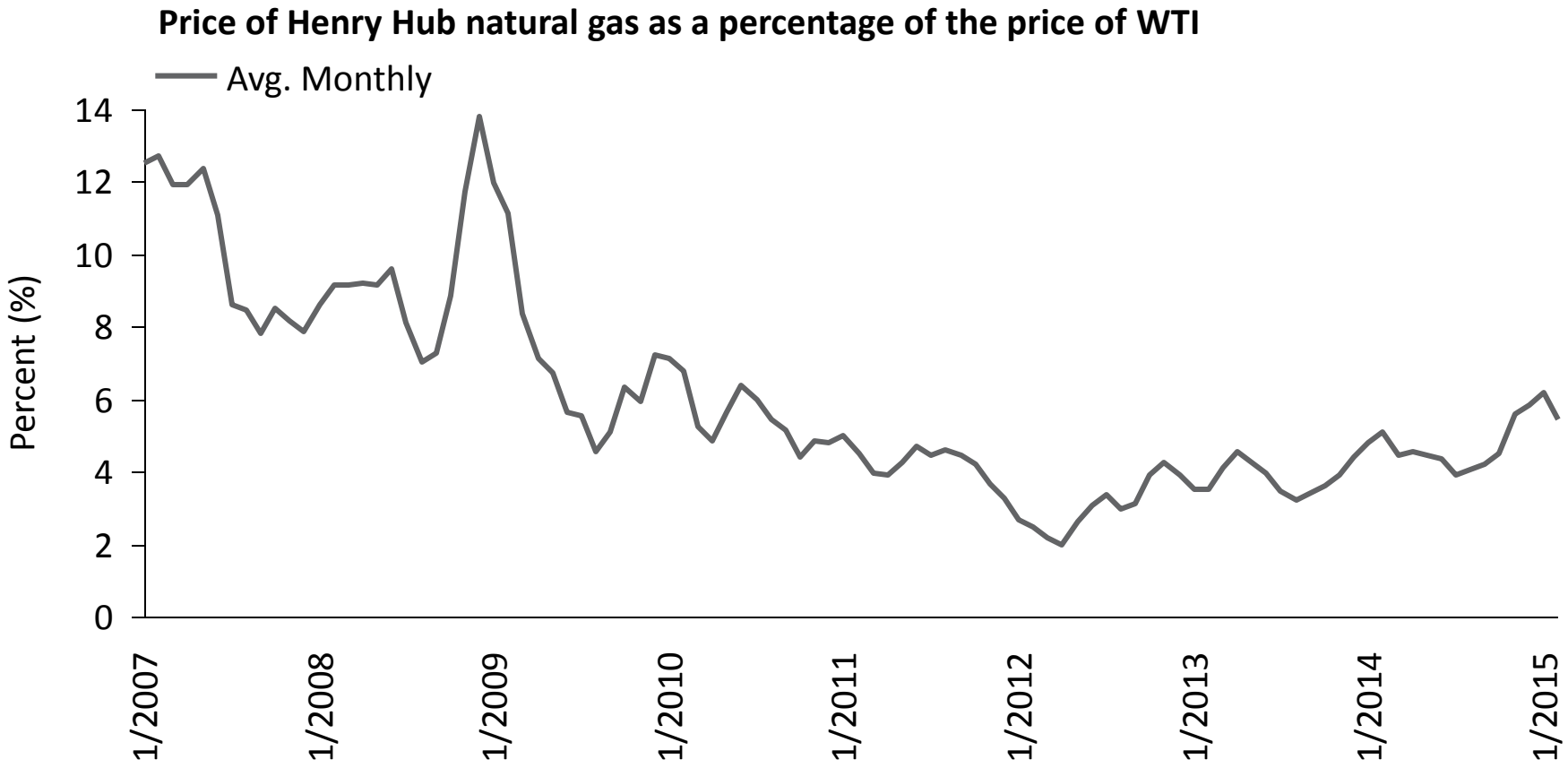
The Fall In The Price Of Oil

It is the growing imbalance between supply and demand that finally combined this year to send the market plunging.



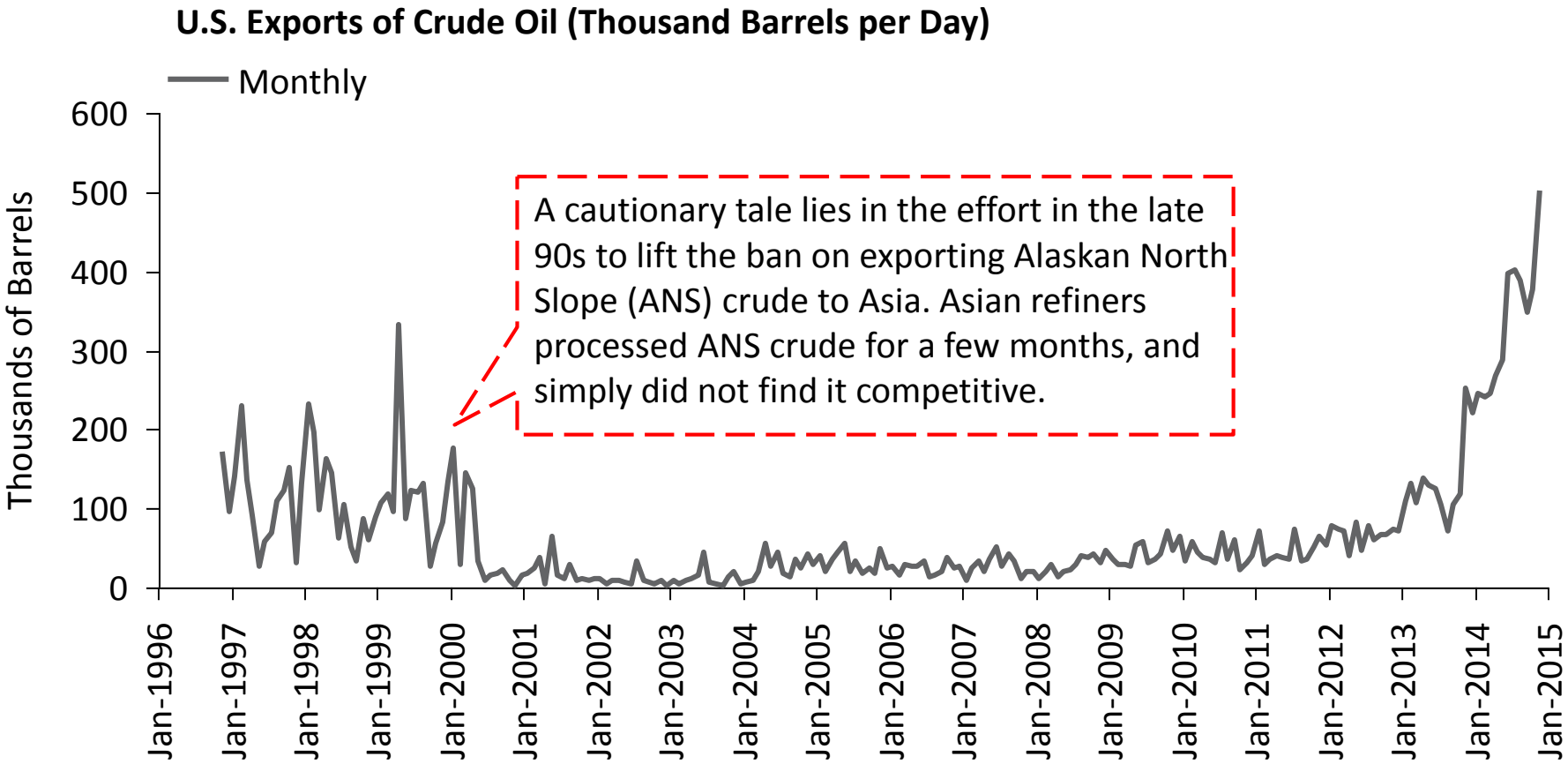
Nat Gas Relative To Crude

It's cheaper to produce a BTU of energy from natural gas relative to crude today than it was back before the start of 2009.



U.S. Exports Of Crude Oil

It's not clear how U.S. crudes would do battle in an international market if export bans were lifted.

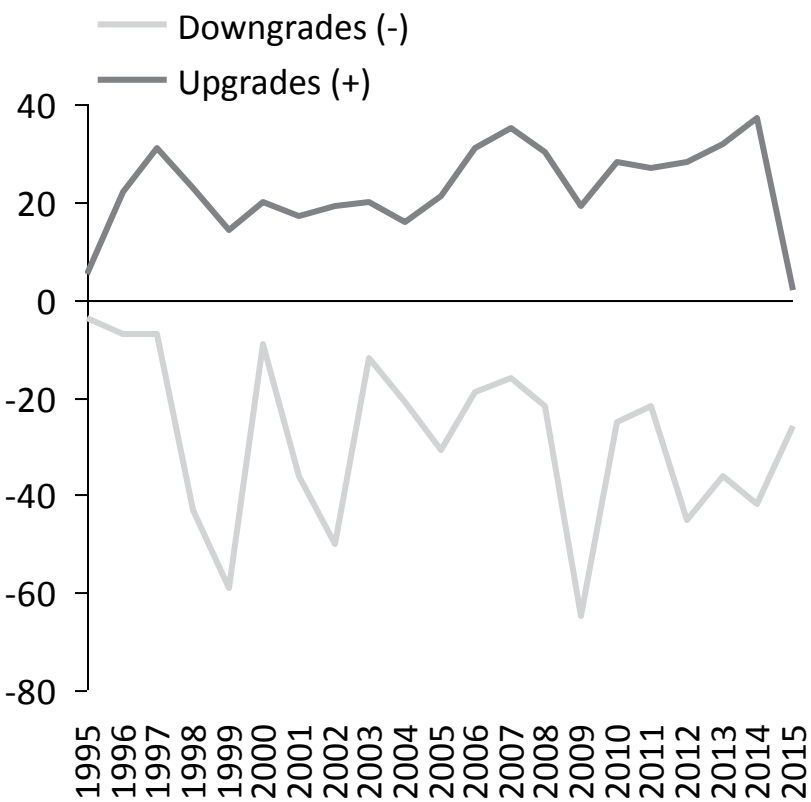


Source: EIA

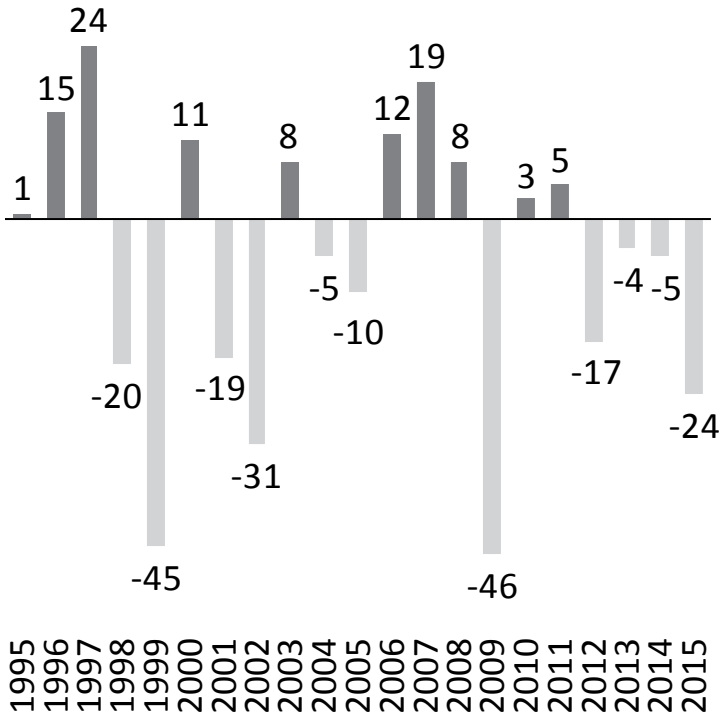
Net Upgrades (+) or Downgrades (-)

While the majority of recent downgrades were in the U.S., these downgrades have been somewhat mitigated by upgrades in 2014

Annual oil and gas ratings actions

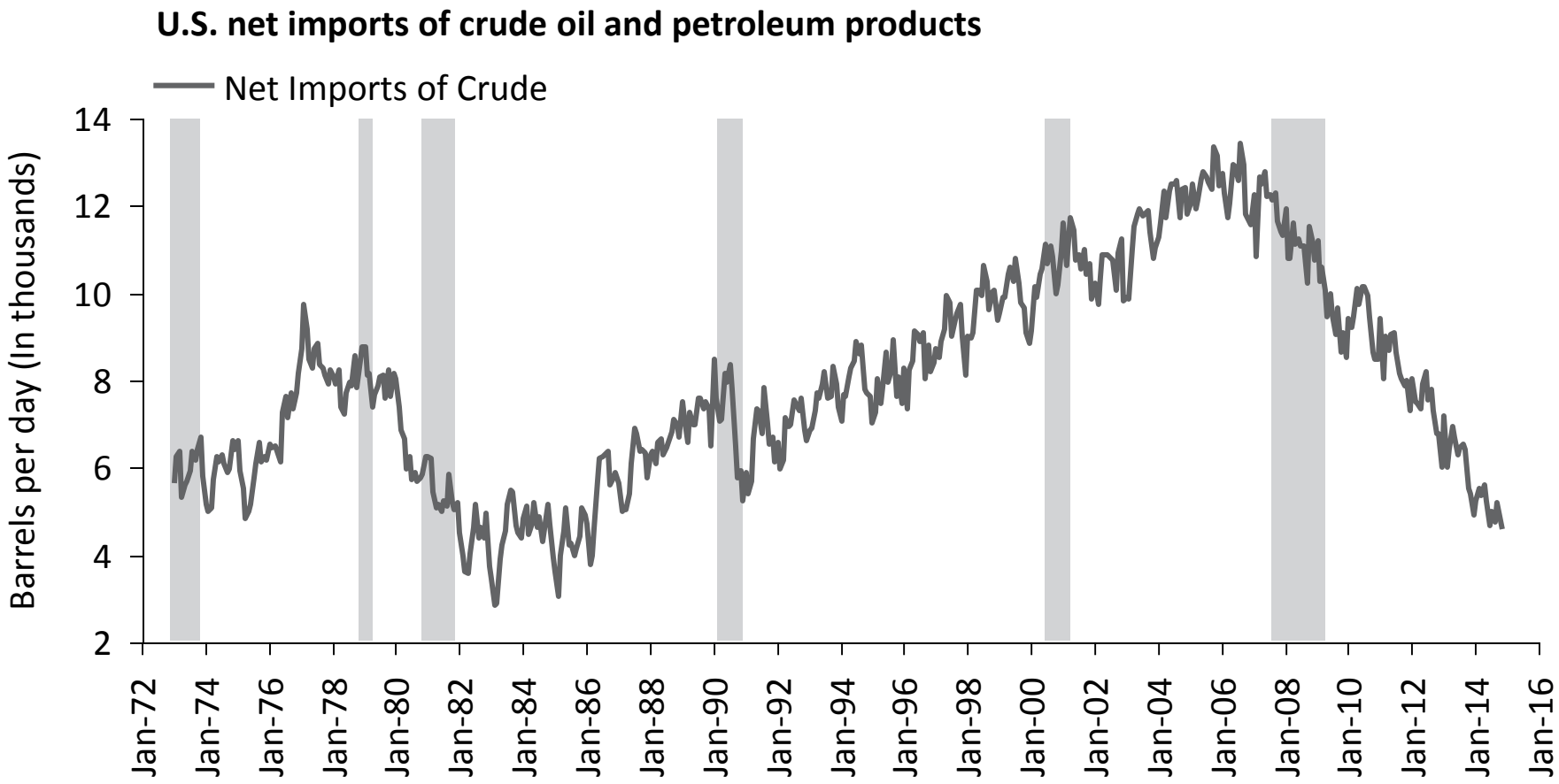


Annual net upgrades (+) or downgrades (-)



U.S. Net Imports Of Crude

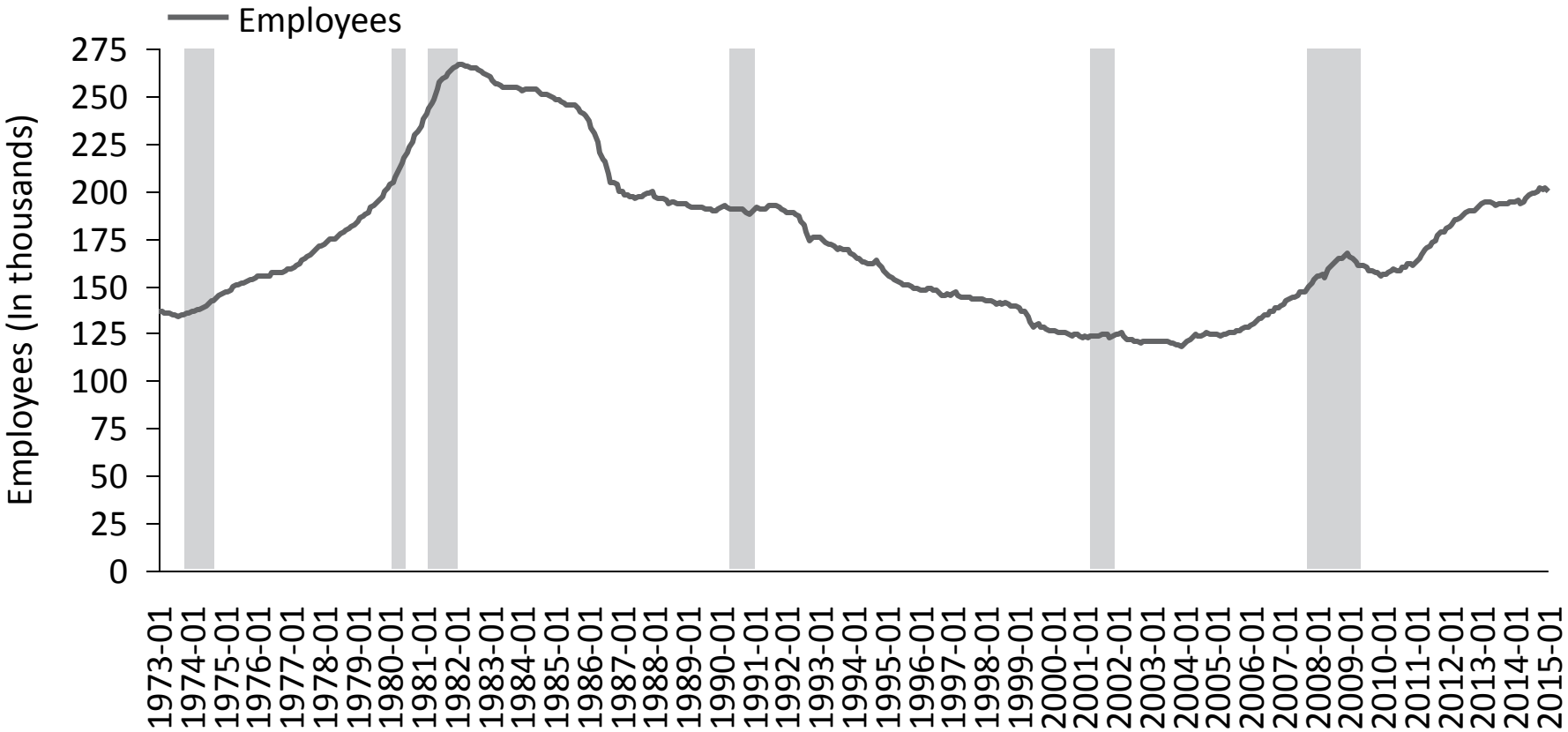
The positive "terms of trade" shock of lower oil prices for the U.S. means less money is sent abroad.



Steady Job Gains Since The Recession

The oil and gas sector has been aggressively adding jobs during the recovery, far outpacing the national job growth.

All Employees: Mining and logging, oil and gas extraction



McGRAW HILL FINANCIAL

Essential Intelligence