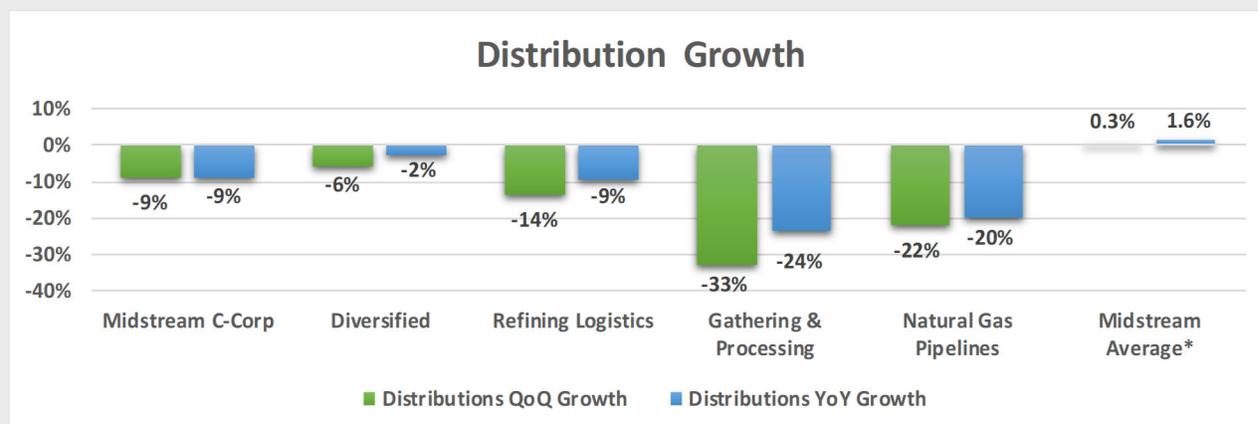
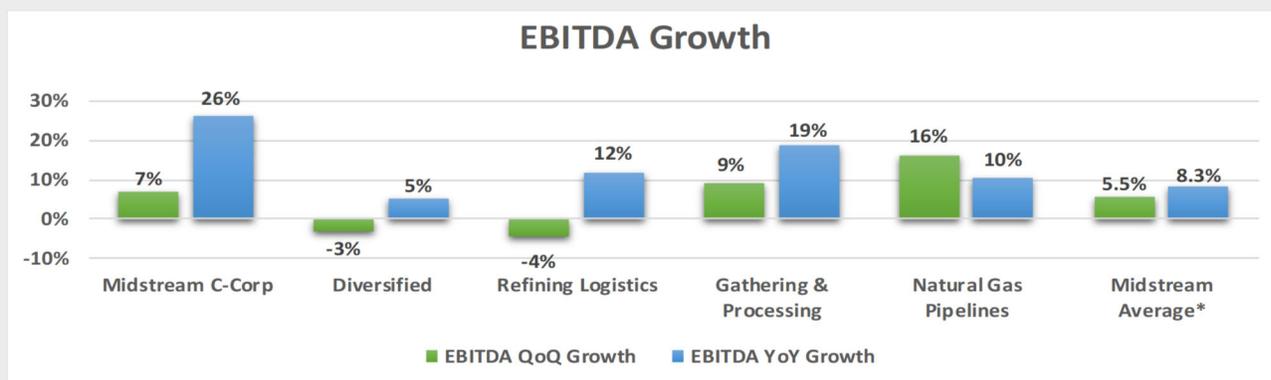


# MLP And Midstream - Earnings Review Q1 2020

## Investors Give Results A Pass And Focus On The Future

- First quarter earnings calls highlighted management teams' focus on tightening purse strings with the goal of being free cash flow positive after capital spending and distributions. On average, capital spending was reduced by 40% relative to 2019 levels and 30% versus initial guidance.\*
- Investors were more focused on forward guidance than Q1 results. Most management teams either guided to a range or suspended guidance pending demand normalization and the ongoing impact to producer activity and volumes. To date, producer shut-in activity has been most severe in oily basins like the Baaken, less so in the Permian and DJ/Rockies and least impacted in the gas focused Northeast/Haynesville basins.
- Despite what negative volume declines would imply, EPD highlighted the strength of contracts supporting their cash flows. Market dislocations allowed the company to utilize its diversified asset footprint to generate excess cash flow above what they were able to secure from contract rolls and rising utilization of its storage assets. EPD, ET and PAA all took advantage of the contango trade with profits reducing the negative impact of volume declines not supported by take or pay contracts.
- Gathering & Processing assets were notably challenged due to lower rig counts, reduced upstream activity and weak NGL pricing. Integrated companies with diversified cash flows were better able to offset weakness in their upstream segments. A shift in activity is taking place toward gassier plays as reduced associated gas production has lead to a near-term increase in natural gas prices.
- On the international front, LNG's results were impressive as the company continued to collect fixed tolls in the face of canceled cargoes, while also managing their natural gas inventories. LNG reaffirmed 2020 EBITDA guidance as the company's take or pay contracts and forward hedging insulate them from weaker pricing, a trend also benefitting their peers. Separately, EPD and TRGP indicated healthy LPG exports, which so far appear unaffected by the market disruptions.

\* Source: Alerian



\* Market Cap Adjusted

EBITDA Growth		
Company	QoQ	YoY
ENBRIDGE INC	18%	0%
KINDER MORGAN INC	-9%	-6%
CHENIERE ENERGY INC	10%	78%
ONEOK INC	6%	10%
TARGA RESOURCES CORP	15%	92%
TC ENERGY CORP	10%	6%
WILLIAMS COS INC	-2%	4%
<b>Midstream C-Corp</b>	<b>7%</b>	<b>26%</b>
BP MIDSTREAM PARTNERS	-12%	7%
INTER PIPELINE LTD	0%	2%
PEMBINA PIPELINE CORP	5%	7%
ENTERPRISE PRODUCTS PARTNERS	-2%	0%
ENERGY TRANSFER LP	5%	-6%
MAGELLAN MIDSTREAM PARTNERS	-12%	-2%
MPLX LP	-2%	39%
PLAINS ALL AMER PIPELINE LP	-8%	-8%
<b>Diversified</b>	<b>-3%</b>	<b>5%</b>
DELEK LOGISTICS PARTNERS LP	-24%	-12%
HOLLY ENERGY PARTNERS LP	4%	-3%
NUSTAR ENERGY LP	0%	15%
PBF LOGISTICS LP	-4%	42%
PHILLIPS 66 PARTNERS LP	-7%	14%
SHELL MIDSTREAM PARTNERS LP	5%	15%
<b>Refining Logistics</b>	<b>-4%</b>	<b>12%</b>
CRESTWOOD EQUITY PARTNERS LP	2%	31%
ANTERO MIDSTREAM CORP	7%	7%
CNX MIDSTREAM PARTNERS LP	-2%	11%
DCP MIDSTREAM LP	8%	-2%
ENABLE MIDSTREAM PARTNERS LP	4%	-4%
ENLINK MIDSTREAM LLC	-11%	-3%
HESS MIDSTREAM LP - CLASS A	21%	48%
NOBLE MIDSTREAM PARTNERS LP	56%	27%
OASIS MIDSTREAM PARTNERS LP	-15%	34%
RATTLER MIDSTREAM LP	14%	35%
WESTERN MIDSTREAM PARTNERS L	15%	20%
<b>Gathering &amp; Processing</b>	<b>9%</b>	<b>19%</b>
EQM MIDSTREAM PARTNERS LP	11%	15%
CHENIERE ENERGY PARTNERS LP	22%	19%
TC PIPELINES LP	16%	-3%
<b>Natural Gas Pipelines</b>	<b>16%</b>	<b>10%</b>
<b>Total *</b>	<b>5.5%</b>	<b>8.3%</b>

Distribution Growth		
Company	QoQ	YoY
ENBRIDGE INC	10%	10%
KINDER MORGAN INC	5%	5%
CHENIERE ENERGY INC	NA	NA
ONEOK INC	9%	9%
TARGA RESOURCES CORP	-89%	-89%
TC ENERGY CORP	8%	8%
WILLIAMS COS INC	5%	5%
<b>Midstream C-Corp</b>	<b>-9%</b>	<b>-9%</b>
BP MIDSTREAM PARTNERS	0%	11%
INTER PIPELINE LTD	0%	0%
PEMBINA PIPELINE CORP	5%	11%
ENTERPRISE PRODUCTS PARTNERS	0%	2%
ENERGY TRANSFER LP	0%	0%
MAGELLAN MIDSTREAM PARTNERS	1%	2%
MPLX LP	0%	5%
PLAINS ALL AMER PIPELINE LP	-50%	-50%
<b>Diversified</b>	<b>-6%</b>	<b>-2%</b>
DELEK LOGISTICS PARTNERS LP	0%	9%
HOLLY ENERGY PARTNERS LP	-48%	-48%
NUSTAR ENERGY LP	-33%	-33%
PBF LOGISTICS LP	0%	2%
PHILLIPS 66 PARTNERS LP	0%	4%
SHELL MIDSTREAM PARTNERS LP	0%	11%
<b>Refining Logistics</b>	<b>-14%</b>	<b>-9%</b>
CRESTWOOD EQUITY PARTNERS LP	0%	4%
ANTERO MIDSTREAM CORP	0%	88%
CNX MIDSTREAM PARTNERS LP	-80%	-78%
DCP MIDSTREAM LP	-50%	-50%
ENABLE MIDSTREAM PARTNERS LP	-50%	-48%
ENLINK MIDSTREAM LLC	-50%	-65%
HESS MIDSTREAM LP - CLASS A	1%	12%
NOBLE MIDSTREAM PARTNERS LP	-72%	-69%
OASIS MIDSTREAM PARTNERS LP	4%	20%
RATTLER MIDSTREAM LP	-15%	N/A
WESTERN MIDSTREAM PARTNERS L	-50%	-49%
<b>Gathering &amp; Processing</b>	<b>-33%</b>	<b>-24%</b>
EQM MIDSTREAM PARTNERS LP	-67%	-66%
CHENIERE ENERGY PARTNERS LP	2%	7%
TC PIPELINES LP	0%	0%
<b>Natural Gas Pipelines</b>	<b>-22%</b>	<b>-20%</b>
<b>Total *</b>	<b>0.3%</b>	<b>1.6%</b>

\* Market Cap Adjusted

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