

Outperforming in 2016

Summary and Recommendation

In a welcome, little recognized surprise, the stocks in our coverage are outperforming the market in 2016. Relative underperformance has been so severe the past year and a half that it finally reversed, at least for now. Outperformers include **ExxonMobil (XOM)**, **Royal Dutch Shell (RDS-A)** and **Chevron (CVX)**, which have reaffirmed their dividends. The five small cap stocks in our hard-hit Income Payer group are all up for the year including **Sabine Royalty Trust (SBR)** and **San Juan Basin Royalty Trust (SJT)**. Natural gas producers **Range Resources (RRC)** and **Birchcliff Energy (BIREF)** have rebounded strongly. At the same time, the broader market is showing some signs of weakness reminiscent of historical periods after an oil price collapse. Several independent oil producers like **Marathon Oil (MRO)** also are still under pressure. We think that new commitments to our stocks make sense today. Investors who want to mitigate possible further downward moves might spread out commitments over several months. Investors looking for more obvious signs a turnaround is under way might look for momentum indicators like moving averages to stabilize and turn up.

Better than the Market This Year

After underperforming the broader stock market for the past year and a half, the stocks in our coverage have outperformed so far in 2016. Some stocks like ExxonMobil are actually up in price this year. The median decline for our 25 stocks in 2016 is 4% compared to the S&P 500 at 9%. The odds look favorable to us that oil and gas stocks can further outperform. Ideally, oil and gas would outperform as the broader market does better after it had a down year last year.

At the same time in the back of our mind is the thought that the broader market can't do well for long if oil and gas does not do better. Seared in our memory are performances by the stock market after oil declines. The oil stock crash of 1981 was followed by the stock market crash to August 1982. Similarly the oil price crash in 1986 was followed by the stock market crash in 1987 and the oil price crash in 1998 was followed by the stock market crash in 2000.

Not pretending to call the stock market swings, we advocate a diversified portfolio with a strong energy weighting among broader stock market participation tempered by cash, government securities and gold to suit the risk preferences of beneficiaries. Even a diversified portfolio requires continuous adjustment whether to rebalance to fixed weights or to change weights in a strategic adjustment.

ConocoPhillips Cuts, Royal Dutch Shell Resists

Management at **ConocoPhillips (COP)** seemed to give in to stock price and rating agency pressure when it lowered its dividend on February 4. Royal Dutch Shell management resisted the



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same pressures despite a similarly high yield and debt measures as COP. A few days before the cut, COP stock yielded 8.1% and RDS, 9.1% (see *Independent Stock Idea, ExxonMobil*, 2/3/16, [Table 1](#)). After the cut, COP yields 2.9% on lower stock price and RDS, 8.4% on higher stock price. With RDS holding the line, we see little risk of a dividend cut on next highest yielders **Total (TOT)** at 6.3% and **CVX** at 5.0% (see [Table 1](#) on page 4). On one of the debt measures we print regularly, COP displays slightly higher risk with an EV/Market Cap of 1.91 compared to RDS at 1.71 (also see [Table 1](#)). The numerator, Enterprise Value is readily measurable as Market Cap and Debt, regardless of whether we think the market makes sense or not. On a second debt measure we print regularly, COP and RDS have the same ratio of Debt/Present Value at 0.28 (see [Table 2](#) on page 5). The latter measure is more subjective because the denominator depends on estimates we make.

As for operating risk, COP lacks RDS's downstream representation whose cash flow acts counter cyclically to upstream oil and gas production (see columns for *Present Value by Segment* on [Table 1](#)). On that basis, we can be more sympathetic to COP management's decision to reduce its financial risk associated with paying a high dividend. We think the lesson to be learned is not that the strategy of concentrating on upstream is wrong, but the promise of a high fixed dividend rate is not realistic for a pure-play producer. We like COP stock at a low McDep Ratio of 0.59. After its steep stock price decline for the past year and a half, we believe COP can outperform the broader stock market from here.

Independent Producers under Pressure

Half of independents are not yet seeing positive relative stock price momentum (see [Table 4](#) on page 7). Stocks with higher financial risk appear among the decliners. The three highest ranked stocks by EV/Market Cap are **California Resources (CRC)** at 20 times, **Whiting Petroleum (WLL)** at 5.37 and **Encana (ECA)** in the Canadian group at 3.46 (see [Table 1](#)). On the ratio of Debt/PV, two stocks are beyond the limit of normal lending practice with CRC at 0.78 and ECA at 0.63 (see [Table 2](#)). Though there is little value left in CRC stock at a price under \$1, holders have a potential claim against CRC's former parent, **Occidental Petroleum (OXY)** which spun off CRC with an imprudent amount of debt. At a ratio of Debt/PV of 0.39, WLL looks less vulnerable on our subjective measure than on the market measure of EV/Market Cap.

Buy-Rated U.S. Independents up to the Challenge

Three buy-rated U.S. independents seem positioned to meet the financial challenge. On our ratio of Debt/PV they rank at manageable levels with Marathon Oil (MRO) at 0.25, **Continental Resources (CLR)** at 0.26 and **Devon Energy (DVN)** at 0.33 (see [Table 2](#)). EV/Market Cap for CLR is at the median for peers at 2.05 and for Devon and Marathon above peers at 2.34 and 2.75 respectively (see [Table 1](#)). While the three have been declining more in a down market, they may make it up by gaining more in a rising market.

Financial risk can be managed in a portfolio context by sizing holdings by Enterprise Value rather than market cap. For example, half an equity position in a 2 times EV/Market Cap stock is equivalent in financial risk to a full equity position in a 1 times EV/Market Cap stock. In other words, own less of a high-debt stock to make it equivalent in financial risk to a low-debt stock.

Income Payers Outperforming

Some of the extreme underperformance of our Income Payer group last year has been corrected with positive absolute stock price performance in early 2016 (see [Table 4](#)). At a low median McDep Ratio of 0.51, the group still looks unduly depressed (see [Tables 1-2](#)). The cash paying entities have no debt and in four of five the cash distributions derive from top line arrangements where a third party pays operating and drilling costs.

Invest on Value, Beware Momentum

The case for investing in oil rests on value, we say. Current oil price is below long-term replacement costs. Stocks tend to be priced with the greatest weight on recent quotes. Automatically at low price demand grows and supply slows. That appears to be happening every month. Yet the balance is difficult to measure because it is the comparison of two large numbers, say around 95 million barrels daily of production and around 95 million barrels daily of demand. Complete and reliable information is not available either on production or on demand. Balance may have been reached and price may be bottoming now or it can take more time, no one can say. We think we could see \$70 a barrel sometime before the end of 2016 though that seems out of sight to most players. Futures prices are at about \$40 for the end of the year. Yet, the most important determinant of futures prices is also the current quote.

Nonetheless, even if the current price is low as we believe, it can always go lower, at least temporarily. If we are not sure, one common compromise is to dollar average by spreading a change in commitment over a period of several months, perhaps.

The argument for fearing lower price for oil or the stock market is momentum. Almost all securities price trends point downward compared to the 200-day average, for example. Ideally, we would see the trend level out for a while before anticipating price gains on a momentum basis. Though trends can change without warning, they often persist long enough to capture a directional move in a stock. Momentum is also measured by looking backwards and turns only after a stock has already started its move. Though there is little positive momentum for oil stocks we may be seeing the beginning of relative momentum for oil and gas compared to the broader stock market.

Kurt H. Wulff, CFA



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						Present Value by Segment (%)					
		Price	EV/	Enterprise	North	Rest of			Dist.		
		(US\$/sh)	Market	Value	Amer.	World			Yield		
Symbol/Rating		8-Feb	Cap	(\$mm)	Natural	Natural	Oil	Down-	NTM	McDep	
		2016			Gas	Gas	Prod'n	stream	(%)	Ratio	
Global Integrated											
Exxon Mobil Corporation	XOM	81.16	1.25	423,000	6	13	60	21	3.6	0.84	
Chevron Corporation	CVX	85.99	1.36	218,000	2	9	69	19	5.0	0.70	
Royal Dutch Shell (BG pro form: Total S.A.)	RDS-A B	44.50	1.71	301,000	2	17	56	26	8.4	0.68	
	TOT B	42.83	1.58	157,000		17	60	23	6.3	0.59	
	<i>Total or Median</i>		<i>1.47</i>	<i>1,099,000</i>			<i>60</i>	<i>22</i>	<i>5.7</i>	<i>0.69</i>	
Large Independent											
Occidental Petroleum Corp.	OXY	66.19	1.19	60,300	3	1	86	9	4.5	0.90	
EOG Resources, Inc.	EOG	68.43	1.18	44,400	11	3	87		1.0	0.79	
ConocoPhillips	COP	34.43	1.91	82,000	12	11	77		2.9	0.59	
Devon Energy Corporation	DVN B	23.68	2.34	22,700	23		66	11	4.1	0.57	
Marathon Oil Corporation	MRO B	7.82	2.75	14,600	7	1	92		2.6	0.40	
	<i>Total or Median</i>		<i>1.91</i>	<i>224,000</i>	<i>11</i>		<i>86</i>		<i>2.9</i>	<i>0.59</i>	
Small Independent											
Range Resources	RRC	30.66	1.81	9,300	75		25		0.5	0.93	
California Resources	CRC	0.92	20	7,200	10		90		-	0.82	
Cimarex Energy Company	XEC	85.41	1.14	9,100	31		69		0.7	0.81	
Continental Resources (32%)	CLR B	18.59	2.05	4,500	16		84		-	0.50	
Whiting Petroleum Corporation	WLL B	6.19	5.37	6,800	6		94		-	0.48	
	<i>Total or Median</i>		<i>2.05</i>	<i>37,000</i>	<i>16</i>		<i>84</i>		<i>-</i>	<i>0.81</i>	
Income											
San Juan Basin Royalty Trust	SJT	4.58	1.00	210	100		-		4.8	0.57	
Sabine Royalty Trust	SBR	31.70	1.00	460	38		62		7.1	0.53	
Permian Basin RT	PBT	5.62	1.00	260	23		77		4.9	0.51	
Cross Timbers Royalty Trust	CRT B	13.15	1.00	80	67		33		6.8	0.45	
Dorchester Minerals, L.P.	DMLP B	10.35	1.00	320	28		72		7.2	0.43	
	<i>Total or Median</i>		<i>1.00</i>	<i>1,300</i>	<i>38</i>		<i>62</i>		<i>6.8</i>	<i>0.51</i>	
Canada											
EnCana Corporation	ECA	4.21	3.46	12,100	47		53		1.4	0.89	
Imperial Oil Limited (30%)	IMO	31.24	1.33	10,600	1		73	27	1.3	0.86	
Suncor Energy	SU	22.53	1.47	52,300	-		83	17	3.7	0.73	
Cenovus Energy Inc.	CVE	11.21	1.39	12,900	11		82	7	4.1	0.64	
Birchcliff Energy Ltd.	BIREF B	3.65	1.96	1,100	69		31		-	0.49	
	<i>Total or Median</i>		<i>1.47</i>	<i>89,000</i>			<i>73</i>		<i>1.4</i>	<i>0.73</i>	
Estimated present value presumes a long-term price for oil of US\$70 a barrel and natural gas, \$4.00 a million btu.											
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses											
For historical research see www.mcdep.com											



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			<i>Price</i> <i>(US\$/sh)</i>	<i>Shares</i>	<i>Market</i> <i>Cap</i> <i>(US\$mm)</i>	<i>Net</i> <i>Present</i> <i>Value</i> <i>(US\$/sh)</i>	<i>Debt/</i> <i>Present</i> <i>Value</i>	<i>McDep</i> <i>Ratio</i>
	<i>Symbol/Rating</i>	<i>8-Feb</i> <i>2016</i>		<i>(mm)</i>				
	<i>B = Buy</i>							
Global Integrated								
Exxon Mobil Corporation	XOM		81.16	4,183	340,000	100.00	0.17	0.84
Chevron Corporation	CVX		85.99	1,874	161,000	135.00	0.18	0.70
Royal Dutch Shell (BG pro forma)	RDS-A	B	44.50	3,965	176,000	80.00	0.28	0.68
Total S.A.	TOT	B	42.83	2,312	99,000	90.00	0.22	0.59
	<i>Total or Median</i>				<i>776,000</i>		<i>0.20</i>	<i>0.69</i>
Large Independent								
Occidental Petroleum Corp.	OXY		66.19	766	50,700	75.00	0.14	0.90
EOG Resources, Inc.	EOG		68.43	549	37,600	90.00	0.12	0.79
ConocoPhillips	COP		34.43	1,244	43,000	80.00	0.28	0.59
Devon Energy Corporation	DVN	B	23.68	411	9,700	65.00	0.33	0.57
Marathon Oil Corporation	MRO	B	7.82	677	5,290	40.00	0.25	0.40
	<i>Total or Median</i>				<i>146,300</i>		<i>0.25</i>	<i>0.59</i>
Small Independent								
Range Resources	RRC		30.66	167	5,100	35.00	0.41	0.93
California Resources	CRC		0.92	382	400	5.00	0.78	0.82
Cimarex Energy Company	XEC		85.41	93	7,900	108.00	0.10	0.81
Continental Resources (32%)	CLR	B	18.59	118	2,200	56.00	0.26	0.50
Whiting Petroleum Corporation	WLL	B	6.19	204	1,300	42.00	0.39	0.48
	<i>Total or Median</i>				<i>17,000</i>		<i>0.39</i>	<i>0.81</i>
Income								
San Juan Basin Royalty Trust	SJT		4.58	47	210	8.00	-	0.57
Sabine Royalty Trust	SBR		31.70	15	460	60.00	-	0.53
Permian Basin RT	PBT		5.62	47	260	11.00	-	0.51
Cross Timbers Royalty Trust	CRT	B	13.15	6	80	29.00	-	0.45
Dorchester Minerals, L.P.	DMLP	B	10.35	31	320	24.00	-	0.43
	<i>Total or Median</i>				<i>1,300</i>		<i>-</i>	<i>0.51</i>
Canada								
EnCana Corporation	ECA		4.21	843	3,500	6.00	0.63	0.89
Imperial Oil Limited (30%)	IMO		31.24	255	8,000	38.00	0.21	0.86
Suncor Energy	SU		22.53	1,583	35,700	35.00	0.23	0.73
Cenovus Energy Inc.	CVE		11.21	827	9,300	20.00	0.18	0.64
Birchcliff Energy Ltd.	BIREF	B	3.65	154	600	11.00	0.24	0.49
	<i>Total or Median</i>				<i>57,000</i>		<i>0.23</i>	<i>0.73</i>
Estimated present value presumes a long-term price for oil of US\$70 a barrel and natural gas, \$4.00 a million btu.								
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses								
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			<i>Price (US\$/sh)</i>	<i>Adjustd Resrvs/ Prod</i>	<i>PV/ Ebitda</i>	<i>EV/ Ebitda</i>	<i>P/E</i>	<i>Dividend NTM</i>
	<i>Symbol/Rating</i>		<i>8-Feb 2016</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>(\$/sh)</i>
	<i>B = Buy</i>							
Global Integrated								
Exxon Mobil Corporation	XOM		81.16	13.5	12.6	10.6	27	2.92
Chevron Corporation	CVX		85.99	8.9	12.2	8.6	40	4.28
Royal Dutch Shell (BG pro forma)	RDS-A	B	44.50	10.0	11.2	7.6	30	3.76
Total S.A.	TOT	B	42.83	9.9	10.2	6.0	12	2.72
	<i>Median</i>			<i>10.0</i>	<i>11.7</i>	<i>8.1</i>	<i>29</i>	
Large Independent								
Occidental Petroleum Corp.	OXY		66.19	9.1	17.8	16.0		3.00
EOG Resources, Inc.	EOG		68.43	9.0	19.9	15.7		0.67
ConocoPhillips	COP		34.43	12.0	22.3	13.2		1.00
Devon Energy Corporation	DVN	B	23.68	10.2	17.7	10.1	49	0.96
Marathon Oil Corporation	MRO	B	7.82	12.1	20.5	8.2		0.20
	<i>Median</i>			<i>10.2</i>	<i>19.9</i>	<i>13.2</i>	<i>49</i>	
Small Independent								
California Resources	CRC		0.92	12.7	66.7	55		-
Range Resources	RRC		30.66	13.8	30.3	28.1		0.16
Cimarex Energy Company	XEC		85.41	7.7	22.8	18.5		0.64
Continental Resources (32%)	CLR	B	18.59	11.4	25.6	12.9		-
Whiting Petroleum Corporation	WLL	B	6.19	11.4	24.5	11.8		-
	<i>Median</i>			<i>11.4</i>	<i>25.6</i>	<i>18.5</i>		
Income								
Cross Timbers Royalty Trust	CRT	B	13.15	12.5	33.5	15.2	15	0.89
San Juan Basin Royalty Trust	SJT		4.58	8.6	25.3	14.5	21	0.22
Sabine Royalty Trust	SBR		31.70	7.7	26.7	14.1	14	2.24
Permian Basin RT	PBT		5.62	9.7	27.1	13.9	20	0.27
Dorchester Minerals, L.P.	DMLP	B	10.35	7.1	21.3	9.2	22	0.74
	<i>Median</i>			<i>8.6</i>	<i>26.7</i>	<i>14.1</i>	<i>20</i>	
Canada								
EnCana Corporation	ECA		4.21	8.2	41.9	37.1	74	0.06
Suncor Energy	SU		22.53	17.5	20.0	14.5		0.83
Cenovus Energy Inc.	CVE		11.21	15.0	18.9	12.1		0.46
Imperial Oil Limited (30%)	IMO		31.24	22.0	13.4	11.5	19	0.40
Birchcliff Energy Ltd.	BIREF	B	3.65	12.6	18.5	9.1		-
	<i>Median</i>			<i>15.0</i>	<i>18.9</i>	<i>12.1</i>	<i>47</i>	
	<i>Grand Median</i>			<i>11</i>	<i>22</i>	<i>14</i>		

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended December 31, 2016; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses For historical research see www.mcdep.com



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Table 4										
McDep Energy Stocks										
Total Return Year-to-Date 2016										
Ranked by Unlevered Total Return										
			Price	Price			Equity	Unlevered		
			(\$/sh)	(\$/sh)	Price	Cash	Total	Total		
	Symbol/Rati		8-Feb	31-Dec	Change	Distrib.	Return	Debt	Return	
			2016	2015	(%)	(%)	(%)	(\$/sh)	(%)	
									McDep	
									Ratio	
Global Integrated										
	XOM		81.16	77.95	4	-	4	20	3	0.84
	RDS-A	B	44.50	45.79	(3)	-	(3)	32	(2)	0.68
	TOT	B	42.83	44.95	(5)	-	(5)	25	(3)	0.59
	CVX		85.99	89.96	(4)	-	(4)	31	(3)	0.70
	<i>Median</i>				(4)		(4)		(2)	0.69
Large Independent										
	OXY		66.19	67.61	(2)	-	(2)	13	(2)	0.90
	EOG		68.43	70.79	(3)	-	(3)	12	(3)	0.79
	DVN	B	23.68	32.00	(26)	-	(26)	32	(13)	0.57
	COP		34.43	46.69	(26)	-	(26)	31	(16)	0.59
	MRO	B	7.82	12.58	(38)	-	(38)	14	(18)	0.40
	<i>Median</i>				(26)		(26)		(13)	0.59
Small Independent										
	RRC		30.66	24.62	25	-	25	25	12	0.93
	XEC		85.41	89.38	(4)	-	(4)	12	(4)	0.81
	CRC		0.92	2.33	(61)	-	(61)	18	(7)	0.82
	WLL	B	6.19	9.44	(34)	-	(34)	27	(9)	0.48
	CLR	B	18.59	22.98	(19)	-	(19)	19	(10)	0.50
	<i>Median</i>				(19)		(19)		(7)	0.81
Income										
	SBR		31.70	26.26	21	0	21	-	21	0.53
	PBT		5.62	5.06	11	0	11	-	11	0.51
	SJT		4.58	4.14	11	1	11	-	11	0.57
	DMLP	B	10.35	9.89	5	2	7	-	7	0.43
	CRT	B	13.15	13.01	1	1	2	-	2	0.45
	<i>Median</i>				11		11		11	0.51
Canada										
	BIREF	B	3.65	2.93	25	-	25	3	11	0.49
	IMO		31.24	32.52	(4)	-	(4)	10	(3)	0.86
	ECA		4.21	5.09	(17)	-	(17)	10	(6)	0.89
	CVE		11.21	12.62	(11)	-	(11)	4	(8)	0.64
	SU		22.53	25.80	(13)	-	(13)	11	(9)	0.73
	<i>Median</i>				(11)		(11)		(6)	0.73
	<i>Grand Median</i>				(4)		(4)		(3)	0.61
	Natural Gas (\$/mmbtu)		2.13	2.33	(9)					
	Oil - West Texas Intermediate (\$/bbl)		30.18	37.06	(19)					
	S&P 500		1,853	2,044	(9)					

Source: McDep LLC, Yahoo, CME Group, Bloomberg

For historical research see www.mcdep.com



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Index of 2015-2016 Research				
<u>Date</u>	<u>Series</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
3-Feb	ISI	XOM	Exxon Mobil	For Nervous Investors Seeking Reliable Income
28-Jan	ISI	BIREF	Birchcliff Energy	Protection and Growth
22-Jan	II	CRT, PBT, SBR, SJT, DMLP		Income Payer Surprises
21-Jan	ISI	SU	Suncor Energy Inc.	Likely Acquirer of Canadian Oil Sands
19-Jan	ISI	COSWF	Canadian Oil Sands Ltd.	Farewell
13-Jan	II	MRO, DVN, COP, OXY, EOG		Wild Markets in Oil and Securities
1-Jan	MR			Lower Natural Gas to \$4.00 from \$4.50
21-Dec	II	DMLP, SBR, CRT, SJT, PBT		Income Payers at Low Price
15-Dec	MR			Buys for 2016 and Beyond
8-Dec	ISI	RDS	Royal Dutch Shell plc	Buy on Acquisition Pro Forma
23-Nov	ISI	SJT	San Juan Basin Royalty Trust	Steep Price Decline Triggers Buy
18-Nov	II	MRO, DVN, COP, OXY, EOG		Large Cap Independent Producers for Upside
12-Nov	ISI	BIREF	Birchcliff Energy	Encouraging Volume, Uncertain Price
10-Nov	MR	CLR, XEC, WLL, RRC, CRC		Small Cap Producers for the Upcycle
6-Nov	ISI	DMLP	Dorchester Minerals, L.P.	25% Volume Beat
2-Nov	ISI	XOM	Exxon Mobil	Potential Gain with Minimal Pain
27-Oct	ISI	COSWF	Canadian Oil Sands Ltd.	Deal Likely at Higher Price
21-Oct	ISI	SJT	San Juan Basin Royalty Trust	Southwest Bank Potential Successor Trustee
13-Oct	MR			Hedge Mideast Political Risk
5-Oct	ISI	COSWF	Canadian Oil Sands Ltd.	Suncor Makes Tender Offer at 0.57 McDep Ratio
1-Oct	ISI	SJT	San Juan Basin Royalty Trust	Trust Officer Resigns
29-Sep	II	COSWF, BIREF, IMO, CVE, ECA		High-Torque Canadian Producers
22-Sep	ISI	CRT	Cross Timbers Royalty Trust	Low Risk 7.5% Income
15-Sep	MR			Endless Discussion
10-Sep	ISI	DMLP	Dorchester Minerals, L.P.	Raise Distribution to 6.3% Cash Yield
1-Sep	II	MRO, DVN, COP, OXY, EOG		Resilient Large Cap Independent Producers
25-Aug	II	CLR, XEC, WLL, RRC, CRC		Small Cap Producer Survivors
11-Aug	MR			Bottom May Be Near
3-Aug	II	XOM, RDS, CVX, TOT		Global Energy Stalwarts
27-Jul	ISI	ECA	Encana Corporation	Depressed Stock Price
22-Jul	II	SBR, CRT, SJT, PBT		Use Volatility to Advantage
17-Jul	ISI	DMLP	Dorchester Minerals, L.P.	Top Line Distribution Support
14-Jul	MR			Lower Long-Term Oil to \$70 from \$90
7-Jul	ISI	PBT	Permian Basin Royalty Trust	Buy Underestimated Future Oil & Gas Production
22-Jun	II	DMLP, SBR, CRT, SJT, PBT		Understated Reserves, June Distributions Up
16-Jun	MR	RDS, MRO, EOG, CLR, DMLP		Oil and Gas Strengthen U.S. Security
28-May	II	DMLP, SBR, CRT, SJT, PBT		Distributions Rise on Roll Forward
12-May	MR	MRO	Marathon Oil	New Buy on Independent Shale Oil
1-May	ISI		CVX, XOM, RDS, TOT	Raise NPV for XOM and TOT on Cash Flow Margin
				MR = Meter Reader (published monthly on second or third Tuesday)
				ISI = Independent Stock Idea
				II = Industry Idea
				For historical research by stock, go to mcdep.com , click on Stock Ideas , click on stock by name.



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February 9, 2016

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