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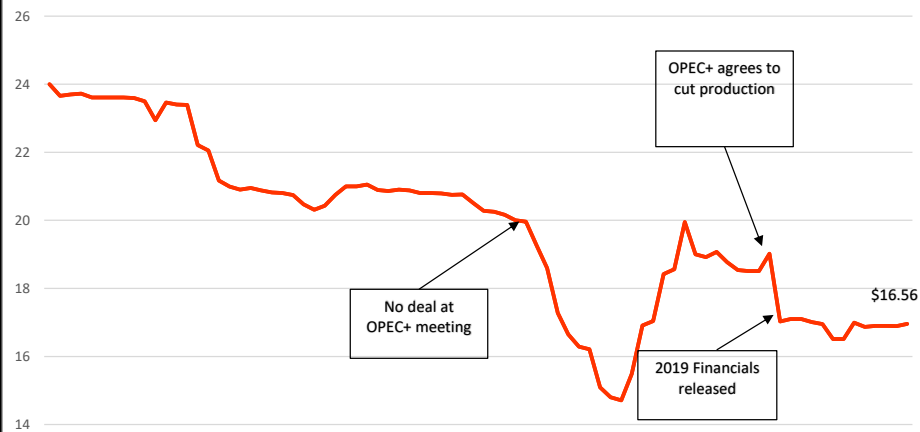
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Low energy prices continue to weigh on NGL's earnings

NGL's Financial Summary	Three Months Ended 31-Mar-20	Three Months Ended 31-Mar-19	\$ change	% change
<i>Income Statement Extract</i>	TT\$'000	TT\$'000	TT\$'000	
Profit after Tax	\$6,925	\$45,775	(38,850)	↓ -84.9%
Earnings per share	\$0.04	\$0.30	(0.26)	↓ -86.7%
Dividend per share (in \$ per share)	\$0.00	\$0.00	-	
<i>Balance Sheet Extract</i>				
Total Assets	\$3,273,106	\$3,427,663	(154,557)	↓ -4.5%
Total Liabilities	\$699	\$155,234	(154,535)	↓ -99.5%
Shareholder's Equity	\$3,272,407	\$3,272,429	(22)	↓ 0.0%
<i>Cash Flows Extract</i>				
Net cash from operating activities	-\$450	\$54,040	(54,490)	↓ -100.8%
Net cash used in investing activities	\$74	\$124	(50)	↓ -40.3%
Net cash used in financing activities	\$0	\$0	-	
Cash and cash equivalents	\$146,000	\$332,041	(186,041)	↓ -56.0%
<i>Metrics</i>				
Return on Equity	0.2%	1.4%		↓ -1.2%
Return on Assets	0.2%	1.3%		↓ -1.1%
Average Price of Natural Gas	\$1.87	\$2.87	-1.00	↓ -35%

Note: Green arrows indicate growth while red indicate contractions

NGL Share Price Performance YTD



Quarterly Update



Valuation	
Current Price	TT\$16.56
Trailing P/E Multiple	28.55x
JMMB Target Price	TT\$16.99
JMMB New Target Price	TT\$16.99
Dividend Yield	4.53%

For the three month period ended March 31st 2020, TTNGL realized profit attributable to equity holders of \$6.9 million, a decrease of almost 85% when compared to the prior year. This drop is largely attributable to already depressed natural gas liquid prices experiencing a further shock due to COVID-19, which depressed earnings for TTNGL's underlying holdings, namely Phoenix Park Gas Processors Limited. Total assets stood at \$3.3 billion at March 31st 2020, a decrease of \$154.6 million or 4.5% vs the prior year. The company's cash balance also declined by \$186 million as the company paid out dividends to shareholders well in excess of the dividends it received from PPGPL.

Outlook:

TTNGL received a MARKETPERFORM recommendation following its year end financial release in April 2020. This recommendation was based upon the expectation TTNGL will earn \$0.33 per share this year and assumes prices for WTI Oil and Natural Gas of \$25.00 and \$2.00 respectively, in line with S&P estimates as at March 2020 as energy markets are expected to remain in a glut for the remainder of the year. The energy sector has seen historic volatility in the past few months, with the market currently oversupplied following a brief price war between Saudi Arabia and Russia, and global demand almost non-existent due to measures taken worldwide to slow the spread of COVID-19.

Notwithstanding a challenging market and operating environment, the Board of Directors of TTNGL and PPGPL remain cautiously optimistic on the future and the companies' ability to navigate these unprecedented times and emerge even more resilient. The acquisition of Twin Eagles is expected to begin supplementing earnings in Q2 2020, with those cash flows being much less susceptible to market volatility. We note that the possibility looms that the company could suspend its \$0.50 interim dividend later this year as we have seen similar action by both local and international companies in order to preserve cashflow, though sufficient funds remains on NGL's balance sheet to compensate for any shortfall should it choose to pay its dividend.

We maintain our rating on NGL at MARKETPERFORM (HOLD) with a price target of \$16.99. While bullish factors remain such as PPGPL's history of strong performance and significant US dollar earnings provide a devaluation hedge, uncertainty surrounding the duration and effects of COVID-19 along with the length of time energy markets will take to return to some semblance of equilibrium continue to weigh on our optimism in the short term. Investors can look forward to a further update upon release of the company's annual report.

	Fair Value Under Stress Testing - Short Term fall in 2020 Earnings		
	(10% fall in Earnings)	(20% fall in Earnings)	(30% fall in Earnings)
NGL	15.92	14.98	14.23