

TEAM FINIX PRESENTS

OIL & GAS INDUSTRY INDEX



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INDUSTRY OVERVIEW

- USA's oil and gas sector is vital for the economy, impacting energy and employment.
- Industry dynamics influenced by technology, environment, and geopolitics.
- Key financial indices (S&P Oil & Gas Exploration, Dow Jones U.S. Oil & Gas) track major players.
- Domestic spikes and global factors (OPEC, renewables) shape financial trends.
- Essential benchmarks for stakeholders and investors navigating the sector.



REASONING BEHIND



Economic Significance

The USA's oil and gas industry plays a vital economic role, contributing significantly to GDP and employment. Its robust growth, technological innovations, and global energy market influence make it a compelling and dynamic sector.



Financial Resilience

The financial robustness of the U.S. oil and gas sector, evident in indices like S&P Oil & Gas Exploration & Production Select Industry and Dow Jones U.S. Oil & Gas, offers valuable insights for analyzing the industry's health, evaluating key players, and anticipating market trends.



METHODOLOGY USED

01

Determined Weighting Method

We chose Capitalization-Weighted Index method to reflect company size in our Index Value.

02

Gathered Data

We used finance.yahoo.com and companiesmarketcap.com to gather data. The market cap was given in Billions.

03

Calculated Index Value

We used the market capitalization and stock prices to calculate the index value.



UNIVERSE DEFINITION

Top 10 Oil & Gas companies in the USA:



- ConocoPhillips
- EOG Resources, Inc.
- Pioneer Natural Resources Company
- Occidental Petroleum Corporation
- Hess Corporation
- Diamondback Energy, Inc.
- Devon Energy Corporation
- Coterra Energy Inc.
- EQT Corporation
- Marathon Oil Corporation

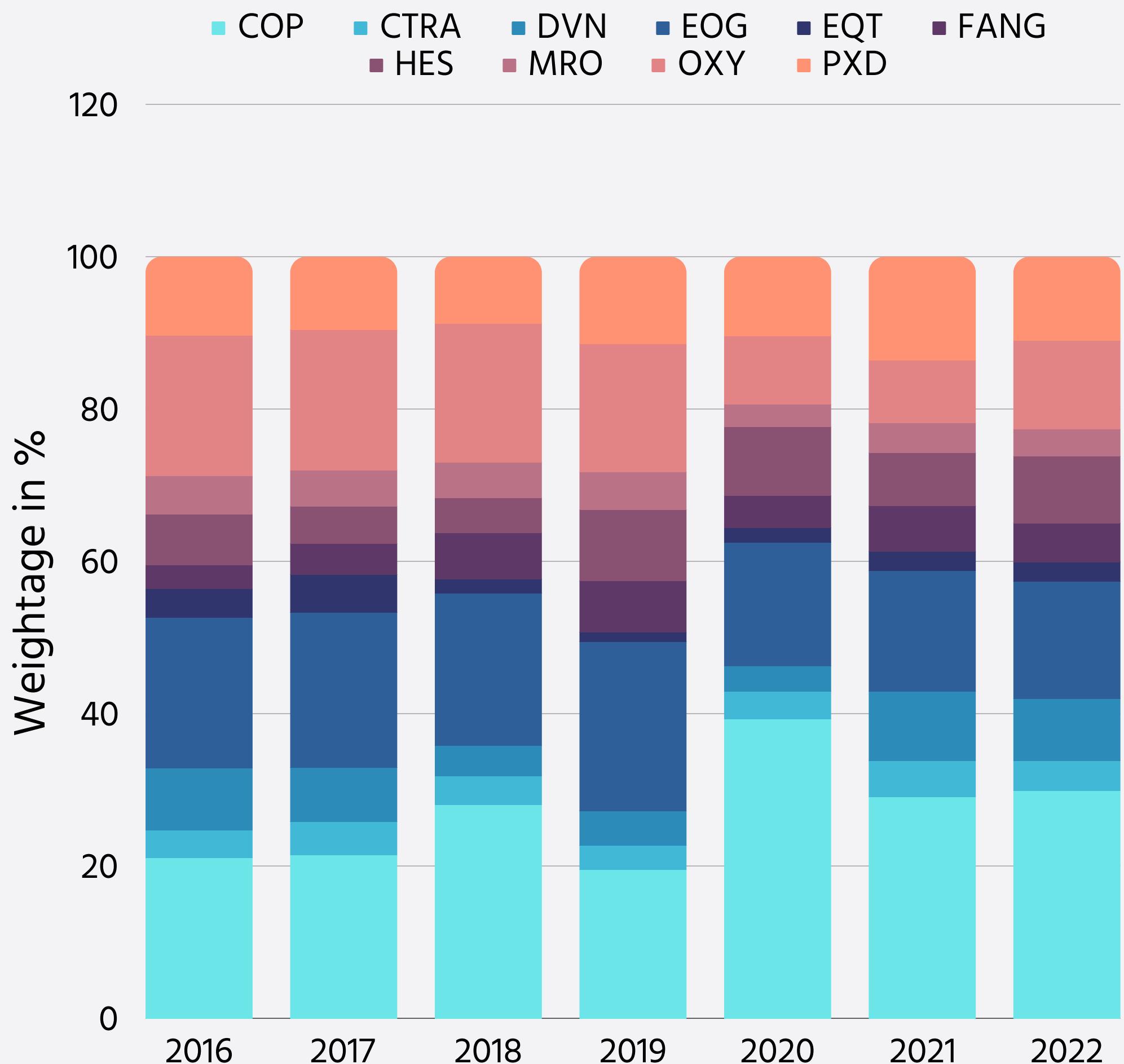
PROCESS



Google Sheets

[https://docs.google.com/spreadsheets/d/1eBIVOjuR5DE0ET9Uq1hY8y3MTriI4-jCEhmjCAIGqUE/edit?
usp=sharing](https://docs.google.com/spreadsheets/d/1eBIVOjuR5DE0ET9Uq1hY8y3MTriI4-jCEhmjCAIGqUE/edit?usp=sharing)

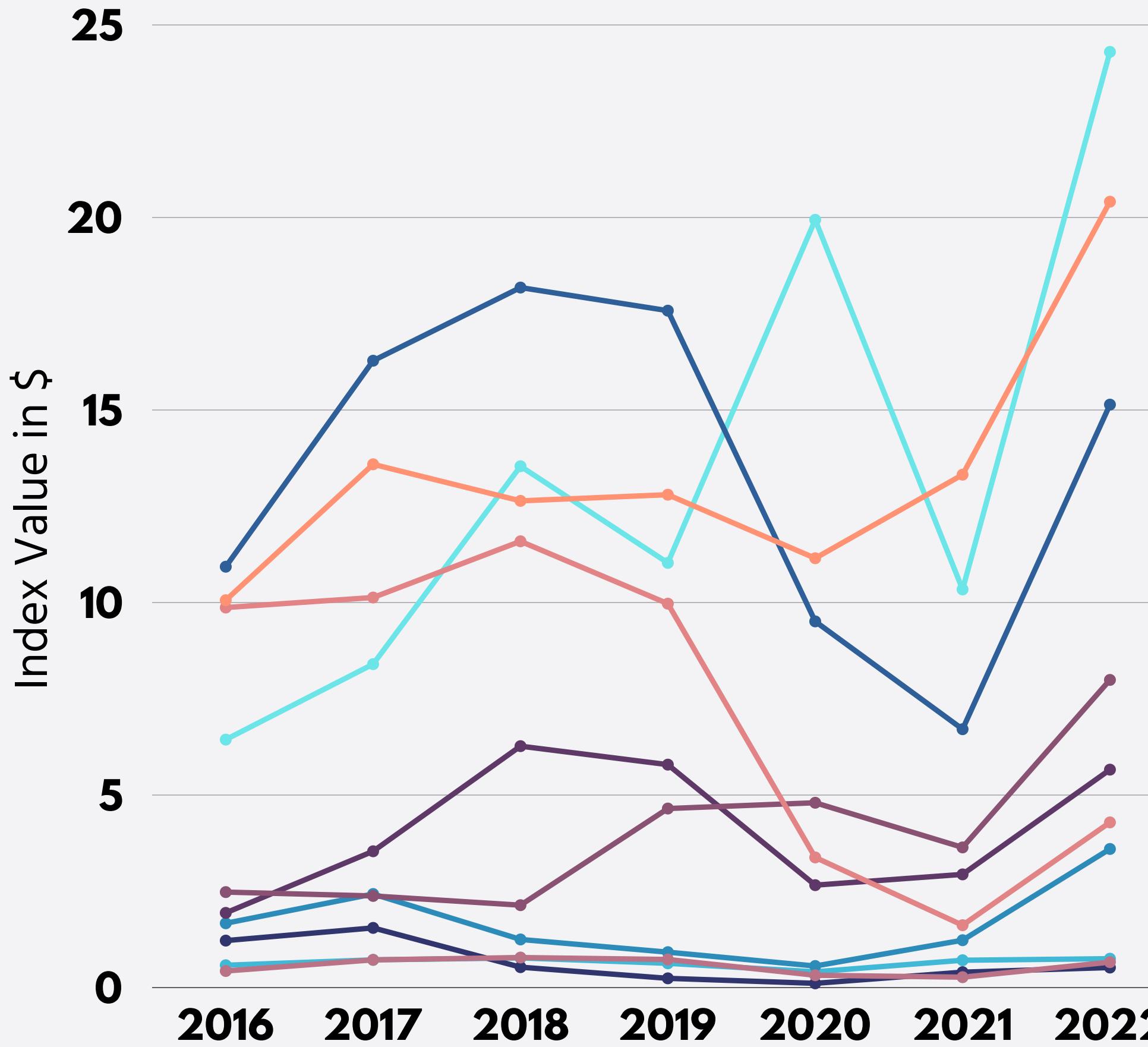
This Google Sheet contains yearly data of 10 of the top-performing stocks of the Oil and gas industry of the USA for 7 years, i.e., from 2016 to 2022 of the USA as well as a comparative analysis of our Index with Top 3 ETFs.



WEIGHTED DISTRIBUTION TREND

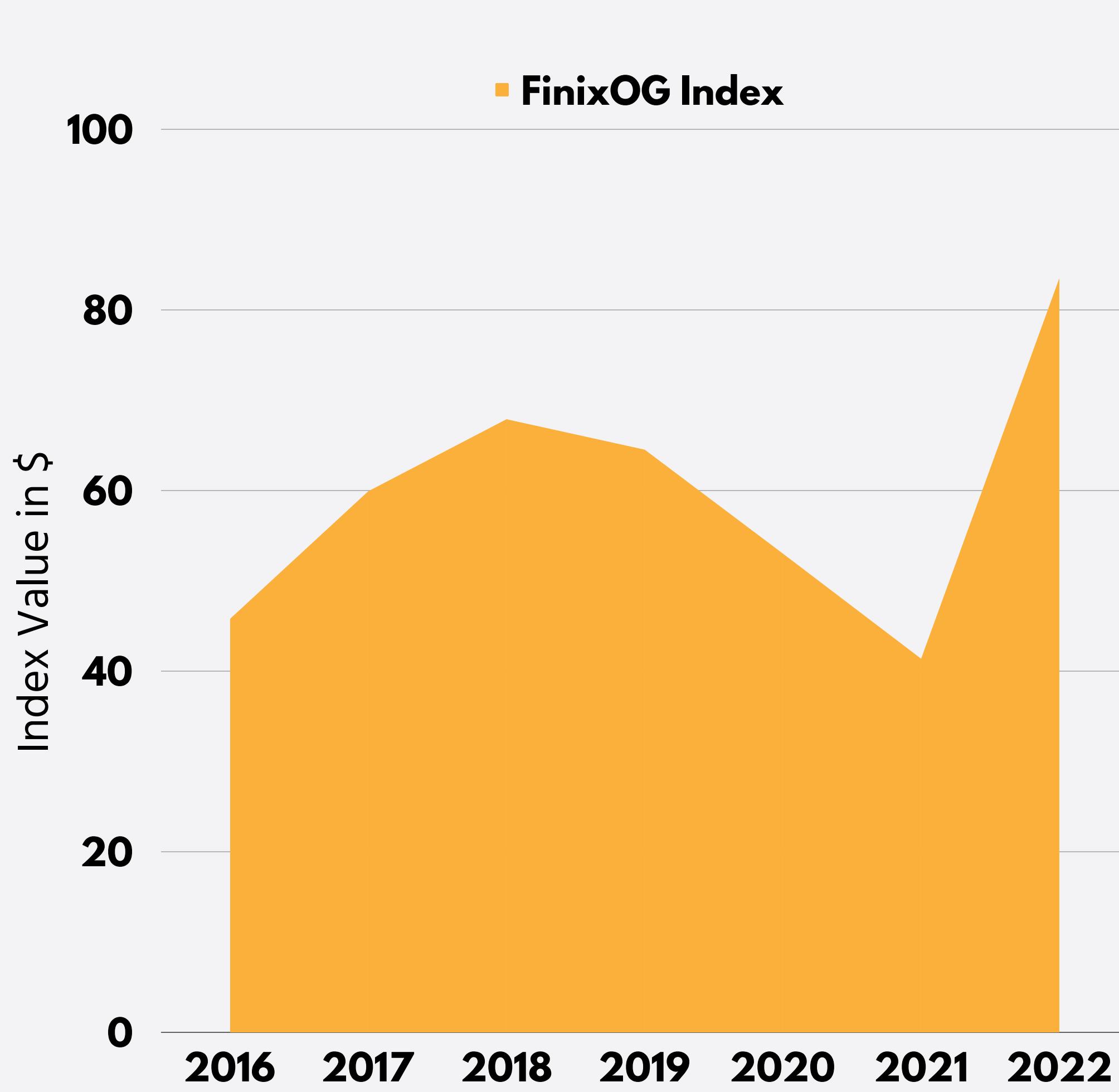
The graph illustrates a comprehensive trend analysis of 10 stocks from 2016 to 2022, incorporating the weighted influence of each stock. The weights assigned reflect the significance of individual stocks in shaping the overall trends, providing a nuanced understanding of their collective impact on the market during the specified period.

COP **CTRA** **DVN** **EOG** **EQT** **FANG**
HES **MRO** **OXY** **PXD**



INDIVIDUAL COMPANY'S INDEX VALUE TREND

The individual company's Index value trend reflects the historical changes in a specific company's stock performance within an index. Upward trends signal growth, while downward trends indicate declines in market value. Analyzing these trends aids in evaluating a company's overall trajectory and informs investment decisions.



OUR FINIXOG INDEX'S TREND

The index trend refers to a financial index's historical movement and fluctuations, reflecting the collective performance of a group of stocks.

The index trend from 2016 to 2020 encapsulates the financial journey over this period, revealing market dynamics, economic shifts, and investor sentiment.



COMPARISON UNIVERSE

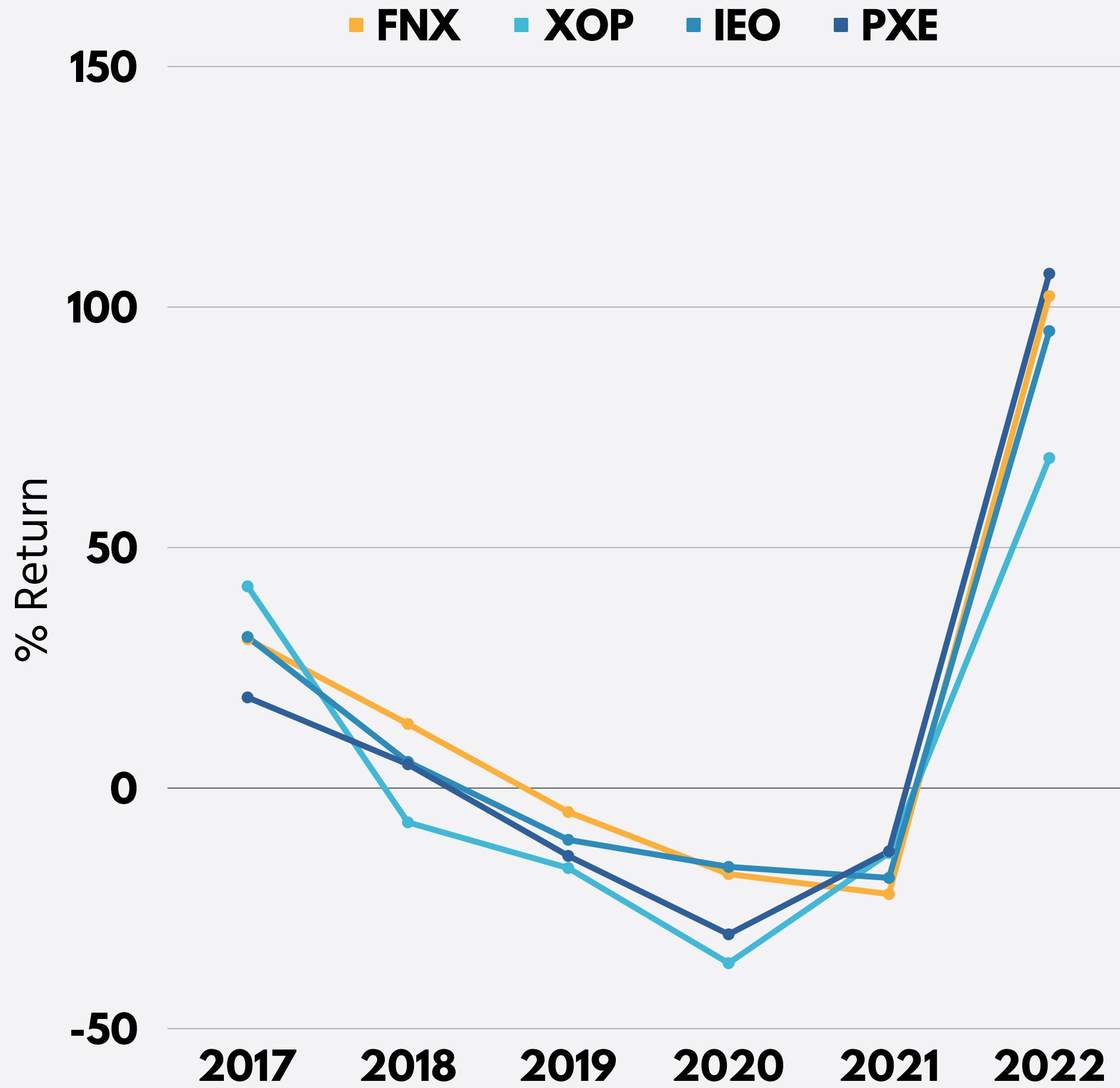
Top 3 Oil & Gas ETFs in USA:

SPDR S&P Oil & Gas
Exploration & Production ETF

iShares U.S. Oil & Gas
Exploration & Production ETF

Invesco Energy
Exploration & Production ETF





COMPARISON OF FNX WITH TOP 3 OIL & GAS ETF

The FNX index exhibits comparable annual returns to prominent U.S. market indices, specifically XOP, IEO, PXE; the top 3 ETF(s) in this category. This congruence underscores the efficacy of the methodology employed in the construction of the FNX Index, affirming its accuracy and reliability in tracking performance against key benchmarks in the oil and gas sector.

REBALANCING FOR 2023

In 2023, strategic stock rebalancing, guided by predictions and stock growth forecasts, is imperative for portfolio optimization. Evaluating market trends and growth potential, stock performances, enhancing overall portfolio resilience, and maximizing returns in line with evolving market dynamics.

Ticker	Adj Close	Approx. Market Cap	Weightage in %	Index Price
COP	117.55	137820000000	29.73	34.95
CTRA	23.91	191900000000	4.14	0.98
DVN	59.58	290200000000	6.26	3.73
EOG	125.06	705300000000	15.21	19.03
EQT	32.13	159000000000	3.43	1.10
FANG	138.45	277500000000	5.98	8.28
HES	148.34	442800000000	9.55	14.14
MRO	27.03	141300000000	3.04	0.82
OXY	64.03	524000000000	11.30	7.23
PXD	215.95	524600000000	11.31	24.44
Grand Total	952.03	463480000000	100	114.77

CONCLUSION

Our fictional market capitalization-weighted financial index for the U.S. oil and gas sector offers a robust approach to assess the sector's performance, providing stakeholders with a comprehensive benchmark for informed decision-making. While acknowledging the index's fictional nature and potential unseen limitations, its focus on key industry players and weighted methodology proves valuable in capturing the financial health and market dynamics of the sector. This tool serves as a guide for investors, offering insights into trends and supporting optimized investment strategies.



Everything



Everywhere



All at Once





THANK YOU