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# Sector by Sector Deep Dive

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# Energy

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## Strong Outlook for Traditional Oil & Gas Cash Flows and Electrification

- Oil inventories are low, demand increasing, OPEC solidarity & spare capacity, current prices look supported which generates strong cash flows and dividends
- M&A activity reaffirms low cost focus with free cash flow duration supported by strong inventory
- Natural gas pricing looks soft in 2024 but infrastructure well used and LNG export buildout gives solid outlook well into the future
- Geopolitics supports domestic production and infrastructure with potential price upside
- Electrification continues to grow with many segment opportunities
- Portfolios need energy for income

# Important Information

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