The Alerian MLP Monthly

June 2018

MLP and Energy Infrastructure Conference

We attended the MLP and Energy Infrastructure Conference hosted by the MLP Association on May 22-24. While the FERC news, Permian discounts and oil prices were all relevant topics, the main focus was around the frustrating disconnect between fundamentals and equity values in the midstream space.
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Enbridge Simplification

Enbridge (ENB) announced that it would buy in its sponsored vehicles, including MLPs Spectra Energy Partners (SEP) and Enbridge Energy Partners (EEP), in an all-stock transaction. Four publicly traded entities will be eliminated (SEP, EEP, EEQ, ENF) in the streamlining transaction.
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Williams to Acquire Williams Partners

In conjunction with its analyst day, Williams (WMB) announced that it will acquire the outstanding public units of Williams Partners (WPZ) in a stock-for-unit transaction valued at $10.5 billion. The transaction is expected to close this fall. Read More

1Q18 Distribution Recap

While several constituents of the AMZ Index and AMZI Index grew their distributions for 1Q18, the space saw notable cuts from NuStar Energy (NS) and TC Pipelines (TCP) for the first quarter. Despite this, there continue to be positive fundamentals within the MLP sector, including growth projects and increasing US oil and gas production. in US oil and gas production. Read More

Second Positive Performance Month

The Alerian MLP Index (AMZ) rose 3.5% on a price-return basis and 5.1% on a total-return basis in May, marking the second positive performance month in a row. On a YTD basis, the AMZ is now positive on a total-return basis (+0.9%).
See Performance

Kinder Assets Sold to Canadian Government

Kinder Morgan Canada Limited (TSX: KML) will sell the Trans Mountain Pipeline project and the associated expansion project to the Government of Canada for C$4.5 billion. The transaction is expected to close in the second half of 2018. Read More