

NOVEMBER 28, 2014

**BLACK
FRIDAY**



BEST BUY'S WEBSITE



The banner features a dark blue background with a pattern of small white icons representing various electronics and holiday items. On the left, a computer monitor displays the Best Buy logo. The main text is in white, with 'BLIZZARD' in a larger, bold font. A yellow ribbon is tied around a stack of Black Friday deal cards. A blue speech bubble contains the text 'BLACK FRIDAY DEALS' and a yellow 'Preview Now' button. The bottom of the banner has a white navigation bar with links to various site pages.

WE WERE EXPECTING **SNOW**
BUT WE GOT A
BLIZZARD

BEST BUY

Our site is incredibly busy!
Please be patient while we shovel you a path.

BLACK FRIDAY DEALS
[Preview Now](#)

[Careers](#) [For Our Investors](#) [Community Relations](#) [Conditions of Use](#) [Legal Notices](#) [Privacy Policy](#)

BEST BUY'S WEBSITE

- RECORD LEVELS OF MOBILE TRAFFIC CRASHED THE SITE - TWICE
 - SMARTPHONES BROWSE, TABLETS BUY
- COMSCORE STATED THAT **E-COMMERCE ROSE 32%** ON THURSDAY (THANKSGIVING)
- IN ADDITION, BLACK FRIDAY **SALES ROSE 23%**
- THIS IS NOT COUNTING CYBER MONDAY, OR WHAT IS BECOMING A MONTH OF "DEALS"



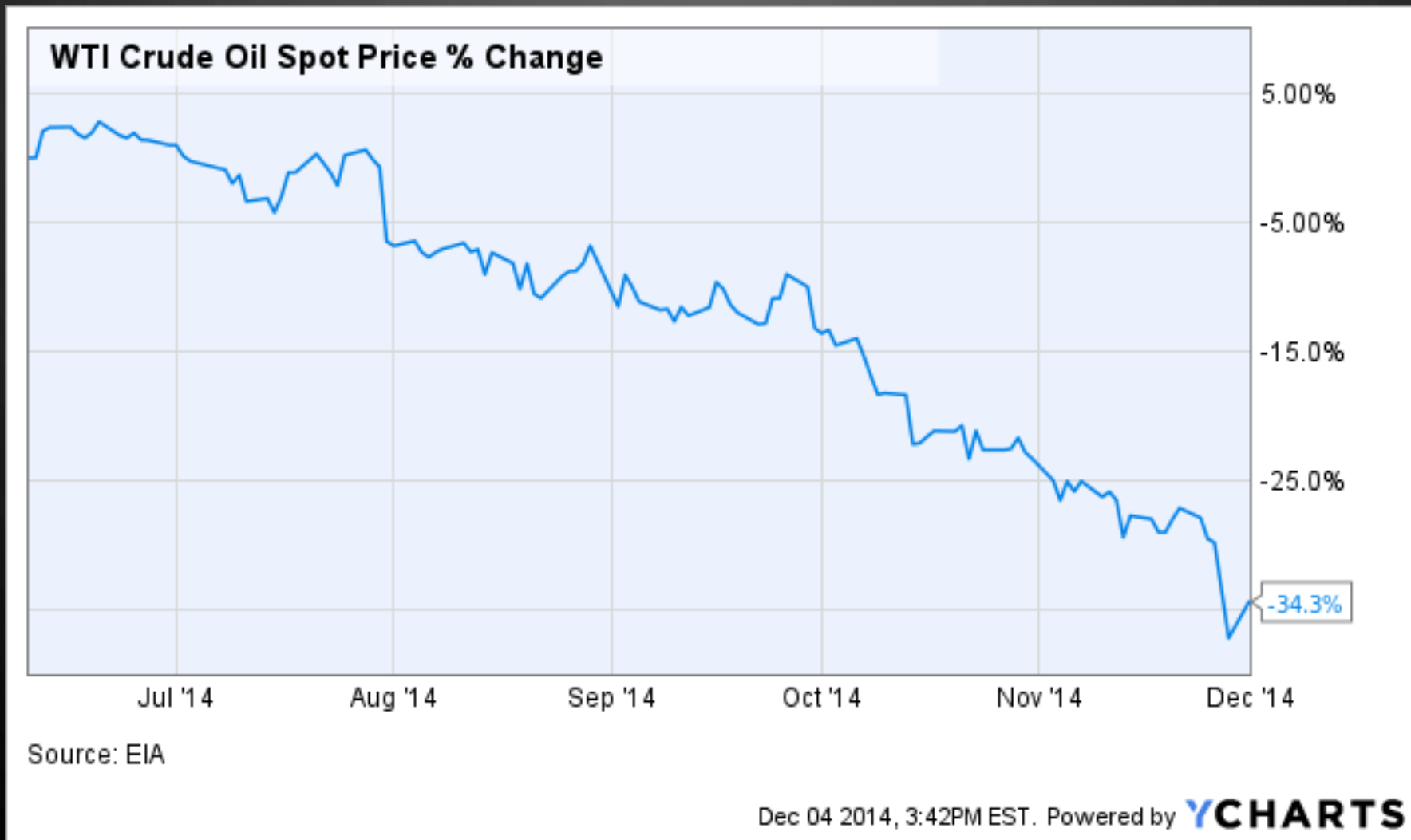
**DROP IN OIL PRICES:
WHAT YOU NEED TO KNOW**

WTI CRUDE OIL SPOT PRICE 1986 – JUNE 2014



Source: EIA

WTI CRUDE OIL SPOT PRICE JUNE 2014 - TODAY



AN INCREASE IN OIL SUPPLY

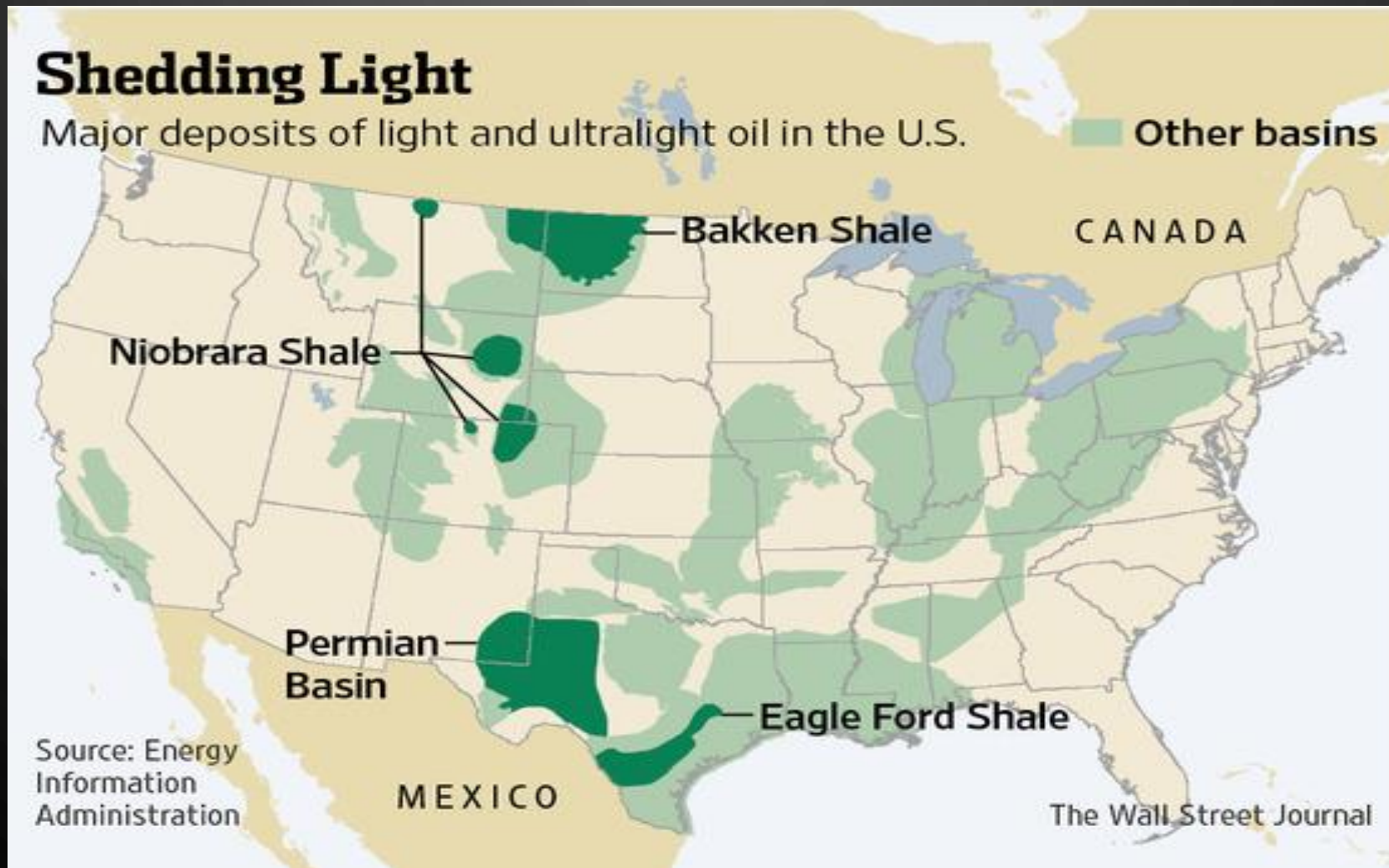
US OIL PRODUCTION IN 2008: 5 MILLION BARRELS OF OIL PER DAY

US OIL PRODUCTION IN 2014: 9 MILLION BARRELS OF OIL PER DAY

AN 80% INCREASE!

ATTRIBUTABLE TO NEW REGIONS FOR DRILLING AND NEWER TECHNIQUES
(I.E. FRACKING)

SHIFT IN THE SUPPLY CURVE



WHAT ARE THE IMPLICATIONS
FOR THE AVERAGE FAMILY?



THE AVERAGE FAMILY WILL SAVE \$100 - \$300 PER MONTH
JUST IN TIME FOR HOLIDAY ROAD TRIPS

WHAT ARE THE IMPLICATIONS *FOR THE STATE OF TEXAS?*

- OF THE STATE'S 254 COUNTIES, 223 ARE ACTIVE IN OIL & GAS PRODUCTION
- OF THE 971K PEOPLE IN THE OIL & GAS INDUSTRY NATIONWIDE,
 - 380K ARE BASED IN TEXAS... **39% OF THE O&G JOBS**
- OF ALL JOBS IN TEXAS, 4.3% ARE IN THE OIL & GAS INDUSTRY, BUT 10.7% OF TEXAS' PAYROLL
- 2013 GDP FOR TEXAS TOTALED \$139 BILLION, AND OF THAT TOTAL \$16 BILLION (11.7%) COMES FROM THE NATURAL RESOURCES AND MINING SECTOR THAT INCLUDES OIL AND GAS PRODUCTION
- **IF COMPANIES ARE UNABLE TO SELL THEIR GOODS AT A PROFIT, THEY WILL:**
 - **CUT CAPITAL SPENDING BUDGETS**
 - **LAY OFF WORKERS**

Chart 4

Employment and Total Wages Accelerate in Eagle Ford Counties

Total wages (billions of dollars)

Total employment



SOURCE: Bureau of Labor Statistics.

WHAT COMPANIES WILL SUFFER?

- **INTEGRATED** (DOWN **28%** ON AVERAGE OF THE PAST 3 MONTHS)
 - EXXON, SHELL, CHEVRON
- **EXPLORATION & PRODUCTION** (DOWN **25%** ON AVERAGE OF THE PAST 3 MONTHS)
 - CONOCO PHILLIPS
- **EQUIPMENT & SERVICES** (DOWN **25%** ON AVERAGE OF THE PAST 3 MONTHS)
 - SCHLUMBERGER, HALLIBURTON
- **REFINING & MARKETING** (DOWN **17%** ON AVERAGE OF THE PAST 3 MONTHS)
 - PHILLIPS 66, VALERO
- **MIDSTREAM** (DOWN **16%** ON AVERAGE OF THE PAST 3 MONTHS)
 - KINDER MORGAN
- **DRILLING** (DOWN **15%** ON AVERAGE OF THE PAST 3 MONTHS)
 - ENSCO, TRANSOCEAN

WHAT COMPANIES WILL BENEFIT?

- ANY BUSINESS THAT REQUIRES TRANSPORTATION
 - C.H. ROBINSON
 - MCDONALDS
- RETAIL
 - WALMART
 - NESTLE
 - CONSUMERS ALL OF A SUDDEN HAVE \$100 - \$300 THAT THEY ARE NO LONGER SPENDING
 - WON'T STAY IN THEIR SAVINGS ACCOUNT LONG – TIS THE SEASON



PRICE OF CRUDE VS. MAJOR ENERGY COMPANIES

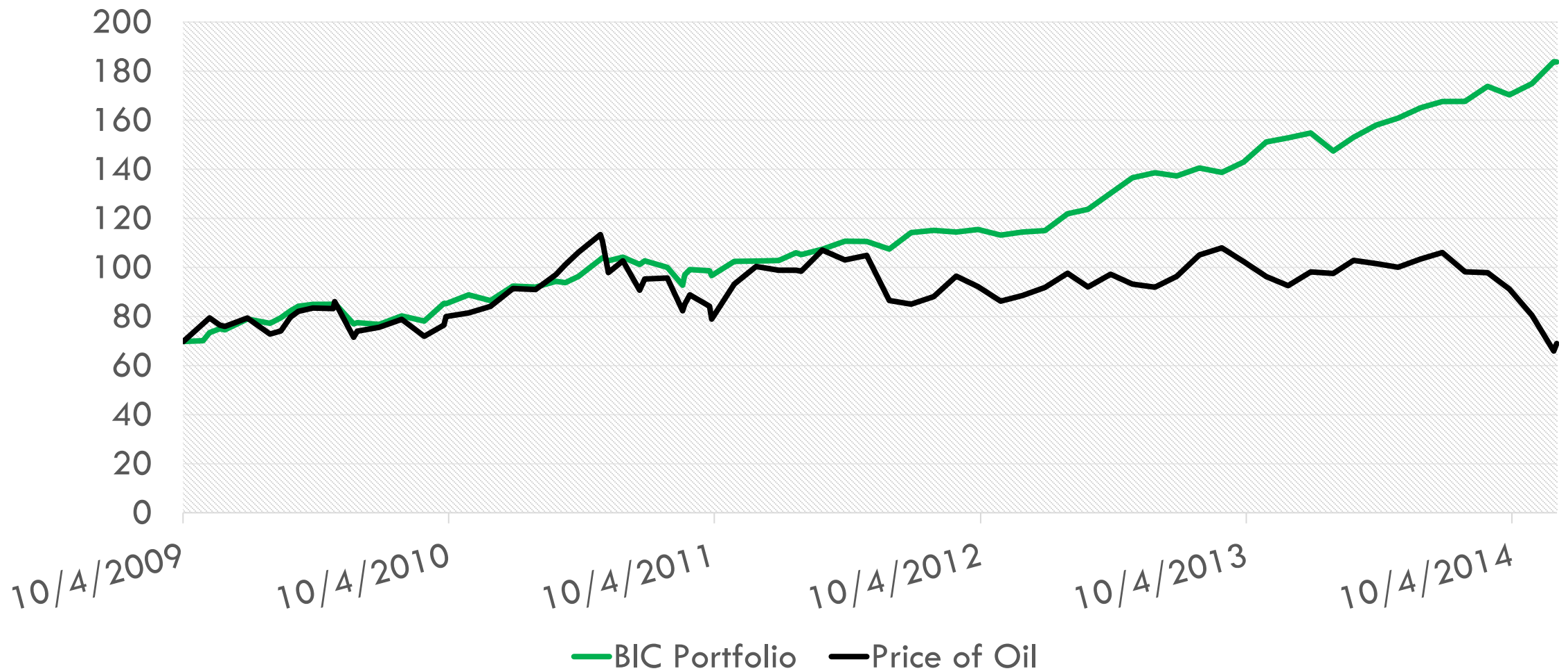


Source: EIA

The image features a dark gray background with several translucent, realistic-looking bubbles of various sizes scattered in the corners. The bubbles have highlights and shadows, giving them a three-dimensional appearance. The text is centered in the middle of the frame.

NO MATTER HOW WELL RUN ENERGY COMPANIES
ARE, THEIR BUSINESS WILL BE AFFECTED BY PRICE OF
THE UNDERLYING COMMODITY.

BIC PORTFOLIO VS. OIL



BIC HOLDINGS VS. MAJOR ENERGY COMPANIES SINCE PORTFOLIO INCEPTION

