

Renminbi Revalued

Summary

Natural gas royalty trust investors can take the news of a revalued renminbi, in effect a devalued dollar, in stride because energy resources are real assets that tend to reflect economic value regardless of currency. The Chinese currency, known both as the yuan and the renminbi, was revalued to 8.11 to the dollar from 8.28 on July 21, 2005 for the first change apparently in a decade. There is a natural gas connection as China has only begun to use the clean fuel and can now pay more dollars today than yesterday. Through the rapidly growing trade in liquefied natural gas (LNG), the natural gas market in Asia will be linked to Europe and North America. Meanwhile seven income stocks concentrated on the emerging global commodity pay cash today from producing resources that look increasingly valuable.

Kurt H. Wulff, CFA

U.S. Natural Gas and Oil Royalty Trusts

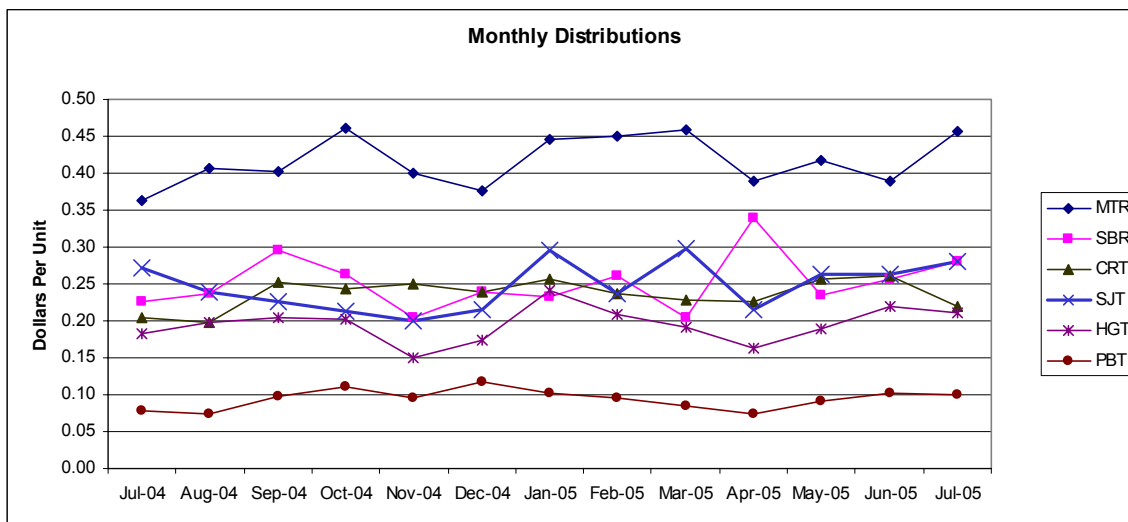
The Account

		<i>Price</i>		<i>Market</i>	<i>Next</i>	<i>NTM</i>
	<i>Symbol</i>	<i>(\$/un)</i>		<i>Value</i>	<i>Twelve</i>	<i>Distrib.</i>
		<i>21-Jul</i>	<i>Units</i>	<i>(\$)</i>	<i>Months</i>	<i>Yield</i>
		<i>2005</i>			<i>Distrib.</i>	<i>(%/yr)</i>
					<i>(\$/un)</i>	
Sabine Royalty Trust	SBR	46.88	400	18,752	3.64	7.8
San Juan Basin Royalty Trust	SJT	44.14	500	22,070	3.40	7.7
Permian Basin Royalty Trust	PBT	16.44	1,200	19,728	1.33	8.1
Mesa Royalty Trust	MTR	65.50	200	13,100	5.56	8.5
Cross Timbers Royalty Trust	CRT	42.61	400	17,044	3.63	8.5
Dorchester Minerals, L.P.	DMLP	24.14	700	16,898	2.10	8.7
Hugoton Royalty Trust	HGT	30.45	500	15,225	2.90	9.5
	<i>Total</i>			<i>122,817</i>		<i>8.3</i>
Futures Strip						
12 Month - Oil (\$/bbl)		58.48				
12 Month - Natural Gas (\$/mmbtu)		7.96				
72 Month - Oil (\$/bbl)		56.62				
72 Month - Natural Gas (\$/mmbtu)		7.31				

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Rank by McDep Ratio: Market Cap and Debt to Present Value

	<i>Symbol</i>	<i>Price (\$/sh)</i> 21-Jul 2005	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Net Present Value (\$/sh)</i>	<i>EV/Ebitda NTM</i>	<i>McDep Ratio</i>
Sabine Royalty Trust	SBR	46.88	14.6	680	33.00	12.9	1.42
San Juan Basin Royalty Trust	SJT	44.14	46.6	2,060	32.00	11.8	1.38
Permian Basin RT (41%)	PBT	16.44	19.1	310	12.00	11.4	1.37
Cross Timbers Royalty Trust	CRT	42.61	6.0	260	36.00	11.6	1.19
Dorchester Minerals, L.P.	DMLP	24.14	28.2	680	21.00	10.1	1.15
Hugoton RoyaltyTrust (46%)	HGT	30.45	18.4	560	27.00	8.7	1.13
Mesa RoyaltyTrust	MTR	65.50	1.9	120	60.00	10.3	1.09
<i>Total or Median</i>				<i>4,700</i>	<i>11.4</i>	<i>1.19</i>	



Index of Recent U.S. Royalty Trust Research

Single Trust Analyses

<u>Date</u>	<u>Symbol</u>	<u>Stock</u>	<u>Theme</u>
20-Jul	MTR	Mesa Royalty Trust	Improved Distribution Declared
13-May	* DMLP	Dorchester Minerals, L.P.	Royalty Volume Increasing
28-Apr	* SJT	San Juan Basin Royalty Trust	Ten Bagger
24-Mar	* MTR	Mesa Royalty Trust	Long Reserve Life Reported

U.S. Natural Gas Royalty Trusts - A Weekly Analysis

22-Jul		Renminbi Revalued
15-Jul		Sakhalin Saga
8-Jul	*	IGCC
30-Jun	*	Natural Gas Vision

* Archived on www.mcdep.com

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