

### News Tracker:

-Natural gas spot prices fell at most locations with warmer weather for the period from Wednesday, March 21 to Wednesday, March 28 (the Report Week). The Henry Hub spot price fell from \$2.70/MMBtu to \$2.64/MMBtu from open to close of the Report Week.

-At the Nymex, the April 2018 natural gas futures contract expired Tuesday at \$2.691/MMBtu. The May 2018 contract price increased to \$2.698/MMBtu, up 3¢ for the term of the Report Week.

-Net natural gas withdrawals from storage totaled 63 Bcf for the week ending March 23, compared with the five-year (2013-17) average net withdrawal of 46 Bcf and last year's net withdrawals of 58 Bcf during the same week. Working gas stocks totaled 1,383 Bcf, which is 346 Bcf (20%) lower than the five-year average and 672 Bcf (33%) lower than last year at this time. Working gas stocks have rebounded since falling to 59 Bcf lower than the five-year minimum range and 486 Bcf lower than the five-year average for the Lower 48 states on January 19, 2018. If net withdrawals from working gas stocks match the five-year average for the remainder of the withdrawal season, working gas stocks will total 1,356 Bcf by March 31, 2018, which is 17% lower than the five-year average. Working gas stocks ended the 2013-14 heating season at 837 Bcf, which is the lowest reported level for that time since 2010. Temperatures in the Lower 48 states averaged 44 degrees Fahrenheit (°F), 2°F lower than the normal and 3°F lower than last year at this time.

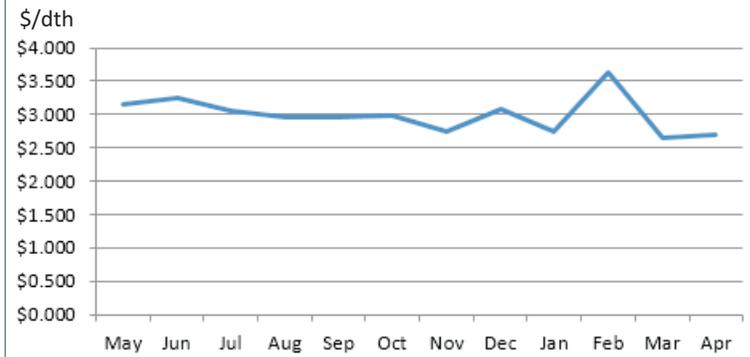
-Total U.S. consumption of natural gas fell by 4% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation was flat, averaging 23.2 Bcf/d. Industrial sector consumption decreased by 1% week over week. In the residential and commercial sectors, consumption declined by 9%. Natural gas exports to Mexico were the same as last week, averaging 4.3 Bcf/d.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 19¢, averaging \$7.45/MMBtu for the week ending March 28. The price of natural gasoline and isobutane both rose by 3%, the price of propane and butane both rose by 2%, and the price of ethane rose by 4%.

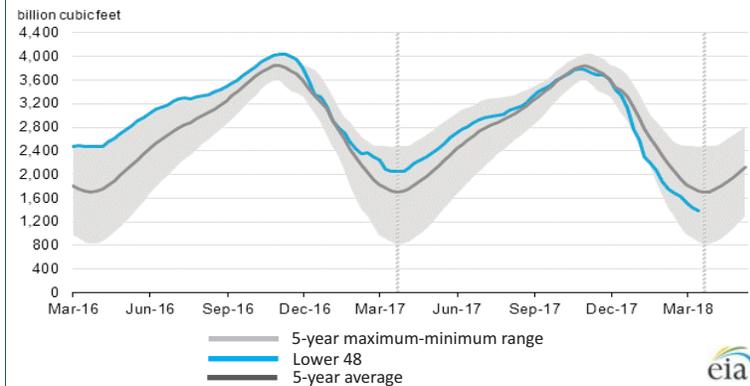
-According to Baker Hughes, for the week ending Tuesday, March 20, the natural gas rig count increased by 1 to 190.

Excerpted from 

### Monthly NYMEX Natural Gas Settle Price: May 2017 - Apr 2018:



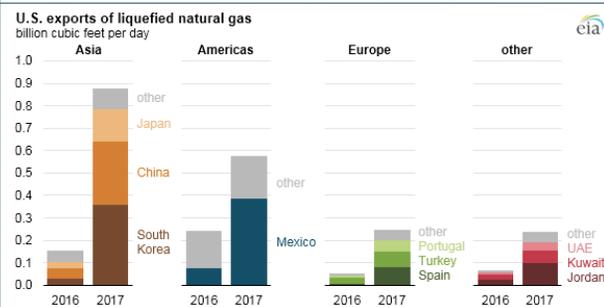
### Working nat. gas in underground storage as of March 23, 2018



### Forward 12-month NYMEX natural gas strip price - Apr18-Mar19:

Process Load-weighted \$2.836/dth - w/o/w = ▲\$0.040  
 Typical Heat Load-weighted \$2.902/dth - w/o/w = ▲\$0.036

### U.S. liquefied natural gas exports quadrupled in 2017:



U.S. exports of liquefied natural gas (LNG) reached 1.94 billion cubic feet per day (Bcf/d) in 2017, up from 0.5 Bcf/d in 2016. As LNG exports increased, shipments went to more destinations. U.S. LNG exports in 2017, all of which originated from Louisiana's Sabine Pass liquefaction terminal, reached 25 countries. More than half (53%) of U.S. LNG exports in 2017 were shipped to three countries: Mexico, South Korea, and China. Mexico received the largest amount of U.S. LNG exports, at 20% of the 2017 total. Growing natural gas demand in Mexico, particularly from the power generation sector, and delays in the construction of domestic pipelines connecting to U.S. export pipelines led Mexico to rely on LNG imports to supplement imports of natural gas by pipeline. In Asia, the widening difference between the Henry Hub natural gas price to which U.S. LNG contract prices are indexed and crude oil to which LNG prices are benchmarked in Asia helped to drive increases in LNG imports from the United States. Exports to South Korea accounted for 18% of total U.S. LNG exports in 2017.

Exports to China made up 15% of total U.S. LNG exports. These exports were sold mostly on a spot basis, with volumes in October, November, and December increasing as record-high LNG demand prompted China to seek additional LNG on the global spot market to supplement contracted volumes. The increase in LNG exports over the past two years is the result of the continuing expansion of U.S. LNG export capacity. Two LNG projects Sabine Pass in Louisiana and Cove Point in Maryland have come online since 2016, increasing U.S. LNG export capacity to 3.6 Bcf/d. Four more projects are scheduled to come online in the next two years: Elba Island LNG in Georgia and Cameron LNG in Louisiana in 2018, then Freeport LNG and Corpus Christi LNG in Texas in 2019. Once completed, U.S. LNG export capacity is expected to reach 9.6 Bcf/d by the end of 2019.

Excerpted from 

"Keep your face always toward the sunshine - and shadows will fall behind you." -Walt Whitman<sup>1</sup>