Energy Market Report

Report Date: June 8, 2018
Report Week: May 30, 2018 to June 6, 2018

Your Energy. Our Mission.™

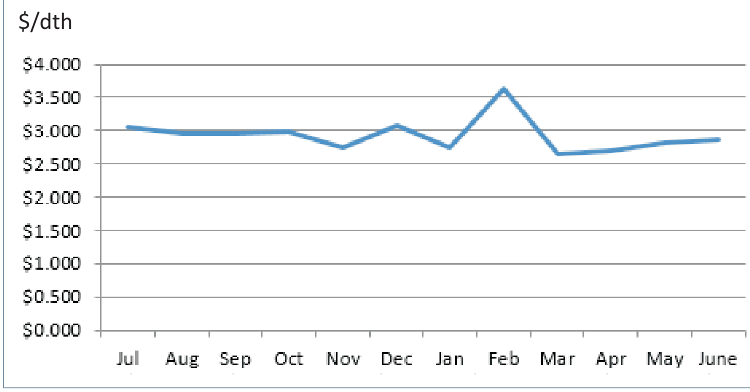
Questions?
Ph: 888-351-0981
info@legacyenergy.com
www.legacyenergy.com

News Tracker:

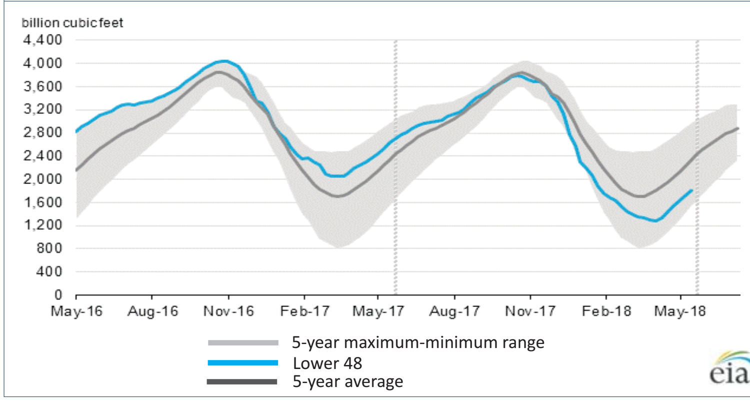
-Natural gas spot price movement varied this Report Week (Wednesday, May 30 to Wednesday, June 6). The Henry Hub spot price rose from $2.83 per million British thermal units (MMBtu) to $2.85/MMBtu from start to finish of the Report Week.
-At the New York Mercantile Exchange (Nymex), the July 2018 natural gas futures contract price rose 1¢ from $2.885/MMBtu to $2.896/MMBtu from beginning to end of the Report Week.
-Net natural gas injections into storage totaled 92 Bcf for the storage week ending June 1, lower than both the five-year (201317) average net injections of 104 Bcf and last year's net injections of 103 Bcf during the same week. Net injections averaged 13.7 Bcf/d; net injections will have to average 12.6 Bcf/d for the remainder of the refill season to match the five-year average level (3,815 Bcf) by October 31. Working gas stocks totaled 1,817 Bcf, which is 512 Bcf (22%) lower than the five-year average and 799 Bcf (31%) lower than last year at this time. Temperatures in the Lower 48 states averaged 73 degrees Fahrenheit (°F), 7°F higher than the normal and 7°F higher than last year at this time. Temperatures were 7°F higher than the level reported for the previous week.
-U.S. consumption of natural gas rose by 2% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation declined by 1% week over week. Industrial sector consumption increased by 1% week over week. In the residential and commercial sectors, consumption increased by 19%, driven by cool temperatures in New England late this report week. Natural gas exports to Mexico decreased 1%.
-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by $0.23, averaging $8.83/MMBtu for the week ending June 6. The spot prices of natural gasoline, propane, butane, and isobutane fell by 4%, 3%, 1%, and 12%, respectively. The spot price of ethane rose by 8%.
-According to Baker Hughes, for the week ending Tuesday, May 29, the natural gas rig count decreased by 1 to 197. The number of oil-directed rigs rose by 2 to 861. The total rig count increased by 1, and it now stands at 1060.

Excerpted from eia

Monthly NYMEX Natural Gas Settle Price: Jul 2017 - Jun 2018:



Working nat. gas in underground storage as of Jun 1, 2018

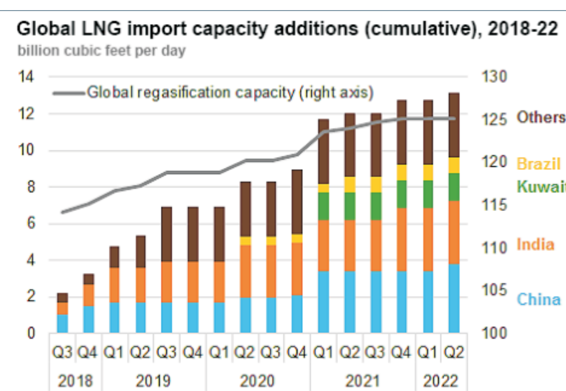


Forward 12-month NYMEX natural gas strip price - Jul18-Jun19:

Process Load-weighted $2.891/dth - w/o/w = ▲$0.010
Typical Heat Load-weighted $2.966/dth - w/o/w = ▲$0.013

Global LNG import capacity additions (cumulative), 2018-2022:

In April 2018, Bangladesh became the newest country to begin imports of liquefied natural gas (LNG). In the next two years, six more countriesPanama, Gibraltar, Russia, Philippines, Ghana, and Bahrainare expected to start importing LNG, adding a combined 2.1 billion cubic feet per day (Bcf/d) of new regasification import capacity. In 2017, global LNG trade expanded by a record 10% (3.5 Bcf/d) compared to the prior year, with 19 exporting countries and 40 importing countries engaged in LNG trade. By 2022, once all regasification terminals currently under construction are completed, global regasification capacity is projected to expand by 13.1 Bcf/d (a 12% increase) compared to 2017 and reach 125 Bcf/d. Although, historically, global nameplate regasification capacity far exceeded LNG imports (capacity utilization averaged 32%38% annually over the past ten years), utilization of the new regasification capacity is expected to be higher as many of the new regasification terminals will serve specific downstream projects, have associated long-term LNG import contracts, and/or are built in markets with rapidly growing natural gas demand. Most of the new regasification capacity coming online in 201822 is located in China and India, which are projected to add 7.3 Bcf/d (combined), accounting for 55% of the total global capacity additions in this period. Regionally, Asia (including China and India) will lead the growth in global regasification capacity additions with 8.5 Bcf/d under construction (65% of the total global additions). Other projected additions to the global total include: The Middle East (Bahrain and Kuwait) at 2.3 Bcf/d (18%); Brazil and Panama at 1 Bcf/d (8%); Europe (Belgium, Greece, Russia, Finland, and Gibraltar) at 0.8 Bcf/d (6%); and Africa (Ghana) at 0.45 Bcf/d (3%).



Excerpted from eia

"Never let the future disturb you. You will meet it, if you have to, with the same weapons of reason which today arm you against the present." -Marcus Aurelius[1]

[1]https://www.brainyquote.com/quotes/marcus_aurelius_138728