
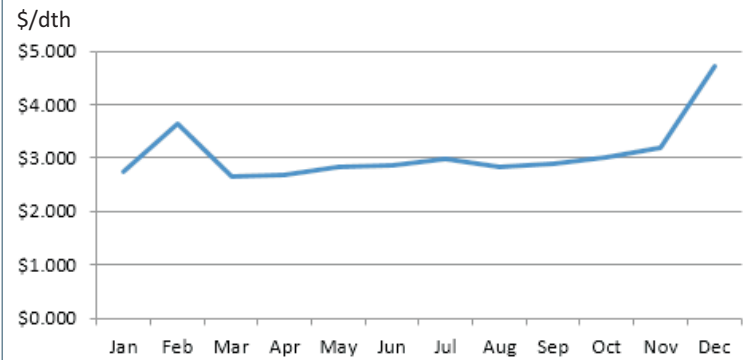


News Tracker:

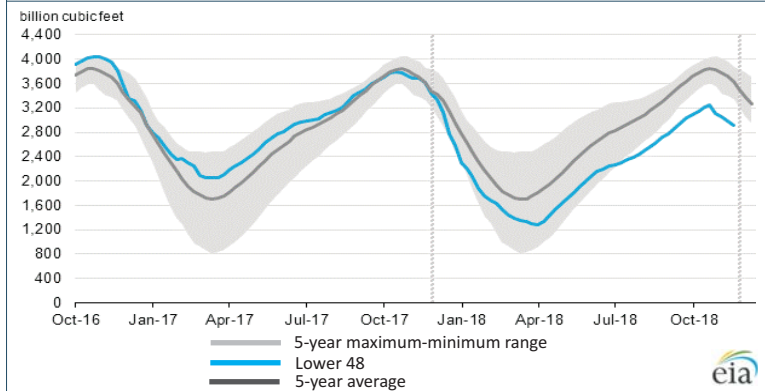
- Natural gas spot prices fell at most locations for the Report Week of Wednesday, December 5 to Wednesday, December 12. Henry Hub spot prices fell from \$4.62 per million British thermal units (MMBtu) to \$4.20/MMBtu from open to close of the Report Week.
- At the Nymex, the price of the January 2019 natural gas futures contract decreased 33¢, from \$4.469/MMBtu to \$4.136/MMBtu from start to finish of the Report Week. The price of the 12-month strip averaging January 2019 through December 2019 futures contracts declined 8¢/MMBtu to \$3.165/MMBtu.
- Net withdrawals from storage totaled 77 Bcf for the week ending December 7, compared with the five-year (2013-17) average net withdrawals of 79 Bcf and last year's net withdrawals of 59 Bcf during the same week. Working gas stocks totaled 2,914 Bcf, which is 723 Bcf (20%) lower than the five-year average and 722 Bcf (20%) lower than last year at this time. Temperatures in the Lower 48 states averaged 41 degrees Fahrenheit (°F), 1°F higher than normal and 5°F lower than last year at this time. Temperatures were similar to those reported for the previous week. In the Lower 48 states, total working gas stocks are 427 Bcf lower than the five-year minimum, and every storage region is currently lower than the bottom of its five-year range.
- Total U.S. consumption of natural gas rose by 15% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation climbed by 9% week over week. Industrial sector consumption increased by 4% week over week. In the residential and commercial sectors, consumption increased by 26%. Natural gas exports to Mexico increased 2%.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 6¢/MMBtu, averaging \$6.73/MMBtu for the week ending December 12. The price of ethane and isobutane fell by 2% and 1%, respectively. The price of natural gasoline, propane, and butane rose by 5%, 1%, and 4%, respectively.
- According to Baker Hughes, for the week ending Tuesday, December 4, the natural gas rig count increased by 9 to 198. The number of oil-directed rigs fell by 10 to 877. The total rig count decreased by 1, and it now stands at 1,075.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Jan 2018 - Dec 2018:



Working natural gas in underground storage as of Dec. 7, 2018



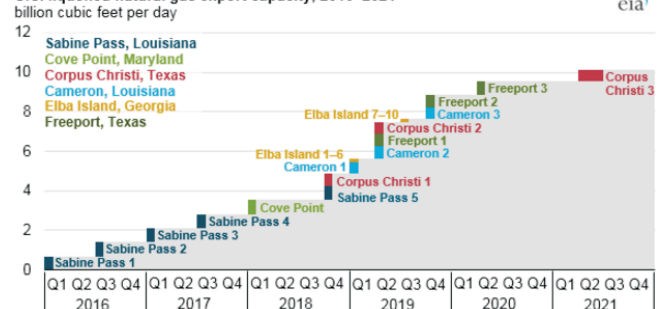
Forward 12-month NYMEX natural gas strip price - Jan19-Dec19:


Process Load-weighted \$3.165/dth - w/o/w = ▼\$0.084
 Typical Heat Load-weighted \$3.429/dth - w/o/w = ▼\$0.135

U.S. Liquefied natural gas export capacity to more than double by the end of 2019:

US liquefied natural gas (LNG) export capacity is projected to reach 8.9 Bcf/d by the end of 2019, making it the third largest in the world behind Australia and Qatar. Currently, US LNG export capacity stands at 3.6 Bcf/d, and it is expected to end the year at 4.9 Bcf/d as two new liquefaction units (called trains) become operational. The US began exporting LNG from the Lower 48 states in February 2016, when the Sabine Pass liquefaction terminal in Louisiana shipped its first cargo. Since then, Sabine Pass expanded from one to four operating liquefaction trains, and the Cove Point LNG export facility began operation in Maryland. Two more trains began LNG production this year, several months ahead of schedule, and are expected to ship their first cargos within the next few weeks. Two more LNG export facilities, one in Louisiana and one in Texas, are currently being commissioned, with production from expected in the first half of 2019. The developers of these projects expect a combined total of five trains to be placed in service in 2019. The Elba Island LNG facility near Savannah, Georgia, is also scheduled to become fully operational by the end of 2019. Elba Island LNG consists of 10 small modular liquefaction units with a combined capacity of 0.33 Bcf/d. Project developers expect LNG production from the first train to begin early next year and from the remaining nine trains to commence sequentially through the rest of 2019. Four additional export terminals Magnolia LNG, Delfin LNG, Lake Charles, Golden Pass and the sixth train at Sabine Pass have been approved by both the U.S. Federal Regulatory Commission and the U.S. Department of Energy, and they are expected to make final investment decisions in the coming months. These proposed projects represent a combined additional LNG export capacity of 7.6 Bcf/d.

U.S. liquefied natural gas export capacity, 2016-2021



Excerpted from 

“All you need in life is ignorance and confidence, and then success is sure.” -Mark Twain¹