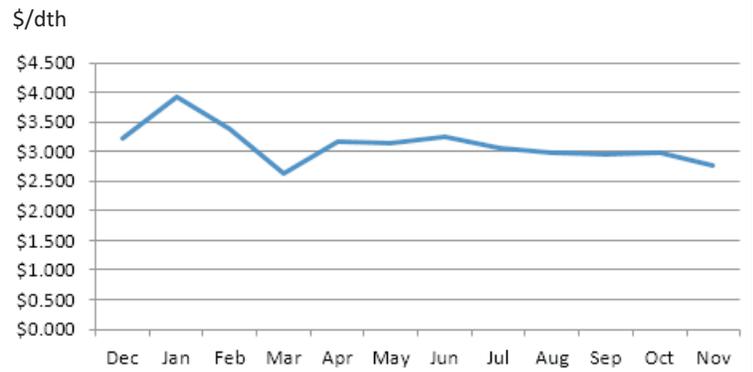


News Tracker:

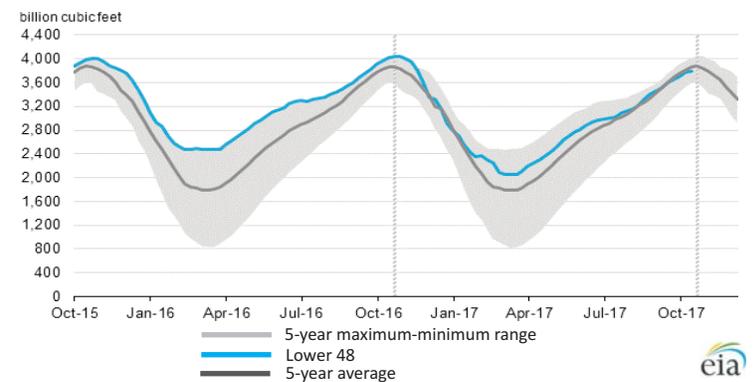
- Natural gas spot prices rose at most locations from Wednesday, November 1 to Wednesday, November 8 (the Report Week). The Henry Hub spot price rose from \$2.64/MMBtu to \$3.15/MMBtu from start to end of the Report Week.
- At the New York Mercantile Exchange (Nymex), the December 2017 natural gas futures contract price rose 28¢ from \$2.893/MMBtu to \$3.175/MMBtu from open to close of the Report Week.
- Natural gas net injections into storage totaled 15 Bcf for the week ending November 3, compared with the five-year (2012-16) average net injection of 45 Bcf and last year's net injections of 54 Bcf during the same week. Working gas stocks total 3,790 Bcf, which is 71 Bcf less than the five-year average and 219 Bcf less than last year at this time. This is the largest that the deficit to the five-year average has been since it totaled 77 Bcf for the report week ending January 13, 2017. However, most of this deficit to the five-year average occurred in the South Central region, where working gas stocks fell to 42 Bcf below the five-year average level. Working gas levels in the East and Midwest regions where natural gas is an important fuel for space and water heating were 1 Bcf below and 15 Bcf above the five-year average, respectively. Temperatures in the Lower 48 states averaged 50 degrees Fahrenheit (°F), 1°F lower than the normal and 7°F lower than last year at this time.
- Total U.S. consumption of natural gas rose by 2% compared with the previous report week, according to data from PointLogic Energy. Despite the relatively cold weather in the North, parts of the Gulf Coast experienced temperatures averaging in the high 70 degree Fahrenheit range. As a result, natural gas consumed for power generation climbed by 7% week over week. Industrial sector consumption decreased by 2% week over week. With warm weather in the South offsetting cold weather in the north, consumption in the residential and commercial sectors remained flat, averaging 21.7 Bcf/d. Natural gas exports to Mexico increased 4%.
- According to Baker Hughes, for the week ending Friday, November 3, the natural gas rig count decreased by 3 to 169. The number of oil-directed rigs fell by 8 to 729. The total rig count decreased by 11, and it now stands at 898.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Dec 2016 - Nov 2017:



Working nat. gas in underground storage as of November 3, 2017



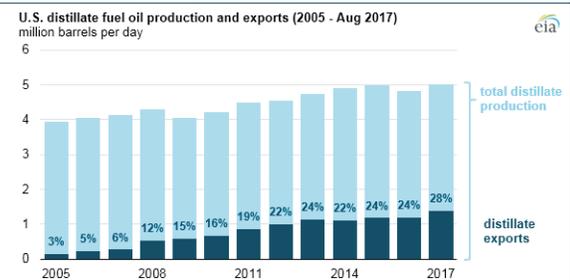
Forward 12-month NYMEX natural gas strip price - Dec17-Nov18:

Process Load-weighted \$3.077/dth - w/o/w = ▲\$0.128
 Typical Heat Load-weighted \$3.148/dth - w/o/w = ▲\$0.167

More US distillate is being exported:

US distillate exports have continued to increase in 2017, both in volume and as a share of total distillate production. Domestic distillate demand has remained relatively stable, increasing slightly from January through July 2017. Distillate exports from the US reached a record high in July 2017 of 1.7 million barrels per day (b/d). Based on data through August, distillate exports have accounted for 28% of the total distillate produced in the US in 2017. US distillate exports in 2017 have been destined primarily for countries in Central and South America, Europe, and North America. The proximity of US Gulf Coast refineries to Mexico and to Central and South America, combined with these regions' high demand and recent refinery shutdowns, have led to strong US distillate exports to these locations. In addition to increased export demand, the difference between distillate prices and crude oil prices encouraged relatively high refinery runs. The largest single recipient of US distillate exports from January through July 2017 was Mexico (228,000 b/d), followed by Brazil (183,000 b/d) and the Netherlands (102,000 b/d). For North America, although exports to Canada decreased by 15,000 b/d compared with the same months in 2016, exports to Mexico increased by more than 76,000 b/d. January through July distillate exports to Brazil increased by 83,000 b/d from 2016 levels to 183,000 b/d in 2017. Trade press reports indicate that the decision by Brazil's state-controlled oil company, Petroleo Brasileiro SA, to raise diesel prices in April, combined with competitive tanker rates, supported U.S. exports to Central and South America. Despite refinery outages in Europe, average U.S. distillate exports to the region decreased in 2017 compared with 2016. January through July 2017 exports to Europe averaged 280,000 b/d, nearly 42,000 b/d lower than the average for the same period last year.

[Click here for link to explanation of distillate fuel oil](#)>>



Excerpted from 

"I read, I study, I examine, I listen, I think, and out of all that I try to form an idea into which I put as much common sense as I can." -Marquis de Lafayette¹

This newsletter is provided to you for informational purposes only. The Legacy Energy Group, LLC makes no representations or warranties concerning the accuracy of the information contained herein and assumes no liability for any errors or omissions in the content herein. It is not intended to provide advice or recommendation. The Legacy Energy Group, LLC is a Kentucky limited liability company with offices in Virginia and Michigan, and serves clients throughout the United States and Canada.

©1999-2017 The Legacy Energy Group, LLC

¹<https://www.brainyquote.com/quotes/quotes/m/marquisdel740844.html>