

### News Tracker:


-Natural gas spot prices fell at most locations for the Report Week of Wednesday, April 4 to Wednesday, April 11. The Henry Hub spot price fell from \$2.77 per million British thermal units (MMBtu) to \$2.69/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the May 2018 natural gas futures contract price fell 4¢ from \$2.718/MMBtu to \$2.675/MMBtu from start to finish of the Report Week.

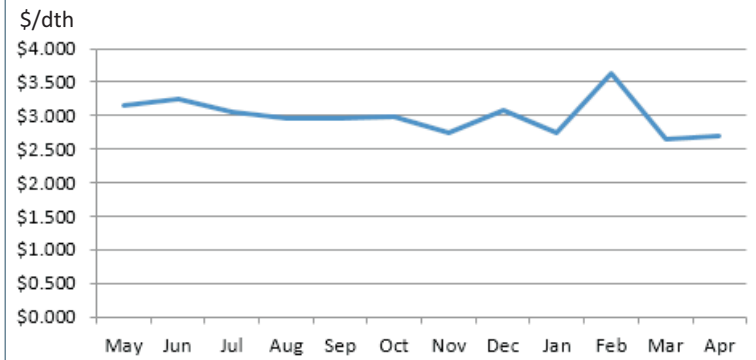
- Net natural gas withdrawals from storage totaled 19 Bcf for the week ending April 6, compared with the five-year (2013-17) average net injection of 9 Bcf and last year's net injections of 9 Bcf during the same week. The natural gas storage refill season begins on April 1, and this week's report marks the fourth time since 2010 that net withdrawals from storage on a national level were reported during the month. Working gas stocks totaled 1,335 Bcf, which is 375 Bcf (22%) lower than the five-year average and 725 Bcf (35%) lower than last year at this time. Temperatures in the Lower 48 states during the storage report week averaged 47°F, 2°F lower than the normal and 6°F lower than last year at this time. Temperatures in the heavy natural gas-consuming areas of the Midwest and Middle Atlantic posted significantly colder-than-normal temperatures.

- Total U.S. consumption of natural gas rose by 7% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation climbed by 4% week over week, as some Pacific and southern regions experienced an increase in cooling degree days (CDD). In the residential and commercial sectors, consumption increased by 14% as a result of northern regions that experienced an increase in heating degree days (HDD). Industrial sector consumption increased by 2% week over week. Natural gas exports to Mexico increased 16% with the conclusion of maintenance on Mexico's Los Ramones pipeline, according to Genscape data.

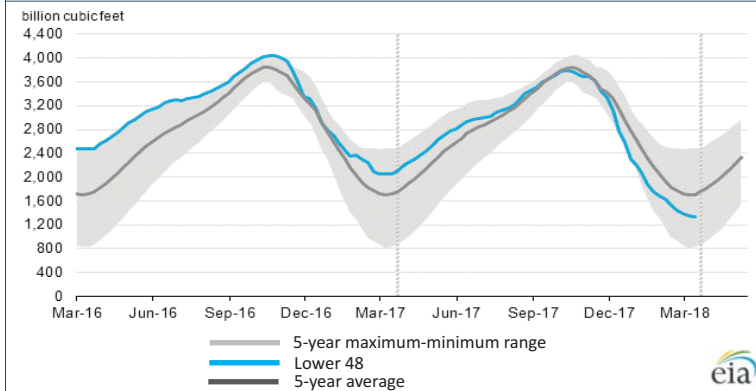
-According to Baker Hughes, for the week ending Tuesday, April 3, the natural gas rig count remained flat at 194. The number of oil-directed rigs rose by 11 to 808. The total rig count increased by 10, and it now stands at 1,003. This report week is the first time the total rig count has exceeded 1,000 since April 2015.

Excerpted from 

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



### Working nat. gas in underground storage as of April 6, 2018




### Forward 12-month NYMEX natural gas strip price - May18-Apr19:

Process Load-weighted \$2.835/dth - w/o/w = ▼\$0.041  
 Typical Heat Load-weighted \$2.904/dth - w/o/w = ▼\$0.035

### U.S. natural gas inventories end heating season at the lowest level since 2014:

Working natural gas in storage in the U.S. as of March 31, 2018, the end of the 2017-2018 heating season, totaled 1,351 billion cubic feet (Bcf), according to the U.S. Energy Information Administration's (EIA) estimate based on its Weekly Natural Gas Storage Report. This is the lowest level for U.S. working gas stocks at this time of year since March 31, 2014, when working gas stocks were much lower, at 837 Bcf following the 2013-2014 heating season. As of March 31, 2018, working gas stocks were 21% lower than the previous five-year (2013-2017) average for the end of the heating season. The 2017-2018 heating season, which began on November 1, 2017, was characterized by periods of colder-than-normal temperatures that resulted in substantial withdrawals of natural gas from storage, including an all-time weekly record-breaking withdrawal of 359 Bcf in January. Natural gas is used during colder months not only for heating homes and businesses directly, but also for fueling natural gas power plants, which are increasingly used to meet winter electricity demand. As a result of the colder-than-normal winter, net withdrawals from storage during the 2017-2018 heating season totaled 2,427 Bcf, the second-highest withdrawals on record behind only the 2,958 Bcf net withdrawals reported for the much colder-than-normal 2013-2014 winter. This summer, EIA expects injections into storage to be higher than normal, exceeding the average of the previous five injection seasons (April through October). Because of the regulatory obligations of many of the larger storage operators to provide winter heating service, U.S. natural gas storage levels tend to end the injection season close to the previous five-year average of about 3,800 Bcf. Doing so would require injections to total nearly 2,500 Bcf, or about 30% more natural gas than the average of the previous five injection seasons.



Excerpted from 

“Work hard, stay positive, and get up early. It’s the best part of the day.” -George Allen, Sr.<sup>1</sup>