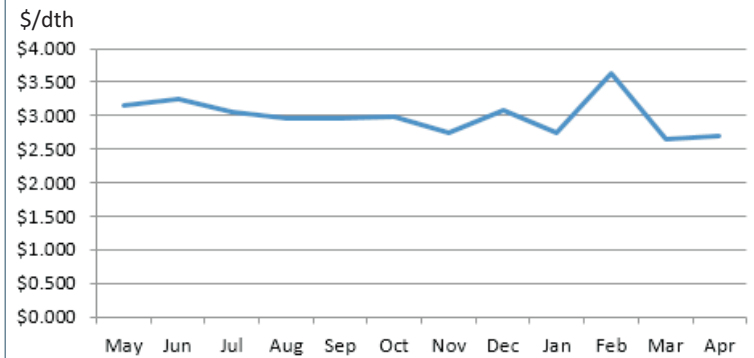


### News Tracker:

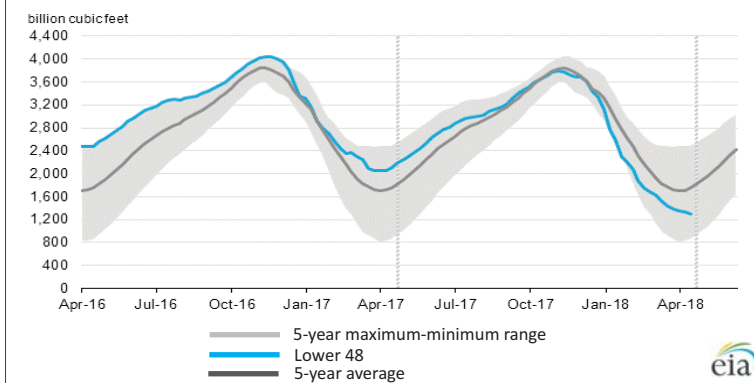
- Natural gas spot prices rose at most locations for the Report Week of Wednesday, April 11 to Wednesday, April 18. The Henry Hub spot price rose from \$2.69 per million British thermal units (MMBtu) to \$2.84/MMBtu from start to finish of the Report Week.
- At the New York Mercantile Exchange (Nymex), the May 2018 natural gas futures contract price rose 6¢ from \$2.675/MMBtu to \$2.739/MMBtu from open to close of the Report Week.
- Net natural gas withdrawals from storage totaled 36 Bcf for the week ending April 13, compared with the five-year (2013-17) average net injections of 38 Bcf and last year's net injections of 47 Bcf during the same week. The natural gas storage refill season typically begins on April 1. However, continued colder-than-normal temperatures throughout most of the Lower 48 states have resulted in continued withdrawals from storage. This week's report marks the second week in a row and fifth time since 2010 that net withdrawals from storage on a national level were reported during April. Working gas stocks totaled 1,299 Bcf, which is 449 Bcf (26%) lower than the five-year average and 808 Bcf (38%) lower than last year at this time. Temperatures in the Lower 48 states averaged 46 degrees Fahrenheit (°F), 5°F lower than the normal and 9°F lower than last year at this time. Temperatures in the heavy natural gas-consuming areas of the Midwest and East regions posted significantly colder-than-normal temperatures.
- Total US consumption of natural gas fell by 9% compared with the previous Report Week, according to data from PointLogic Energy. In the residential and commercial sectors, consumption declined by 22% as warm temperatures in the South and West offset increases in heating demand in the Midwest and Northeast. Natural gas consumed for power generation climbed by 2% week over week. Industrial sector consumption decreased by 3% week over week. Natural gas exports to Mexico decreased 1%.
- According to Baker Hughes, for the week ending Tuesday, April 10, the natural gas rig count decreased by 2 to 192. The number of oil-directed rigs rose by 7 to 815. The total rig count increased by 5, and it now stands at 1008.

Excerpted from 

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



### Working nat. gas in underground storage as of April 13, 2018

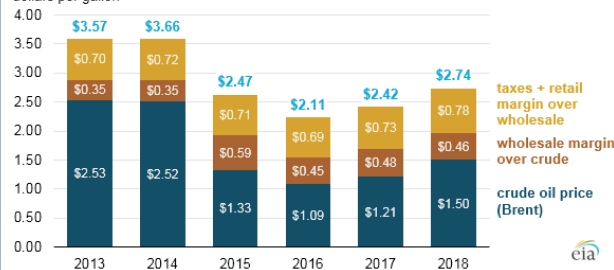


### Forward 12-month NYMEX natural gas strip price - May 18-Apr 19:

Process Load-weighted \$2.867/dth - w/o/w = ▲\$0.032  
 Typical Heat Load-weighted \$2.930/dth - w/o/w = ▲\$0.026

### US summer gasoline prices expected to be highest in four years:

Components of U.S. regular-grade gasoline retail price, summer average (Apr - Sep) dollars per gallon



The US Energy Information Administration (EIA) forecasts that drivers in the United States will pay an average of \$2.74 per gallon (gal) this summer for regular gasoline, the highest average summer gasoline price in four years, according to EIA's Short-Term Energy and Summer Fuels Outlook. EIA's forecast gasoline price for summer 2018 (April through September) is 26 cents/gal higher than the average price last summer, largely reflecting changes in crude oil prices. Overall gasoline expenditures in 2018 are expected to be about \$2,300, or nearly \$200 more per household than in 2017. EIA projects that monthly average gasoline prices will reach a peak of \$2.79/gal in May before falling to \$2.65/gal in September. Gasoline prices are often higher in summer months when gasoline demand is higher. In these months, federal and state environmental regulations require the use of summer-grade gasoline, which is more expensive to manufacture. For all of 2018, EIA forecasts U.S. regular gasoline prices to average \$2.64/gal. Gasoline prices are made up of four main components:

crude oil prices, wholesale margins, retail distribution costs, and taxes. The latter two are generally stable, so changes in gasoline prices are primarily attributable to changes in crude oil prices and wholesale margins. Gasoline prices in the United States have tended to reflect changes in the Brent global crude oil benchmark. Because a barrel of oil contains 42 gallons, each dollar per barrel (b) of sustained price change in crude oil and gasoline wholesale margins translates to an average 2.4-cent-per-gallon change in petroleum product prices. EIA forecasts that Brent crude oil will average \$63/b (\$1.50/gal) this summer, about \$12/b (\$0.29/gal) higher than last summer. Crude oil prices have increased this year, in part, because of extensions to the coordinated crude oil production reductions by the Organization of the Petroleum Exporting Countries.

Excerpted from 

“The hardest thing to understand in the world is the income tax.” -Albert Einstein<sup>1</sup>