

## News Tracker:

-Natural gas spot prices were mixed this for the period of Wednesday, May 10 to Wednesday, May 17 (the Report Week). The Henry Hub spot price rose from \$3.11 per million British thermal units (MMBtu) to \$3.16/MMBtu from start to end of the Report Week.

-At the New York Mercantile Exchange (Nymex), the June 2017 natural gas futures contract price fell 10¢ from \$3.292/MMBtu at the open of the Report Week to \$3.192/MMBtu to close the Report Week.

-Net natural gas injections into storage totaled 68 Bcf, compared with the five-year (2012-16) average net injection of 87 Bcf and last year's net injections of 71 Bcf during the same week. By far, the largest shortfalls in net injections, compared with the five-year average, occurred in the East and Midwest regions where continued cooler-than-normal temperatures likely contributed to increased heating demand for natural gas. Working gas stocks total 2,369 Bcf, which is 256 Bcf (12%) more than the five-year average and 375 Bcf (14%) less than last year at this time. This year-over-year deficit prevails in each of the regions of the Lower 48 states.

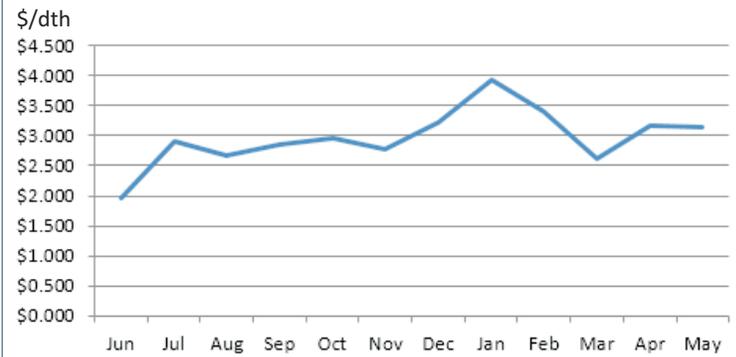
-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 11¢, averaging \$6.09/MMBtu for the week ending May 17. The price of natural gasoline, ethane, propane, and butane rose by 4%, 2%, 1%, and 2%, respectively. The price of isobutane remained flat week over week. Temperatures in the Lower 48 states averaged 58°F, 2°F lower than the normal and 1°F lower than last year at this time. Temperatures were lower than normal in the key gas-consuming Northeast region, where the New England and Middle Atlantic Census Divisions were 3°F and 4°F, respectively, lower than normal.

-According to Baker Hughes, for the week ending Friday, May 12, the natural gas rig count decreased by 1 to 172. The number of oil-directed rigs rose by 9 to 712. The total rig count increased by 8, and it now stands at 885.

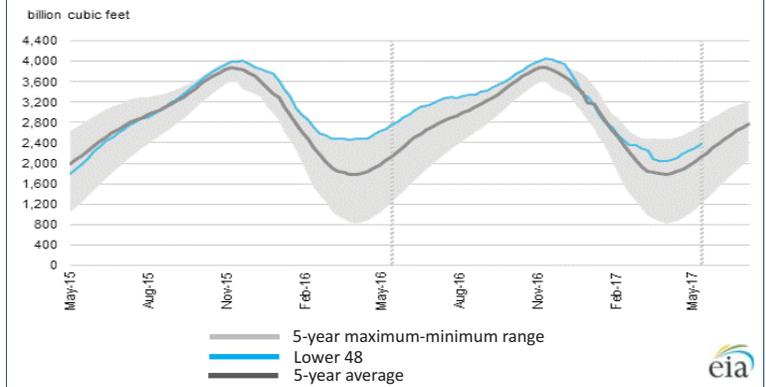
- Total U.S. consumption of natural gas fell by 1% compared with the previous report week, according to data from PointLogic. Warmer temperatures in the East influenced a 10% increase in power burn. Residential and commercial consumption fell by 16%. Industrial sector consumption decreased by 2% week over week. Natural gas exports to Mexico increased 5%.

Excerpted from 

## Monthly NYMEX Natural Gas Settle Price: Jun2016 - May 2017:



## Working nat. gas in underground storage as of May 12, 2017

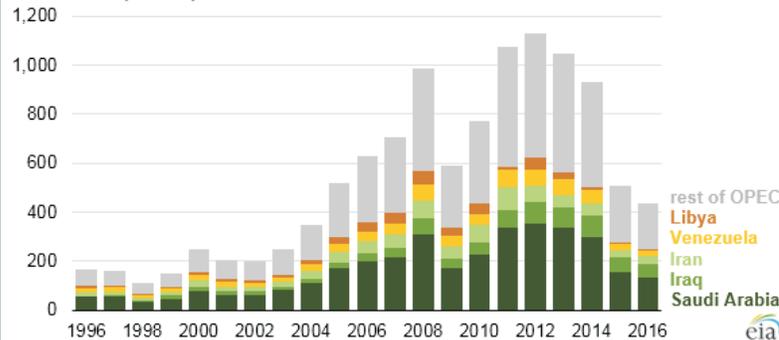


## Forward 12-month NYMEX natural gas strip price - Jun17-May18:

Process Load-weighted \$3.309/dth - w/o/w = ▼\$0.071  
 Typical Heat Load-weighted \$3.394/dth - w/o/w = ▼\$0.067

## OPEC net oil revenues in 2016 were the lowest since 2004:

Organization of the Petroleum Exporting Countries net oil export revenues (1996-2016)  
 billion dollars (nominal)



Members of the Organization of the Petroleum Exporting Countries (OPEC) earned about \$433 billion in net oil export revenues in 2016, the lowest since 2004. In real dollar terms, the 2016 revenue represents a 15% decline from the \$509 billion earned in 2015, mainly because of the fall in average annual crude oil prices and, to a lesser extent, because of decreases in OPEC net oil exports. The US Energy Information Administration (EIA) projects that OPEC net oil export revenues will rise to about \$539 billion dollars (nominal) in 2017 and \$595 billion dollars in 2018. Saudi Arabia has consistently earned more oil export revenues than any other member of OPEC, with its share in total OPEC net oil export revenues ranging between 29% and 34% since 1996. Iran's revenue share has fluctuated, with a significant reduction evident over the 2012-15 period mainly as a result of the imposition of nuclear-related sanctions by the United States and the European Union that targeted Iran's oil exports. Libya's share of total OPEC oil export revenues has fluctuated since 2010

as the country's oil sector was disrupted during the civil war that overthrew the Gadhafi regime and, more recently, as warring factions in the country have repeatedly targeted oil sector installations. Iraq, however, has seen a substantial increase in oil output since 2010, with its revenues accounting for 12% of the OPEC total in 2016. Much of the increase is a result of the lifting of the United Nations oil embargo in May 2003.

Excerpted from 

"It is vain to do with more what can be done with fewer." -William of Occam<sup>1</sup>