



## WEEKLY NATURAL GAS MARKET UPDATE

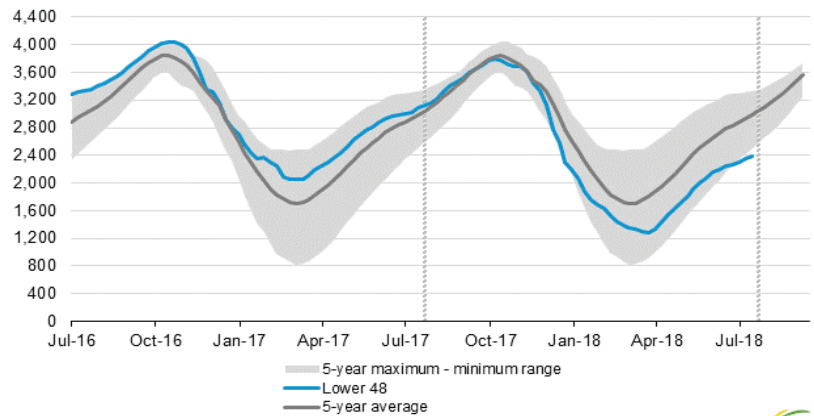
AUGUST 20, 2018

The Sep-2018 NYMEX natural gas contract closed Friday at \$2.946, up \$0.002 for the week. The 12-month strip average price of natural gas rose by \$0.013 over the same period. The Sep-2018 NYMEX crude oil contract closed Friday at \$65.91, down \$1.72 for the week. Updated NOAA forecasts suggest a return to above normal temperatures is likely for most of the US as we head into late summer/early fall. The tropical Atlantic is currently quiet with no signs of storm development this week. Baker Hughes reported on Friday that the US natural gas rig count was unchanged at 186 while total rigs (gas/oil combined) also remained unchanged at 1057. In its most recent natural gas storage data, the EIA reported an injection of 33 Bcf into national inventories, a number in line with consensus market expectations. Early estimates for this week's report indicate an expected injection in the range of 45 to 55 Bcf vs. an injection of 45 Bcf for the same week last year and a 5-yr avg. injection of 52 Bcf.

EIA NATURAL GAS STORAGE REPORT  
Week Ending August 10, 2018

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	592	+17	697	694
Midwest	603	+24	794	759
Mountain	151	+3	204	183
Pacific	240	-5	292	320
S. Central	801	-6	1088	1026
<b>Total</b>	<b>2387</b>	<b>+33</b>	<b>3074</b>	<b>2982</b>

WORKING GAS IN UNDERGROUND STORAGE  
COMPARED WITH 5-YEAR RANGE

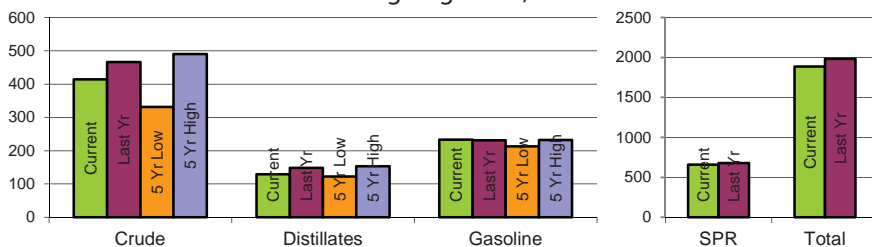


Source: U.S. Energy Information Administration



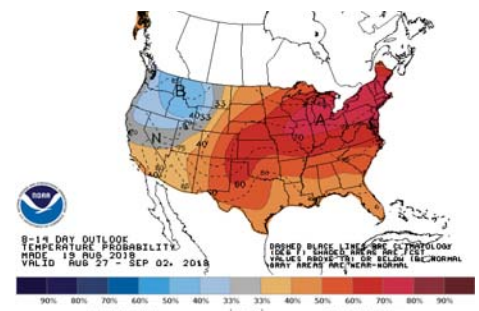
Storage Highlights: Working gas in storage was 2,387 Bcf as of Friday, August 10, 2018, according to EIA estimates. This represents a net increase of 33 Bcf from the previous week. Stocks were 687 Bcf less than last year at this time and 595 Bcf below the five-year average of 2,982 Bcf. At 2,387 Bcf, total working gas is below the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)  
Week Ending August 10, 2018



U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 6.8 million barrels from the previous week. At 414.2 million barrels, U.S. crude oil inventories are about 1% above the five year average for this time of year. Total motor gasoline inventories decreased by 0.7 million barrels last week and are about 5% above the five year average for this time of year. Finished gasoline inventories decreased while blending components inventories increased last week. Distillate fuel inventories increased by 3.6 million barrels last week and are about 8% below the five year average for this time of year. Propane/propylene inventories increased by 3.4 million barrels last week and are about 10% below the five year average for this time of year. Total commercial petroleum inventories increased last week by 17.4 million barrels last week.

8-14 DAY TEMP OUTLOOK (NOAA)



TROPICAL ATLANTIC (8-20 AM; NHC)



BAKER HUGHES US NATURAL GAS RIG COUNT, 08/17/2018

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	186	-0-	186	+4	182