



WEEKLY NATURAL GAS MARKET UPDATE

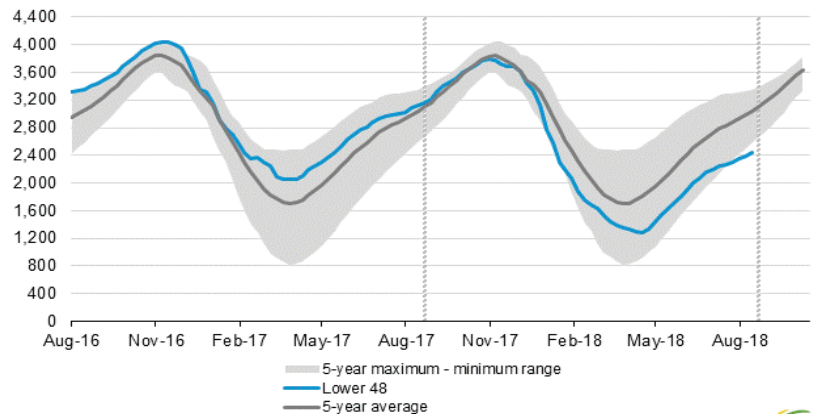
AUGUST 27, 2018

The Sep-2018 NYMEX natural gas contract closed Friday at \$2.917, down \$0.029 for the week. The 12-month strip average price of natural gas also fell by \$0.029 over the same period. The Sep-2018 natural gas contract expires this Wednesday, 8/29. The Oct-2018 NYMEX crude oil contract closed Friday at \$97.35, up \$2.14 for the week. Updated NOAA forecasts suggest that above normal temps will persist across most of the US in the weeks ahead. 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 fell by 4 to 182 while total rigs (gas/oil combined) fell by 13 to 1044. In its most recent natural gas storage data, the EIA reported an injection of 48 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 60 to 70 Bcf vs. an injection of 32 Bcf for the same week last year and a 5-yr avg. injection of 59 Bcf.

EIA NATURAL GAS STORAGE REPORT
Week Ending August 17, 2018

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	613	+21	724	716
Midwest	632	+29	818	786
Mountain	153	+2	206	186
Pacific	239	-1	295	321
S. Central	798	-3	1076	1025
Total	2435	+48	3119	3034

WORKING GAS IN UNDERGROUND STORAGE
COMPARED WITH 5-YEAR RANGE

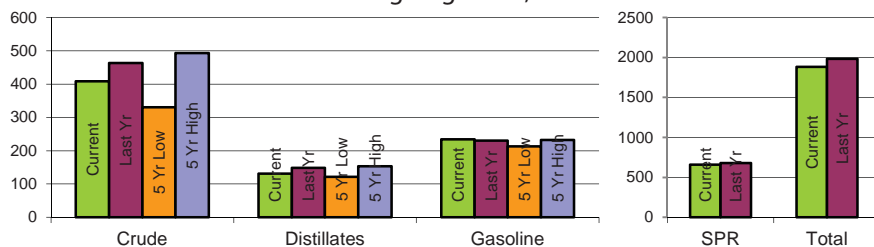


Source: U.S. Energy Information Administration



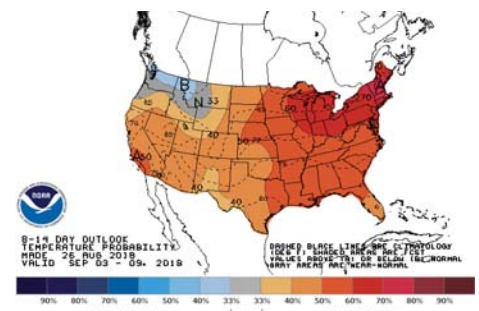
Storage Highlights: Working gas in storage was 2,435 Bcf as of Friday, August 17, 2018, according to EIA estimates. This represents a net increase of 48 Bcf from the previous week. Stocks were 684 Bcf less than last year at this time and 599 Bcf below the five-year average of 3,034 Bcf. At 2,435 Bcf, total working gas is below the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)
Week Ending August 17, 2018



U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) decreased by 5.8 million barrels from the previous week. At 408.4 million barrels, U.S. crude oil inventories are at the five year average for this time of year. Total motor gasoline inventories increased by 1.2 million barrels last week and are about 6% above the five year average for this time of year. Finished gasoline and blending components inventories both increased last week. Distillate fuel inventories increased by 1.8 million barrels last week and are about 7% below the five year average for this time of year. Propane/propylene inventories decreased by 0.9 million barrels last week and are about 13% below the five year average for this time of year. Total commercial petroleum inventories decreased last week by 2.5 million barrels last week.

8-14 DAY TEMP OUTLOOK (NOAA)



TROPICAL ATLANTIC (8-27 AM; NHC)



BAKER HUGHES US NATURAL GAS RIG COUNT, 08/24/2018

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	182	-4	186	+2	180