



## WEEKLY NATURAL GAS MARKET UPDATE

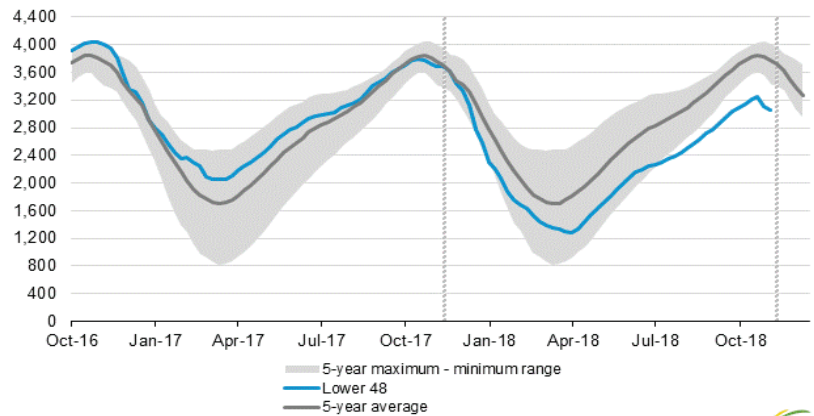
DECEMBER 3, 2018

The Jan-2019 NYMEX natural gas contract closed Friday at \$4.612, up \$0.257 for the week. The 12-month strip average price of natural gas rose by \$0.055 over the same period. The Dec-2018 natural gas contract expired last week at a final settlement price of \$4.715. The Jan-2019 NYMEX crude oil contract closed Friday at \$50.93, up \$0.51 for the week. Updated NOAA forecasts suggest that after a cold start to the month, above normal temps may prevail for much of the US during the second ~1/2 of Dec. Baker Hughes reported on Friday that the US natural gas rig count fell by 5 to 189 while total rigs (gas/oil combined) were down by 3 to 1076. In its most recent natural gas storage data, the EIA reported a withdrawal of 59 Bcf from national inventories, a number lower than consensus market expectations. Early estimates for this week's report indicate an expected withdrawal in the range of 55 to 65 Bcf vs. a withdrawal of 3 Bcf for the same week last year and a 5-yr avg. withdrawal of 58 Bcf.

EIA NATURAL GAS STORAGE REPORT  
Week Ending November 23, 2018

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	778	-25	878	893
Midwest	938	-21	1071	1069
Mountain	171	-3	221	216
Pacific	254	-4	314	347
S. Central	914	-5	1214	1249
<b>Total</b>	<b>3054</b>	<b>-59</b>	<b>3698</b>	<b>3774</b>

WORKING GAS IN UNDERGROUND STORAGE  
COMPARED WITH 5-YEAR RANGE

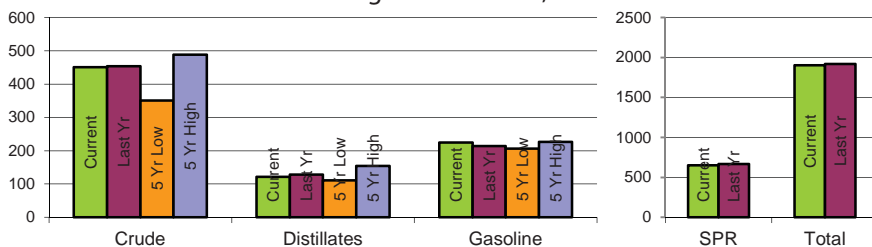


Source: U.S. Energy Information Administration



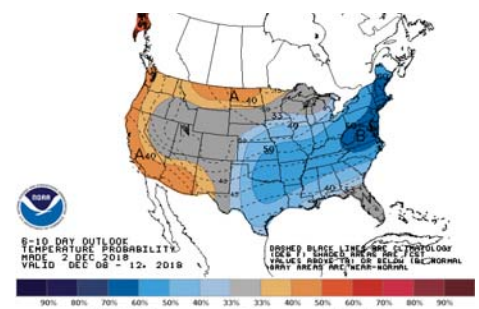
Storage Highlights: Working gas in storage was 3,054 Bcf as of Friday, November 23, 2018, according to EIA estimates. This represents a net decrease of 59 Bcf from the previous week. Stocks were 644 Bcf less than last year at this time and 720 Bcf below the five-year average of 3,774 Bcf. At 3,054 Bcf, total working gas is below the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)  
Week Ending November 23, 2018

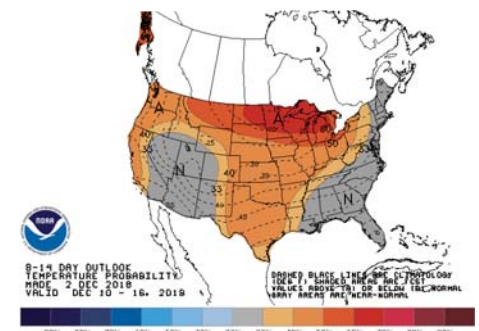


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 3.6 million barrels from the previous week. At 450.5 million barrels, U.S. crude oil inventories are about 7% above the five year average for this time of year. Total motor gasoline inventories decreased by 0.8 million barrels last week and are about 5% above the five year average for this time of year. Finished gasoline and blending components inventories both decreased last week. Distillate fuel inventories increased by 2.6 million barrels last week and are about 6% below the five year average for this time of year. Propane/propylene inventories decreased by 0.6 million barrels last week and are about 3% below the five year average for this time of year. Total commercial petroleum inventories increased last week by 2.4 million barrels last week.

6-10 DAY TEMP OUTLOOK (NOAA)



8-14 DAY TEMP OUTLOOK (NOAA)



BAKER HUGHES US NATURAL GAS RIG COUNT, 11/30/2018

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	189	-5	194	-9	180