



WEEKLY NATURAL GAS MARKET UPDATE

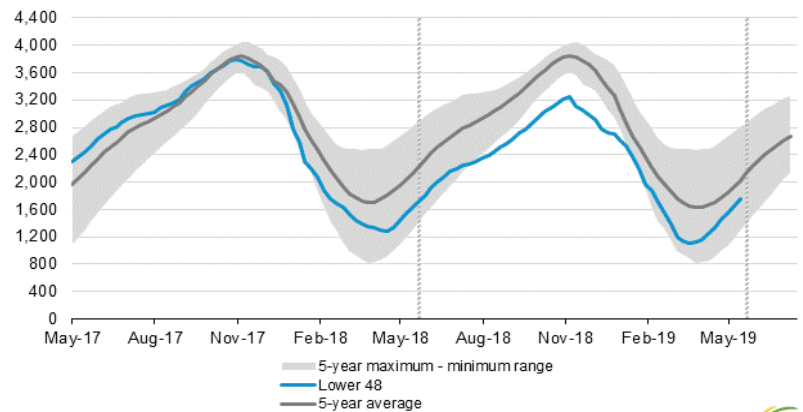
MAY 28, 2019

The June-2019 NYMEX natural gas contract closed Friday at \$2.598, down \$0.033 for the week. The 12-month strip average price of natural gas fell by \$0.053 over the same period. The Jun-2019 natural gas contract expires tomorrow, 5/29. The July-2019 NYMEX crude oil contract closed Friday at \$62.99, up \$0.07 for the week. Latest NOAA forecasts suggest a trend towards above normal temps for much of the US in the weeks ahead. The 2019 Tropical Atlantic hurricane season officially begins on Saturday, June 1. Baker Hughes reported on Friday that the US natural gas rig count was up by 1 to 186 while total rigs (gas/oil combined) were down by 4 to 983. In its most recent natural gas storage data, the EIA reported an injection of 100 Bcf into national inventories, a number at the low end of consensus market expectations. Early estimates for this week's report indicate an expected injection in the range of 95 to 105 Bcf vs. an injection of 95 Bcf for the same week last year and a 5-yr avg. injection of 97 Bcf.

EIA NATURAL GAS STORAGE REPORT
Week Ending May 17, 2019

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	353	+23	296	369
Midwest	364	+28	285	416
Mountain	89	+7	106	131
Pacific	186	+12	212	245
S. Central	762	+31	718	867
Total	1753	+100	1616	2027

WORKING GAS IN UNDERGROUND STORAGE
COMPARED WITH 5-YEAR RANGE

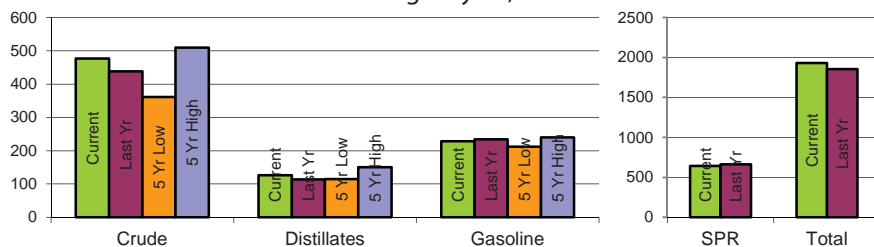


Source: U.S. Energy Information Administration



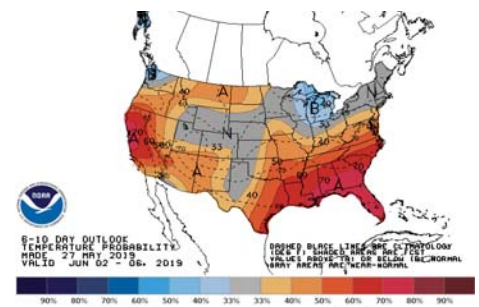
Storage Highlights: Working gas in storage was 1,753 Bcf as of Friday, May 17, 2019, according to EIA estimates. This represents a net increase of 100 Bcf from the previous week. Stocks were 137 Bcf higher than last year at this time and 274 Bcf below the five-year average of 2,027 Bcf. At 1,753 Bcf, total working gas is within the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)
Week Ending May 17, 2019

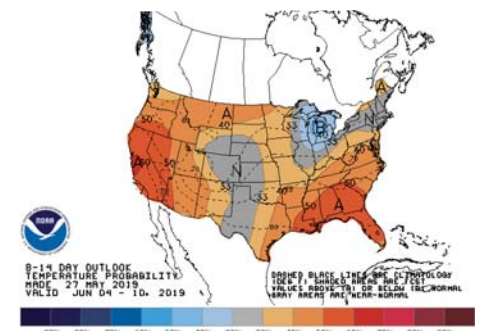


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 4.7 million barrels from the previous week. At 476.8 million barrels, U.S. crude oil inventories are about 4% above the five year average for this time of year. Total motor gasoline inventories increased by 3.7 million barrels last week and are at the five year average for this time of year. Finished gasoline and blending components inventories both increased last week. Distillate fuel inventories increased by 0.8 million barrels last week and are about 4% below the five year average for this time of year. Propane/propylene inventories increased by 3.1 million barrels last week and are about 22% above the five year average for this time of year. Total commercial petroleum inventories increased last week by 16.8 million barrels last week.

6-10 DAY TEMP OUTLOOK (NOAA)



8-14 DAY TEMP OUTLOOK (NOAA)



BAKER HUGHES US NATURAL GAS RIG COUNT, 05/24/2019

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	186	+1	185	-12	198