



WEEKLY NATURAL GAS MARKET UPDATE

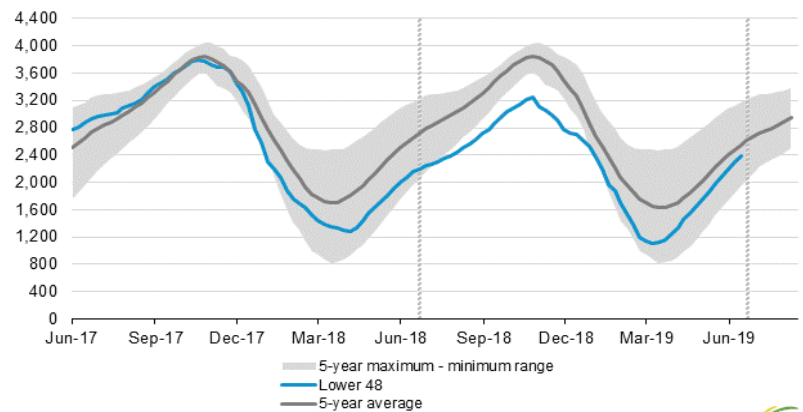
JULY 8, 2019

The Aug-2019 NYMEX natural gas contract closed Friday at \$2.418, up \$0.110 for the week. The 12-month strip average price of natural gas rose by \$0.065 over the same period. The Aug-2019 NYMEX crude oil contract closed Friday at \$57.51, down \$0.96 for the week. Latest NOAA forecasts suggest that above normal temperatures will prevail across most of the US through at least mid/late July. The NHC is indicating a high likelihood of tropical storm development in the northern Gulf of Mexico later this week. Baker Hughes reported on Friday that the US natural gas rig count was up by 1 to 174 while total rigs (gas/oil combined) were down by 4 to 963. In its most recent natural gas storage data, the EIA reported an injection of 89 Bcf into national inventories, a number at the high end of consensus market expectations. Early estimates for this week's report indicate an expected injection in the range of 65 to 75 Bcf vs. an injection of 55 Bcf for the same week last year and a 5-yr avg. injection of 71 Bcf.

EIA NATURAL GAS STORAGE REPORT
Week Ending June 28, 2019

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	526	+27	456	536
Midwest	568	+30	451	583
Mountain	134	+7	138	160
Pacific	255	+10	256	286
S. Central	907	+14	840	976
Total	2390	+89	2141	2542

WORKING GAS IN UNDERGROUND STORAGE COMPARED WITH 5-YEAR RANGE

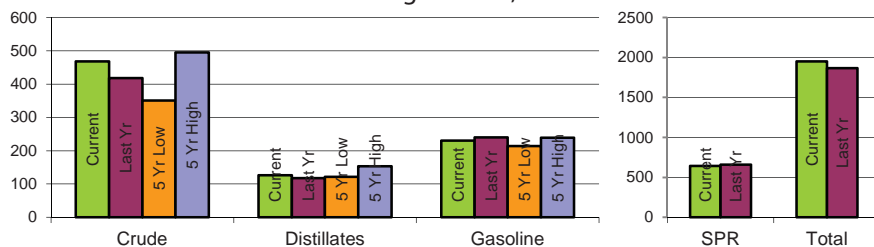


Source: U.S. Energy Information Administration



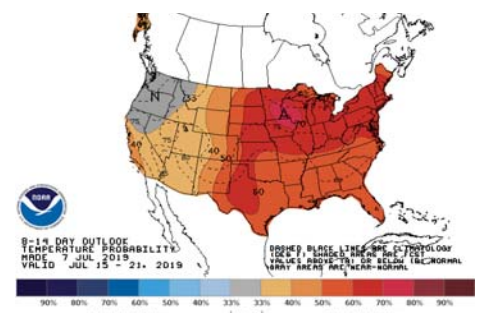
Storage Highlights: Working gas in storage was 2,390 Bcf as of Friday, June 28, 2019, according to EIA estimates. This represents a net increase of 89 Bcf from the previous week. Stocks were 249 Bcf higher than last year at this time and 152 Bcf below the five-year average of 2,542 Bcf. At 2,390 Bcf, total working gas is within the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)
Week Ending June 28, 2019

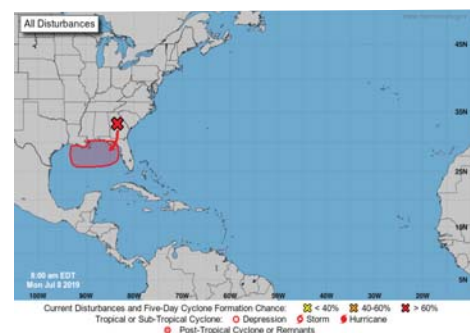


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) decreased by 1.1 million barrels from the previous week. At 468.5 million barrels, U.S. crude oil inventories are about 5% above the five year average for this time of year. Total motor gasoline inventories decreased by 1.6 million barrels last week and are at the five year average for this time of year. Finished gasoline and blending components inventories both decreased last week. Distillate fuel inventories increased by 1.4 million barrels last week and are about 6% below the five year average for this time of year. Propane/propylene inventories increased by 1.3 million barrels last week and are about 11% above the five year average for this time of year. Total commercial petroleum inventories increased last week by 2.5 million barrels last week.

8-14 DAY TEMP OUTLOOK (NOAA)



TROPICAL ATLANTIC 7-8 AM (NHC)



BAKER HUGHES US NATURAL GAS RIG COUNT, 07/03/2019

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	174	+1	173	-13	187