

NATURAL GAS



JULY 2, 2018

Prior Day's NYMEX Aug-18 Contract (CT)



NYMEX NG Futures

Month	Close	Change
Aug-18	2.924	(0.016)
Sep-18	2.901	(0.018)
Oct-18	2.908	(0.019)
Nov-18	2.949	(0.018)
Dec-18	3.055	(0.017)
Jan-19	3.135	(0.019)
Feb-19	3.098	(0.020)
Mar-19	3.002	(0.019)
Apr-19	2.673	(0.006)
May-19	2.636	(0.005)
Jun-19	2.664	(0.005)
Jul-19	2.695	(0.005)
Aug-19	2.703	(0.004)
Sep-19	2.690	(0.003)
Oct-19	2.711	(0.002)
Nov-19	2.767	(0.001)
Dec-19	2.896	0.002
Jan-20	2.991	0.002
Feb-20	2.958	0.002
Mar-20	2.865	0.002
Apr-20	2.550	(0.001)
May-20	2.522	0.000
Jun-20	2.549	0.000
Jul-20	2.579	0.000
1YR Strip	2.887	(0.014)
2018	2.947	(0.018)
5YR Strip	2.718	(0.003)

IN THE NEWS

The Biggest Risk For Natural Gas Markets— Oil Price reported: Natural gas inventories in the U.S. are at their lowest level since 2014 for this time of year, raising the possibility that the country enters the winter drawdown season with very few buffers that could prevent a price spike. The natural gas market is highly seasonal, with inventories drawing down sharply in winter months,

- **The Biggest Risk For Natural Gas Markets**
- **How Will Interstate Natural Gas Pipeline Certification Change?**

roughly November through March, while stocks build up in the late spring through early fall just in time for the next winter. Obviously, the exact pace of drawdown or replenishment depends on a lot of factors, including the swings in seasonal temperatures and the rate of production from shale gas drillers. A few mild winters led to a glut of supply in 2015 and 2016, keeping prices subdued. In early 2016, for instance, Henry Hub traded below \$2 per million btu (MMBtu). This past winter, however, the market flipped, with extreme temperatures leading to a massive drawdown in inventories. On January 1, 2018, the U.S. consumed an all-time record high at 150.7 billion cubic feet, surpassing the previous record hit during the polar vortex in 2014. For more on this story visit [oilprice.com](https://bit.ly/2MJ1knV) or click <https://bit.ly/2MJ1knV>

How Will Interstate Natural Gas Pipeline Certification Change?— Power Magazine reported: The Federal Energy Regulatory Commission (FERC) on April 19 issued a Notice of Inquiry (NOI) to seek stakeholder input on how the agency should revise its 1999 Certificate Policy Statement regarding the review and certification of interstate natural gas pipelines. FERC reviews applications for natural gas pipeline construction and operation under Section 7 of the Natural Gas Act, which mandates a "certificate of public convenience and necessity" be issued for such projects. The NOI followed the December 21, 2017, announcement by FERC Chairman Kevin McIntyre stating that "much has changed in the energy world since 1999, and it is incumbent upon [the commission] to take another look at the way in which we assess the value and viability of our pipeline applications." For more on this story visit [reuters.com](https://bit.ly/2KoZoE9) or click <https://bit.ly/2KoZoE9>

12 MONTH CANDLESTICK (WEEKLY)



Prompt Natural Gas (NG) Daily Sentiment

BEARISH



RESISTANCE

2.95 & 2.97

SUPPORT

2.91 & 2.89

Trading Summary

NATURAL GAS

Futures	Close	Change
NG	2.924	(0.016)
Volume	331,660	(81,656)
Open Int.	1,477,355	8,148

CRUDE AND GASOLINE

Futures	Close	Change
Crude	74.15	0.70
RBOB	2.1512	0.0457
Crude/NG	25.36	0.38

METALS

Futures	Close	Change
Gold	1,251.30	(3.20)

EQUITIES

Exchange	Close	Change
DOW	24,271.41	55.36
S&P 500	-338.65	2.06

CURRENCY

Currency	Close	Change
EUR/USD	1.1628	0.0081
USD/CND	1.2405	0.0042

Contact Us



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1025 Airport Pkwy
Gainesville, GA 30501

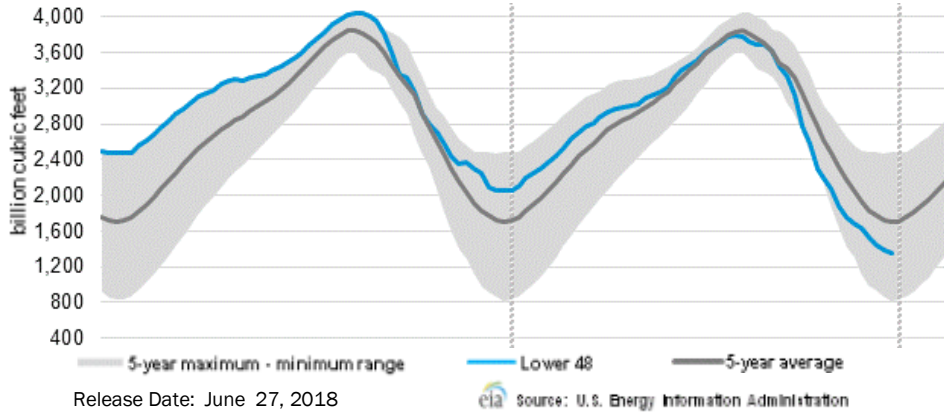
www.mansfield.energy

info@mansfieldoil.com

Phone: (800) 695-6626



WEEKLY GAS IN UNDERGROUND STORAGE WITH 5-YR RANGE



Rig Count

Report Date: June 22, 2018

	Total	Change
US -	1052	(7)
CN -	160	+21

EIA Weekly NG Storage Actual and Surveys for June 29, 2018

Released June 28, 2018
 Range (74) to (89)
 PIRA – (86)
 Citi Futures – (87)
 Reuters – (91)

EIA ACTUAL – 66

Total Working Gas In Storage

2,074 BCF

66 BCF (LAST WEEK)
 (735) BCF (LAST YEAR)
 (501) BCF (5-YR AVG)

U.S. Natural Gas Supply Gas Week 6/21– 6/27

Average daily values (BCF/D):
 Last Year (BCF/d)
 Dry Production – +71.3
 Total Supply – +77.0
 Last Week (BCF/d)
 Dry Production – +80.1
 Total Supply – +86.1

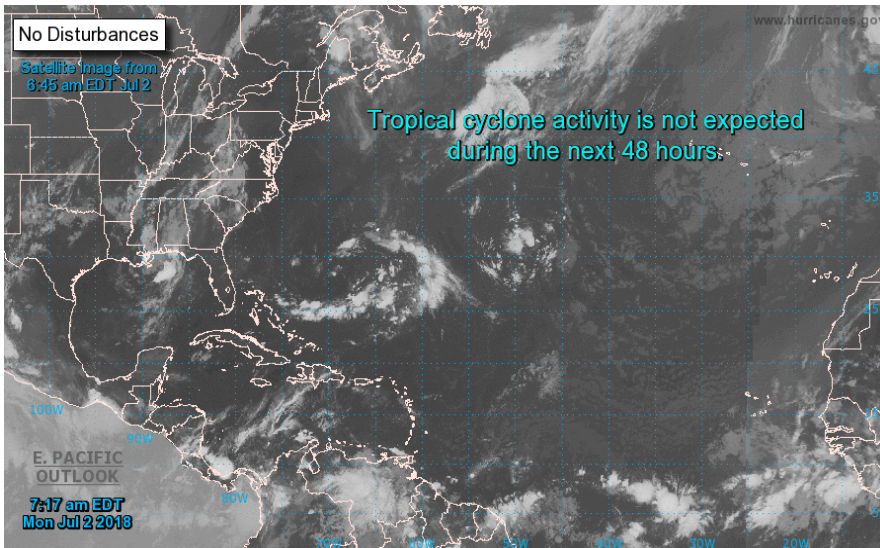
[NEXT REPORT ON Jul 5]

U.S. Natural Gas Demand Gas Week 6/21– 6/27

Average daily values (BCF/D):
 Last Year (BCF/d)
 Power – +30.0
 Total Demand – +69.4
 Last Week (BCF/d)
 Power – +33.2
 Total Demand – +74.2

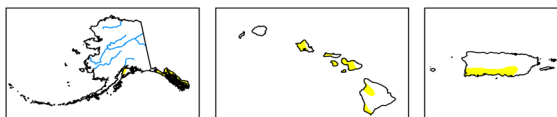
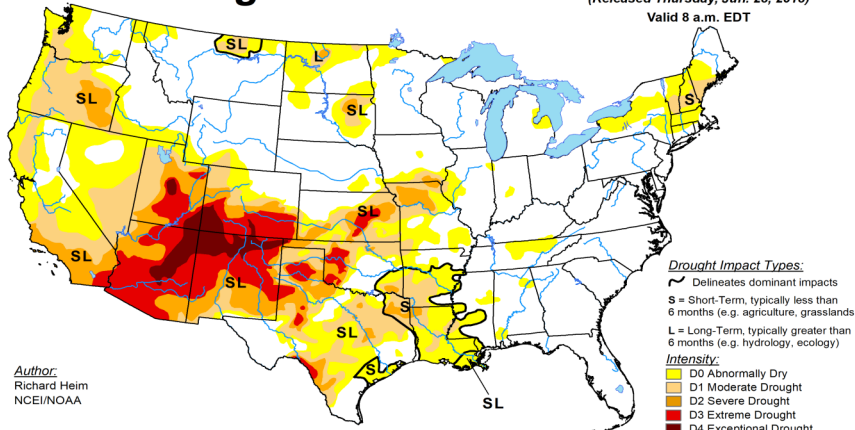
[NEXT REPORT ON Jul 5]

TROPICAL STORM ACTIVITY– ATLANTIC



U.S. Drought Monitor

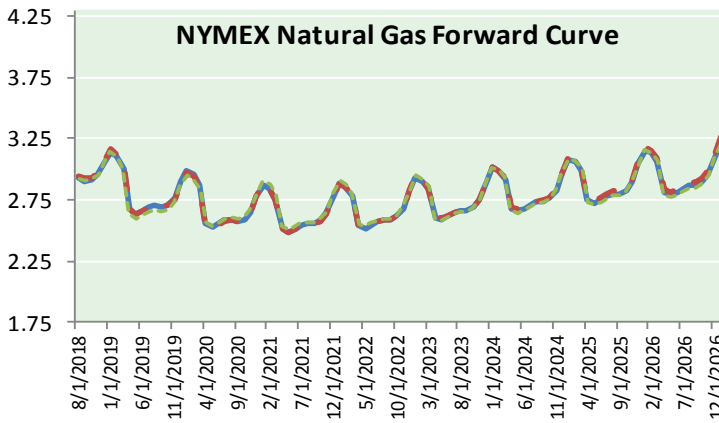
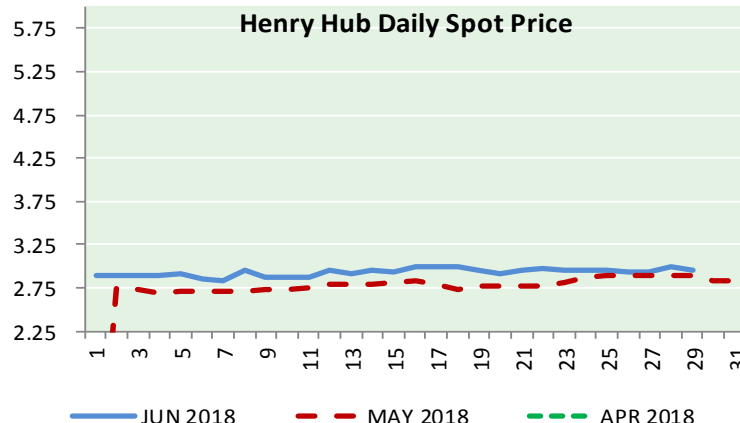
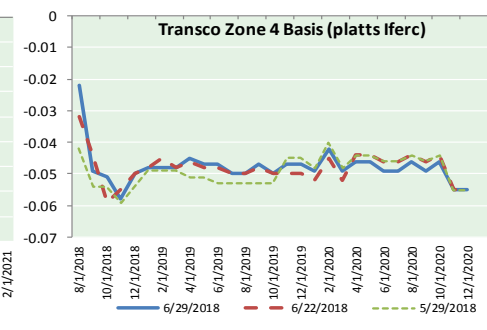
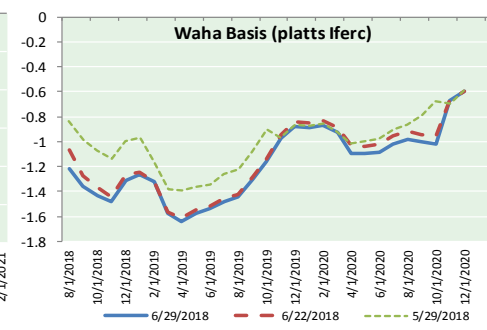
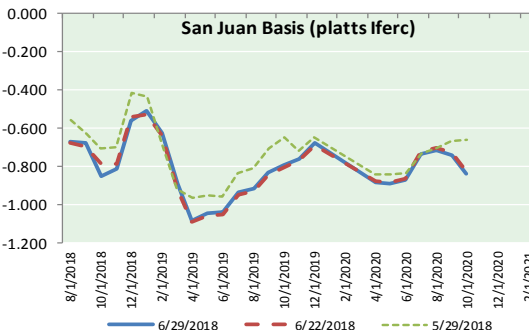
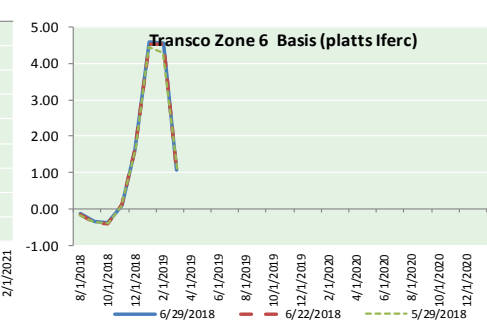
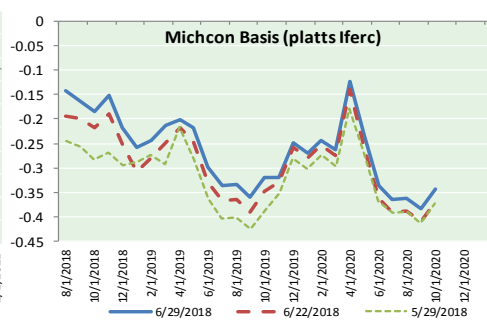
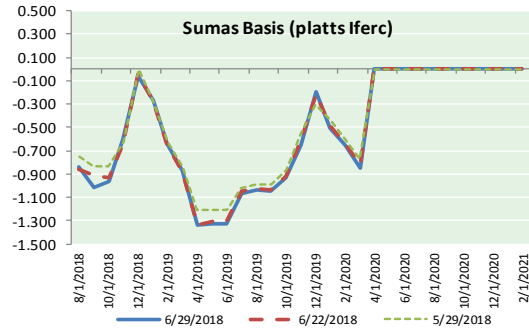
June 26, 2018
 (Released Thursday, Jun. 28, 2018)
 Valid 8 a.m. EDT



USDA, NDMC, NOAA logos
<http://droughtmonitor.unl.edu/>



NATURAL GAS BASIS FUTURES, HENRY HUB SPOT PRICES, AND FORWARD CURVE



NYMEX WTI Delivery

Month Average (\$/bbl)

(Excluding Weekends and Holidays)

Month: July 2018

Day	Price	Day	Price
1		16	
2		17	
3		18	
4		19	
5		20	
6		21	
7		22	
8		23	
9		24	
10		25	
11		26	
12		27	
13		28	
14		29	
15		30	
		31	

Average (Jul) #DIV/0!
(through 06/29/2018)

Average (Jun) 67.3229
Average (May) 69.9832

CME NG Option Prices

ATM Call

Month	Strike	Close	Imp	Vol
Sep-18				
Oct-18	2.850	0.124		26.2
Nov-18				
Dec-18				
Jan-19				

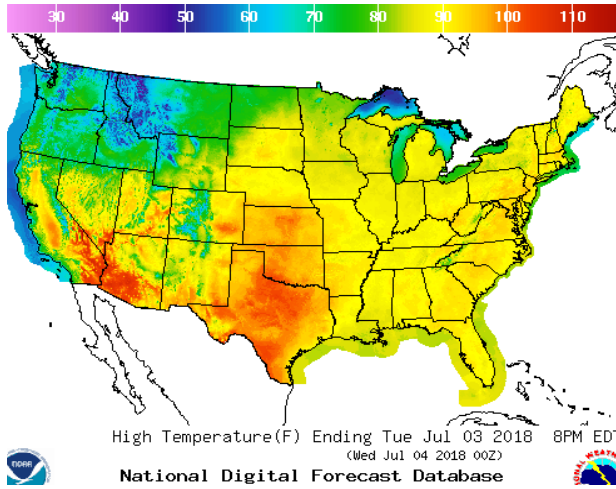
CME NG Option Prices

ATM Put

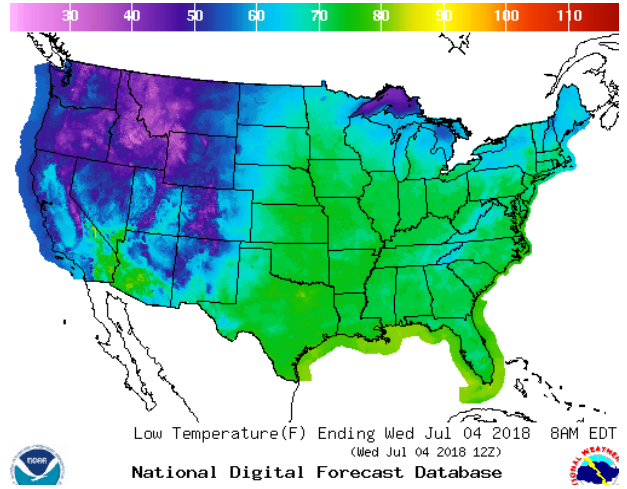
Month	Strike	Close	Imp	Vol
Sep-18				
Oct-18	2.850	0.089		20.6
Nov-18				
Dec-18				
Jan-19				

WEATHER – HIGH / LOW TEMPERATURE TOMORROW

HIGH Temperature

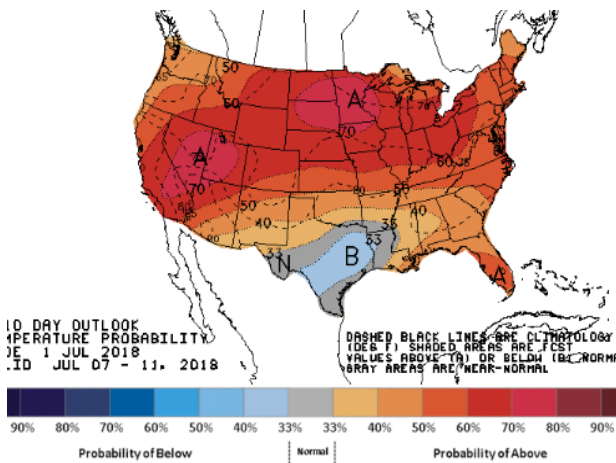


LOW Temperature

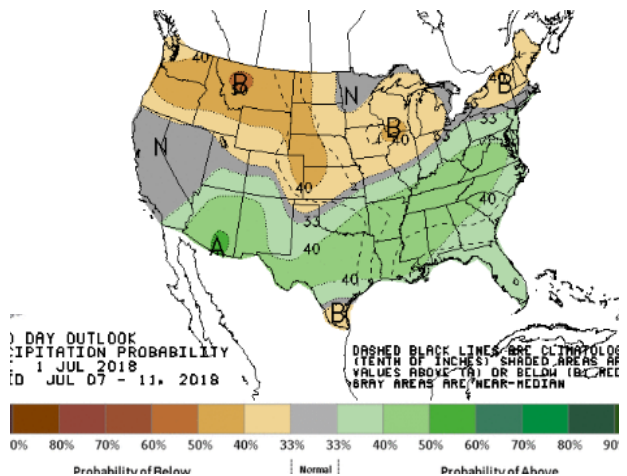


WEATHER – 6 TO 10 DAY OUTLOOK – NOAA

Temperature

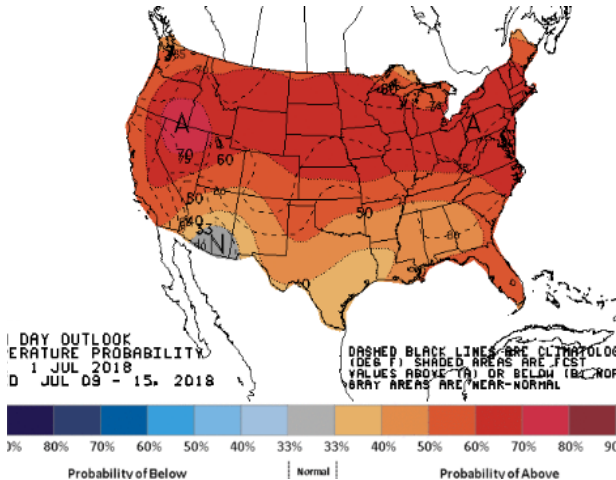


Precipitation

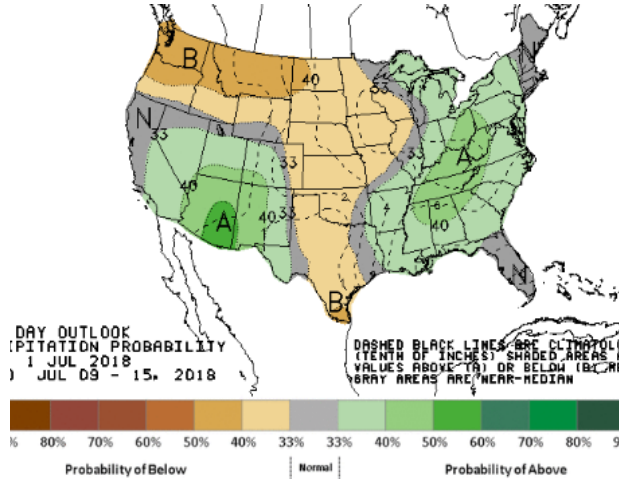


WEATHER – 8 TO 14 DAY OUTLOOK – NOAA

Temperature



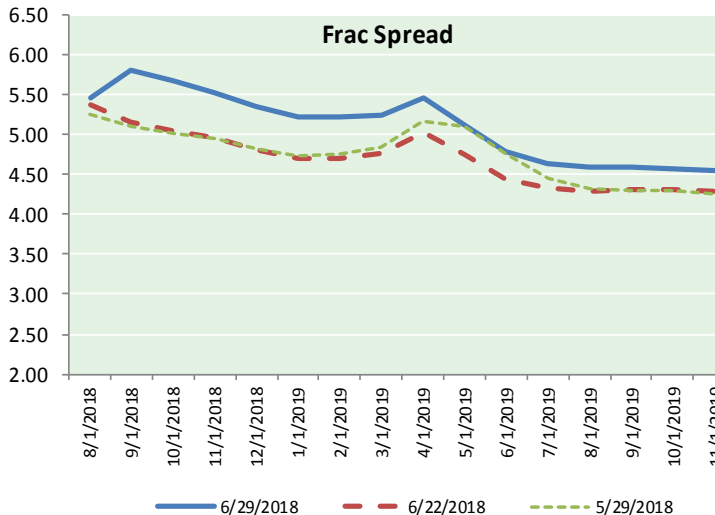
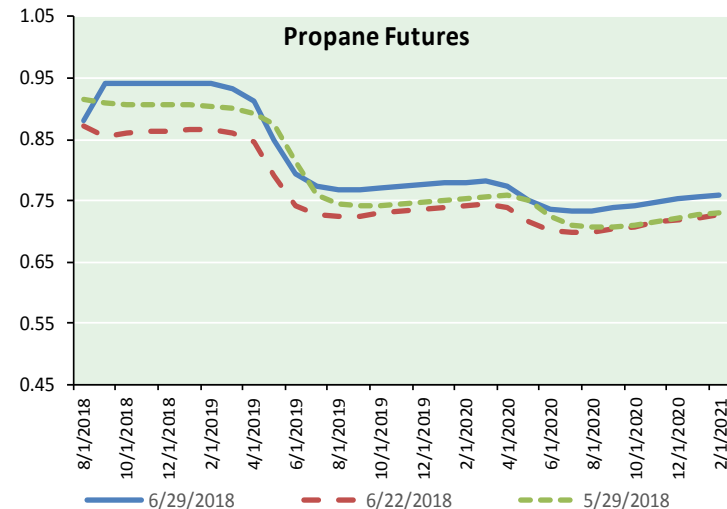
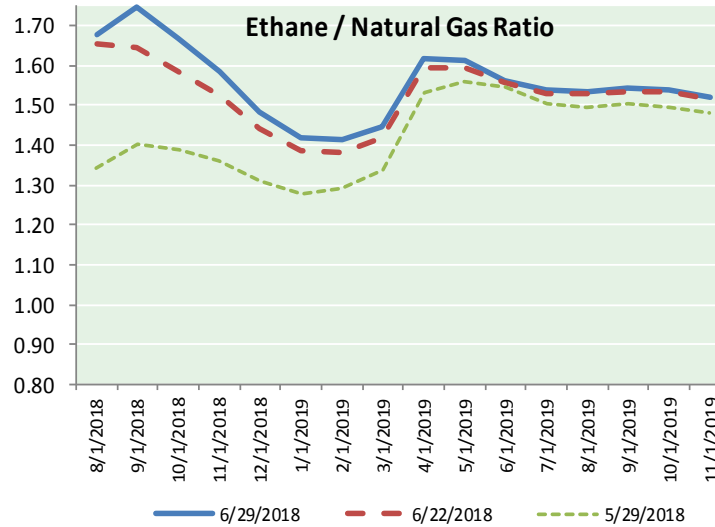
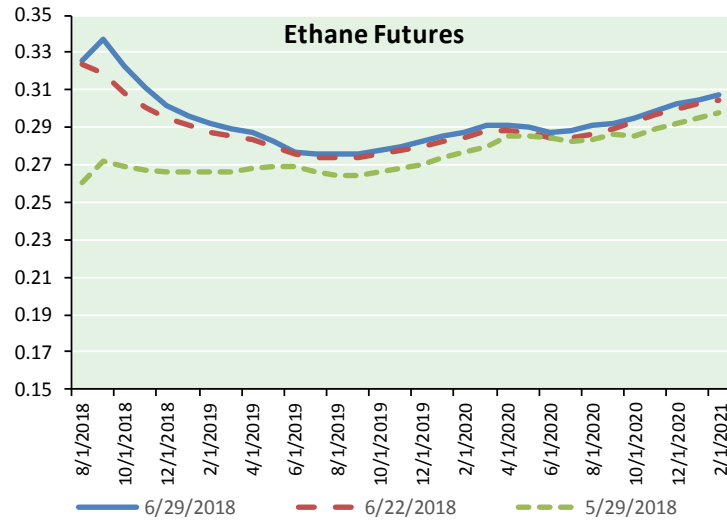
Precipitation



NATURAL GAS NEWS



ETHANE FUTURES, NG/ETHANE RATIO, PROPANE FUTURES, AND THE FRAC SPREAD



CME Future Prices

Ethane (C2)

Non-LDH— Mont Belvieu

Month	Close	Change
Aug-18	0.326	(0.000)
Sep-18	0.337	0.002
Oct-18	0.323	0.003
Nov-18	0.311	0.003
Dec-18	0.301	0.002
Jan-19	0.296	0.001
Feb-19	0.292	0.000
Mar-19	0.289	(0.000)
Apr-19	0.287	(0.000)
May-19	0.283	(0.000)
Jun-19	0.277	(0.000)
Jul-19	0.276	(0.000)

1YR Strip 0.300 0.001

CME Future Prices

Propane (C3)

Non-LDH— Mont Belvieu

Month	Close	Change
Aug-18	0.880	0.001
Sep-18	0.940	0.026
Oct-18	0.941	0.026
Nov-18	0.943	0.026
Dec-18	0.943	0.024
Jan-19	0.943	0.024
Feb-19	0.941	0.024
Mar-19	0.932	0.022
Apr-19	0.914	0.020
May-19	0.849	0.016
Jun-19	0.793	0.013
Jul-19	0.774	0.011

1YR Strip 0.899 0.020

NATURAL GAS NEWS



**Prompt WTI (CL) Crude
Daily Sentiment**

BULLISH



RESISTANCE

74.76 & 75.38

SUPPORT

73.23 & 72.32

FOLLOW US ON TWITTER:



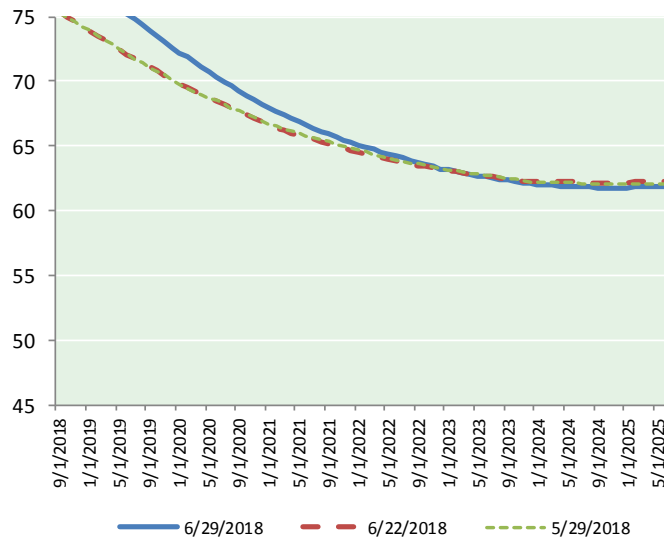
@MPG_NatGasNews

NYMEX Brent (BZ)

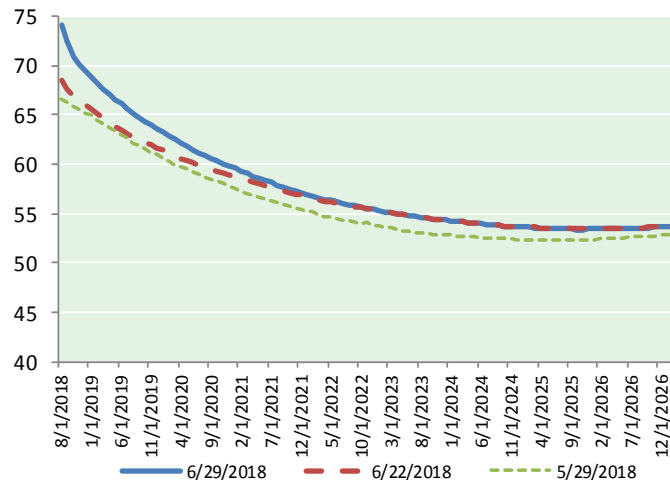
Futures

Month	Close	Change
Aug-18		
Sep-18	79.23	1.62
Oct-18	78.86	1.53
Nov-18	78.53	1.48
Dec-18	78.13	1.43
Jan-19	77.70	1.38
Feb-19	77.20	1.31
Mar-19	76.69	1.23
Apr-19	76.20	1.15
May-19	75.70	1.07
Jun-19	75.22	1.00
Jul-19	74.78	0.94
Aug-19	74.36	0.87
Sep-19	73.91	0.81
Oct-19	73.49	0.75
Nov-19	73.08	0.69
Dec-19	72.62	0.64
Jan-20	72.22	0.59
Feb-20	71.85	0.54
Mar-20	71.46	0.49
Apr-20	71.07	0.43
May-20	70.70	0.36
Jun-20	70.34	0.30
Jul-20	69.97	0.25
1YR Strip	77.11	1.29
2018	62.95	1.21
5YR Strip	68.91	0.14

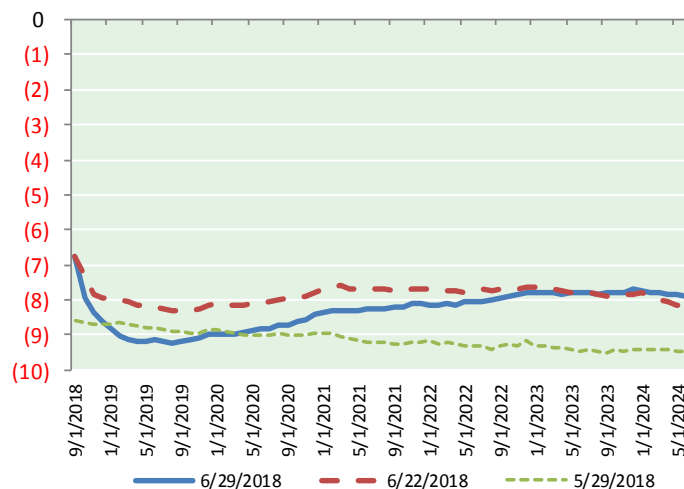
BRENT CRUDE FORWARD CURVE



WTI CRUDE FORWARD CURVE



WTI-BRENT SPREAD



FRAC Spread

Specifications

Ethane :	42%	66,500 btu/g
Propane:	28%	90,830 btu/g
Butane:	11%	102,916 btu/g
Iso-Butane:	6%	98,935 btu/g
Natural Gasoline:	13%	115,021 btu/g

Prompt NGL Futures

(\$/gallon)

Aug-18	Close	Change
Butane	1.035	0.001
Iso-Butane	1.343	0.001
Nat Gasoline	1.491	0.001

NYMEX WTI (CL) Futures

Month	Close	Change
Aug-18	74.15	0.70
Sep-18	72.46	0.65
Oct-18	70.92	0.58
Nov-18	70.16	0.65
Dec-18	69.49	0.70
Jan-19	68.85	0.70
Feb-19	68.17	0.67
Mar-19	67.56	0.62
Apr-19	67.02	0.58
May-19	66.53	0.54
Jun-19	66.09	0.50
Jul-19	65.59	0.47
Aug-19	65.14	0.42
Sep-19	64.73	0.38
Oct-19	64.35	0.33
Nov-19	63.99	0.29
Dec-19	63.65	0.24
Jan-20	63.24	0.19
Feb-20	62.86	0.15
Mar-20	62.50	0.11
Apr-20	62.16	0.07
May-20	61.84	0.03
Jun-20	61.51	(0.01)
Jul-20	61.16	(0.04)
1YR Strip	68.92	0.61
2018	71.44	0.66
5YR Strip	60.50	(0.10)