

# NATURAL GAS



JUNE 29, 2018

## Prior Day's NYMEX Jul-18 Contract (CT)



## NYMEX NG Futures

Month	Close	Change
Aug-18	2.940	(0.041)
Sep-18	2.919	(0.032)
Oct-18	2.927	(0.028)
Nov-18	2.967	(0.026)
Dec-18	3.072	(0.026)
Jan-19	3.154	(0.026)
Feb-19	3.118	(0.024)
Mar-19	3.021	(0.022)
Apr-19	2.679	(0.016)
May-19	2.641	(0.015)
Jun-19	2.669	(0.014)
Jul-19	2.700	(0.014)
Aug-19	2.707	(0.014)
Sep-19	2.693	(0.013)
Oct-19	2.713	(0.012)
Nov-19	2.768	(0.010)
Dec-19	2.894	(0.008)
Jan-20	2.989	(0.008)
Feb-20	2.956	(0.009)
Mar-20	2.863	(0.010)
Apr-20	2.551	(0.005)
May-20	2.522	(0.005)
Jun-20	2.549	(0.005)
Jul-20	2.579	(0.005)
1YR Strip	2.901	(0.024)
2018	2.965	(0.031)
5YR Strip	2.721	(0.007)

## IN THE NEWS

**Is the Bright Future of U.S. Natural Gas Under Threat?**— Oil Price reported: This week's World Gas Conference in Washington hosted a bunch of upbeat natural gas executives and analysts that expect an exceptionally bright future for the bridge fuel of the future, as natural gas is commonly called these days. With forecasts that U.S. production of natural gas could grow by 60 per-

- **Is the Bright Future of U.S. Natural Gas Under Threat?**
- **Shale's US\$2b natural gas leak shows bigger climate hit**

cent over the next 20 years amid booming demand as consumers seek to replace coal with cleaner alternatives, there is certainly reason to be optimistic. The United States is already the world's largest producer of natural gas. It is also an emerging exporter of the commodity, with the potential to disrupt international gas markets as it gets increasingly competitive with other suppliers. Yet there is a shadow on the horizon. In fact, the shadow is much closer: the trade spat between Washington and Beijing. China is a natural priority for all gas and LNG exporters. It is set to become the world's top gas importer next year, with demand for gas there expanding by 60 percent between 2017 and 2023, according to the International Energy Agency. For more on this story visit [oilprice.com](https://bit.ly/2lGqU19) or click <https://bit.ly/2lGqU19>

**Natural gas prices make impact fee projections hazy for 2018.**— Post Gazette reported: Natural gas prices this year could make a \$45 million difference in how much shale gas drilling companies have to pay in impact fees for 2018, according to new projections from Pennsylvania's Independent Fiscal Office. If the average annual price of gas on the New York Mercantile Exchange drops below \$3 per million British thermal units this year, the total collection is expected to sink to \$190 million, down from the \$209.6 million the fee raised for 2017. If the price stays above \$3, as it did last year, the total collection is expected to rise to \$235 million. Right now, gas prices are hovering just below the \$3 threshold. The price of gas has averaged \$2.90 on the exchange so far this year and futures prices for the rest of the year average \$2.95, the office said. For more on this story visit [post-gazette.com](https://bit.ly/2MsNQPW). or click <https://bit.ly/2MsNQPW>

## 12 MONTH CANDLESTICK (WEEKLY)



## Prompt Natural Gas (NG) Daily Sentiment

**BULLISH**



RESISTANCE  
3.00 & 3.06  
SUPPORT  
2.91 & 2.87

## Trading Summary

### NATURAL GAS

Futures	Close	Change
NG	2.940	(0.041)
Volume	212,219	122,289
Open Int.	1,453,946	4,744

### CRUDE AND GASOLINE

Futures	Close	Change
Crude	73.45	0.69
RBOB	2.1329	(0.0007)
Crude/NG	24.98	0.58

### METALS

Futures	Close	Change
Gold	1,247.80	1.60

### EQUITIES

Exchange	Close	Change
DOW	24,216.05	98.46
S&P 500	-283.29	16.68

### CURRENCY

Currency	Close	Change
EUR/USD	1.1650	0.0081
USD/CND	1.2405	(0.0025)

## Contact Us



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Gainesville, GA 30501  
[www.mansfield.energy](http://www.mansfield.energy)  
[info@mansfieldoil.com](mailto:info@mansfieldoil.com)

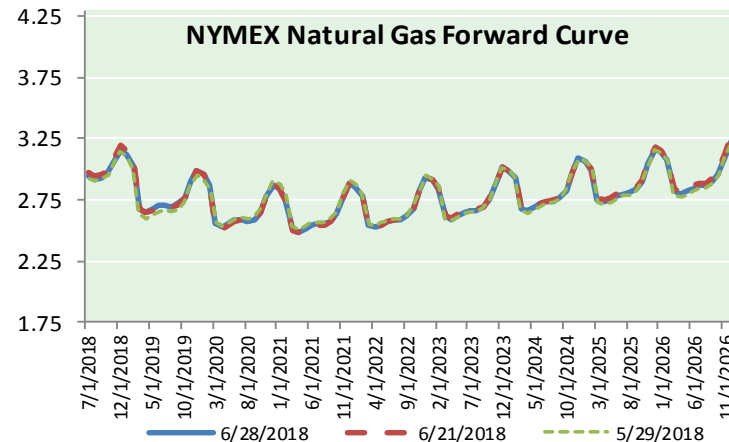
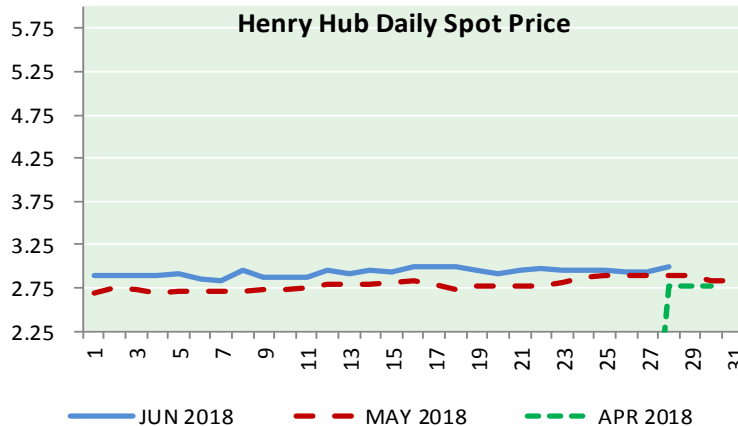
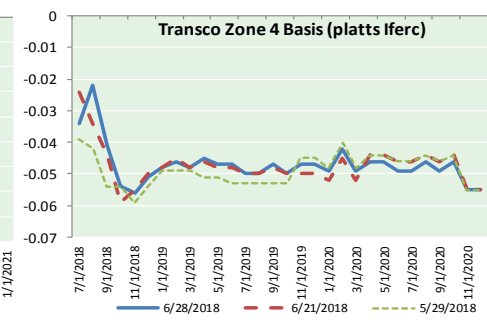
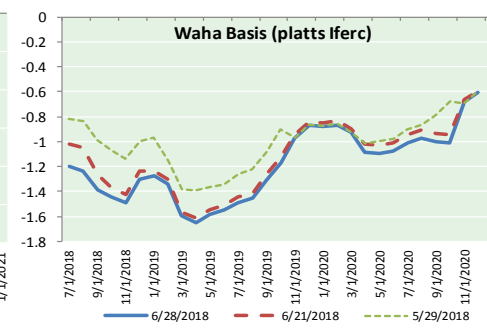
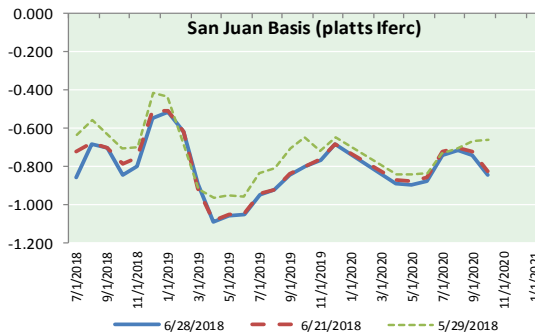
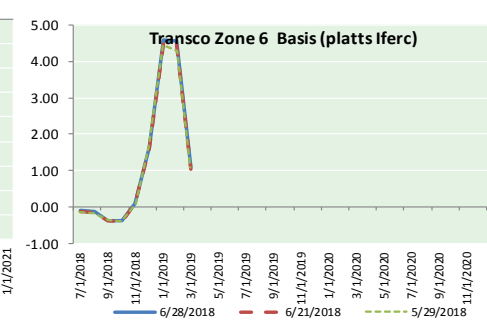
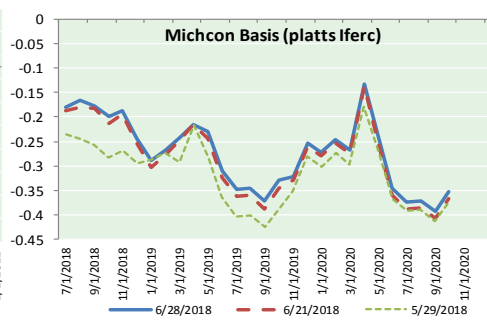
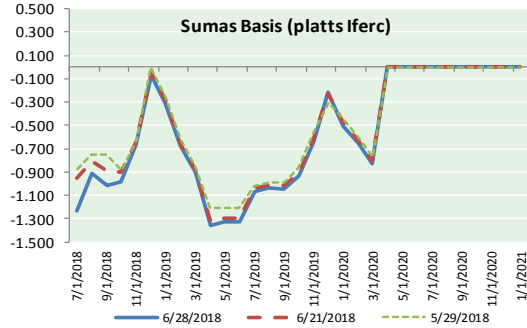
Phone: (800) 695-6626





# NATURAL GAS NEWS

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



### NYMEX WTI Delivery

#### Month Average (\$/bbl)

(Excluding Weekends and Holidays)

Month: June 2018

Day	Price	Day	Price
1	65.81	16	
2		17	
3		18	65.85
4	64.75	19	65.07
5	65.52	20	66.22
6	64.73	21	65.54
7	65.95	22	68.58
8	65.74	23	
9		24	
10		25	68.08
11	66.10	26	70.53
12	66.36	27	72.76
13	66.64	28	73.45
14	66.89	29	
15	65.06	30	

Average (Jun) 66.9815  
(through 06/28/2018)

Average (May) 69.9832

Average (Apr) 66.3252

### CME NG Option Prices

#### ATM Call

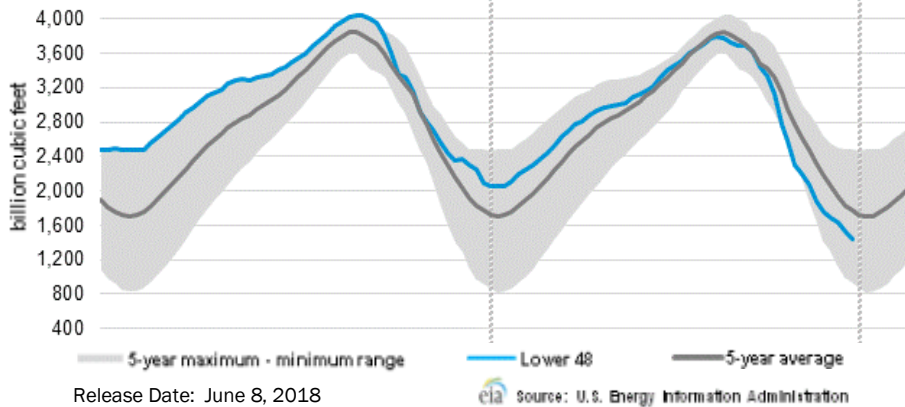
Month	Strike	Close	Imp	Vol
Sep-18				
Oct-18	2.900	0.109		22.5
Nov-18				
Dec-18				
Jan-19				

### CME NG Option Prices

#### ATM Put

Month	Strike	Close	Imp	Vol
Sep-18				
Oct-18	2.900	0.086		18.7
Nov-18				
Dec-18				
Jan-19				

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)

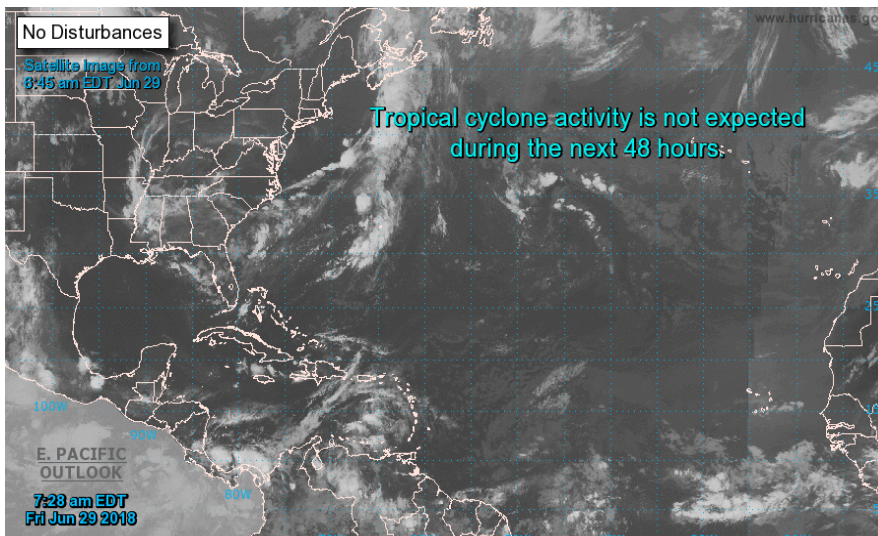
EIA ACTUAL – 66

Total Working Gas In Storage

2,074 BCF

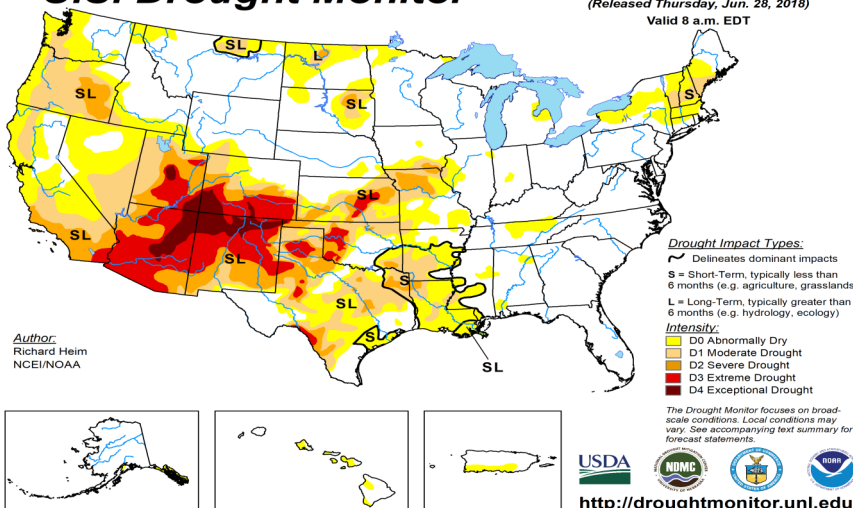
- 66 BCF (LAST WEEK)
- (735) BCF (LAST YEAR)
- (501) BCF (5-YR AVG)

TROPICAL STORM ACTIVITY— ATLANTIC



U.S. Drought Monitor

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



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]

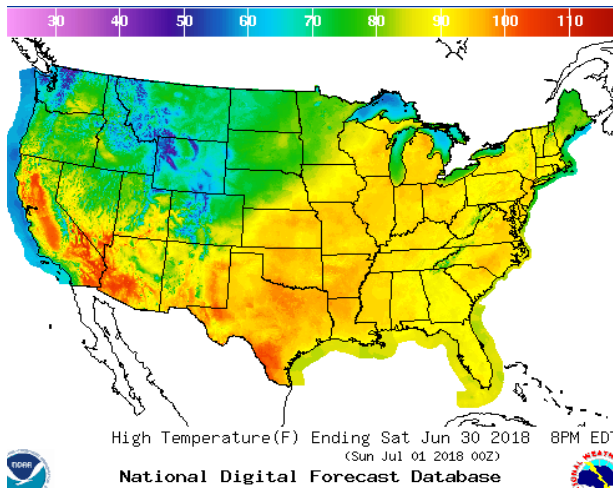
U.S. Natural Gas Demand Gas Week 6/21– 6/27

- 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

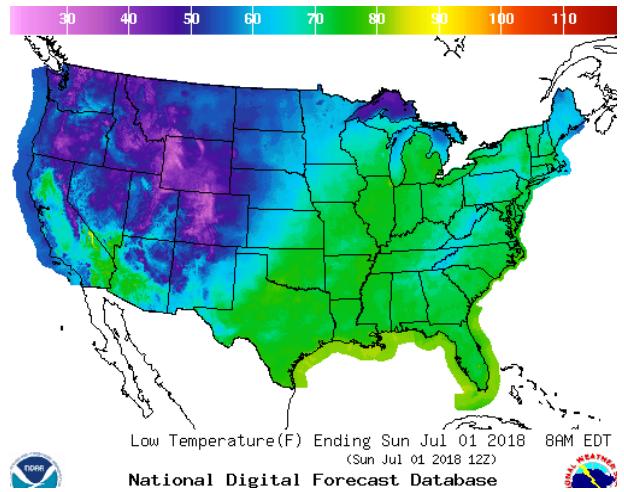
[NEXT REPORT ON Jul 5]

WEATHER – HIGH / LOW TEMPERATURE SATURDAY

HIGH Temperature

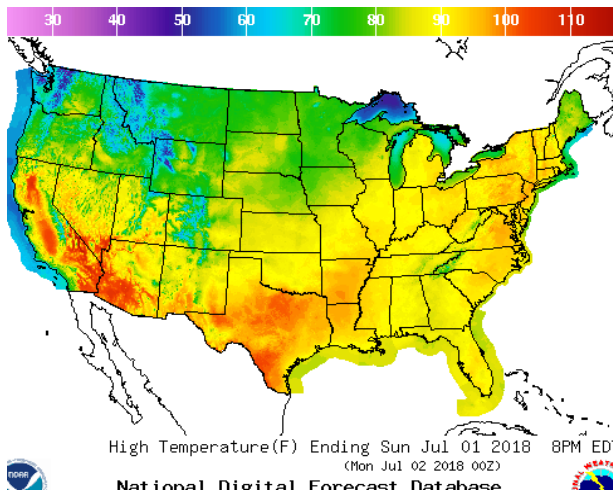


LOW Temperature

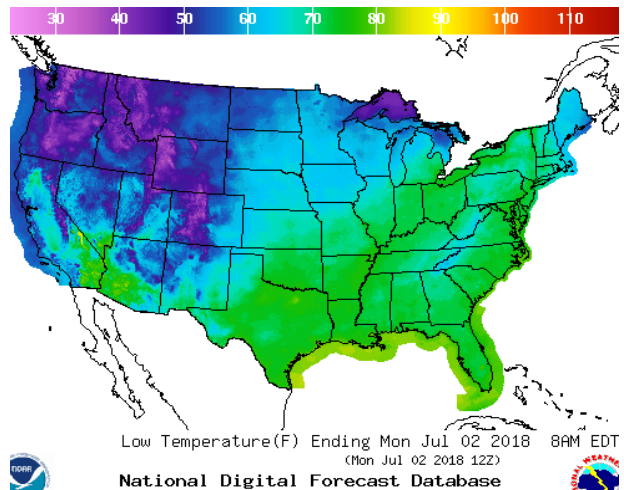


WEATHER – HIGH / LOW TEMPERATURE SUNDAY

HIGH Temperature

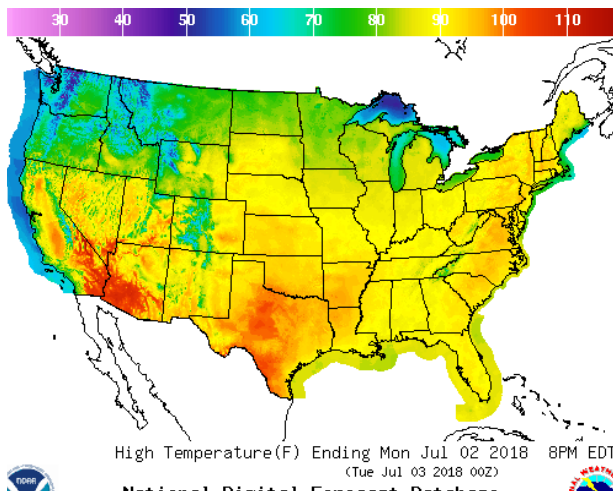


LOW Temperature

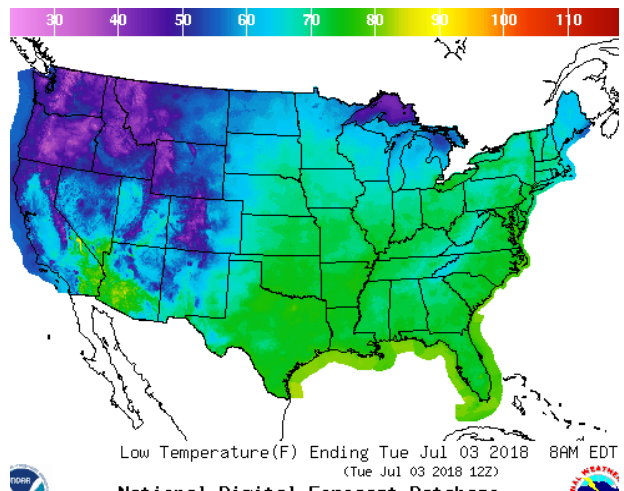


WEATHER – HIGH / LOW TEMPERATURE MONDAY

HIGH Temperature

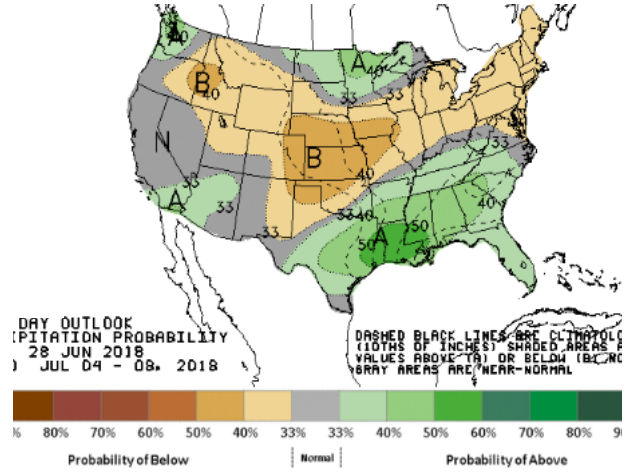
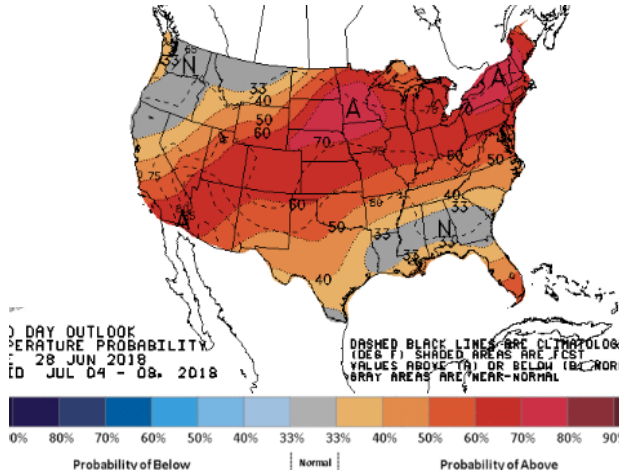


LOW Temperature



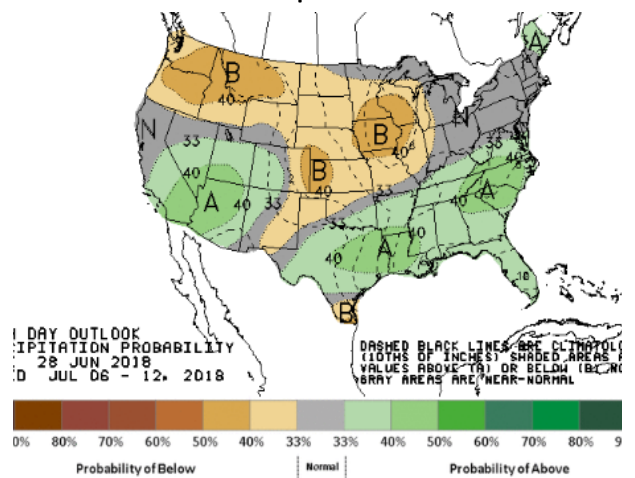
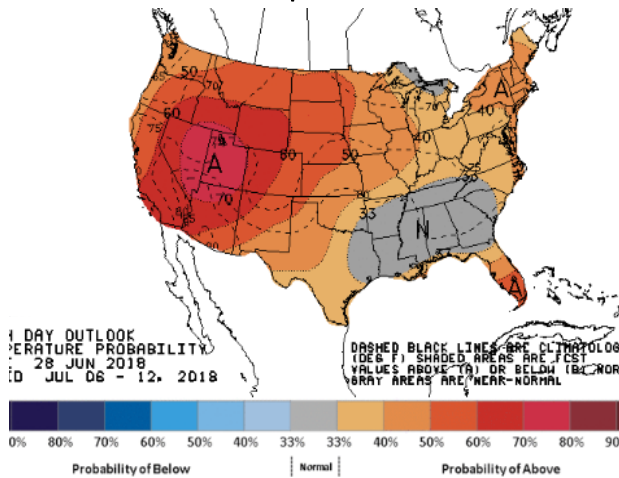
WEATHER — 6 TO 10 DAY OUTLOOK — NOAA  
Temperature

Precipitation



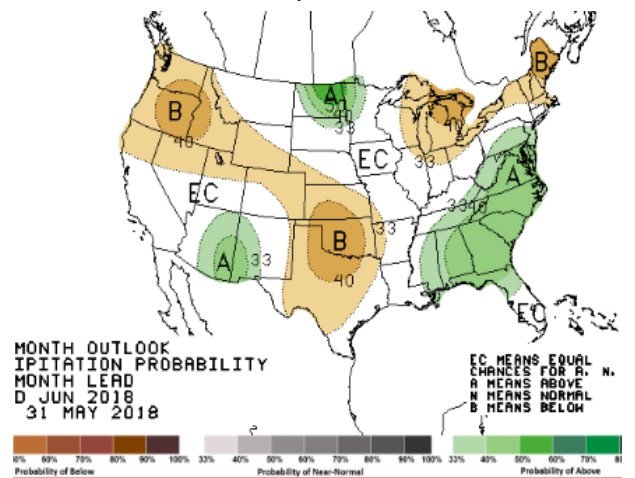
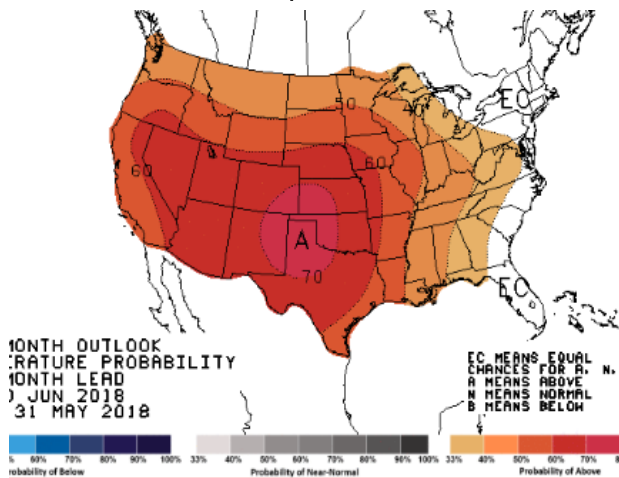
WEATHER — 8 TO 14 DAY OUTLOOK — NOAA  
Temperature

Precipitation



WEATHER — 30 DAY OUTLOOK — NOAA  
Temperature

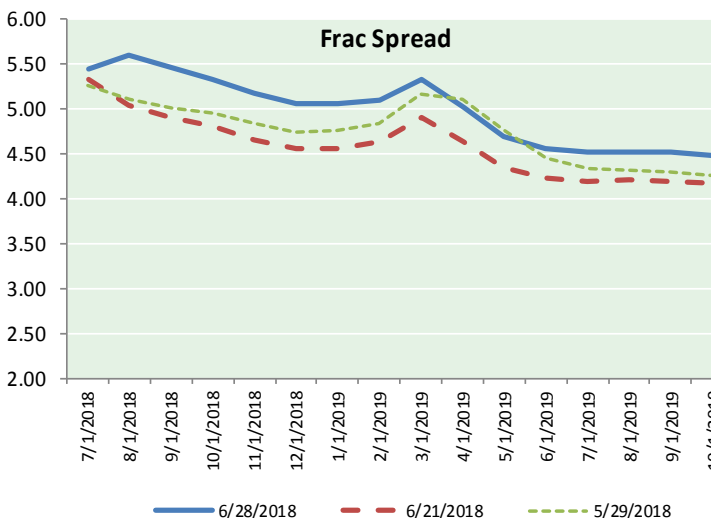
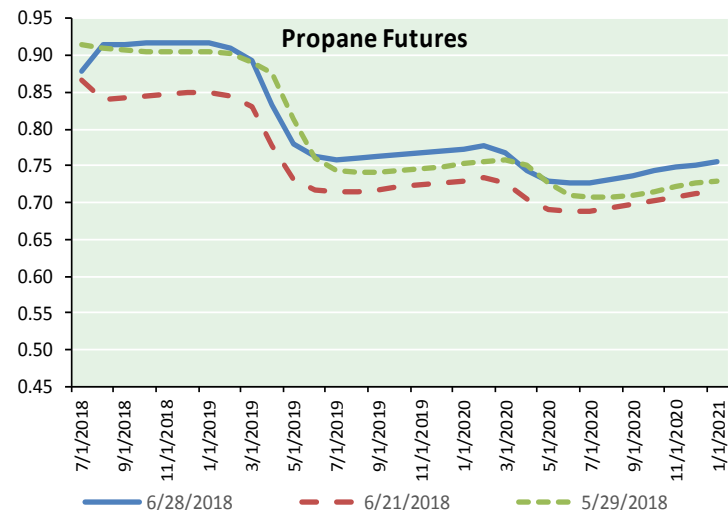
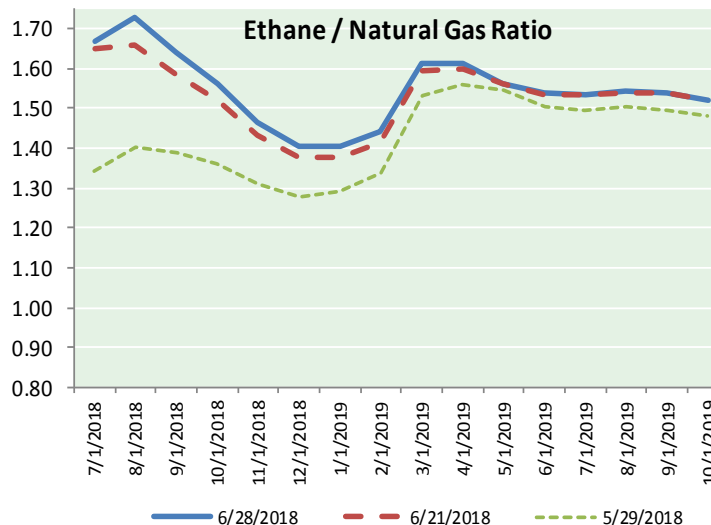
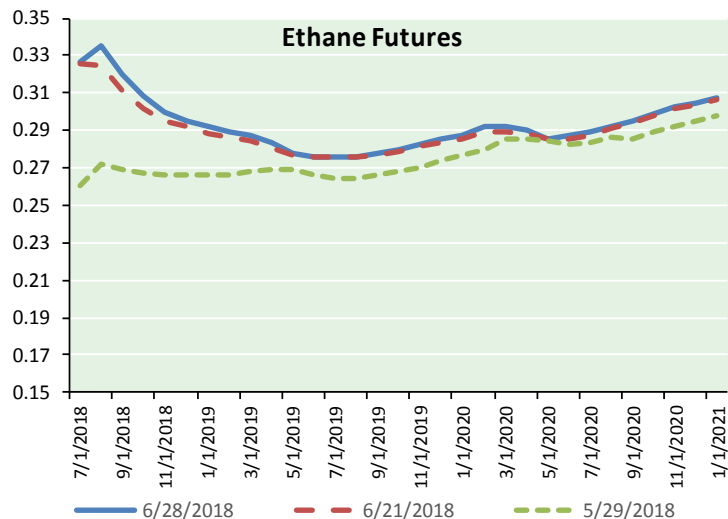
Precipitation



# 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
Jul-18	0.326	(0.000)
Aug-18	0.335	0.001
Sep-18	0.320	0.000
Oct-18	0.308	0.001
Nov-18	0.300	0.000
Dec-18	0.295	0.000
Jan-19	0.292	0.000
Feb-19	0.290	(0.000)
Mar-19	0.288	(0.000)
Apr-19	0.283	(0.000)
May-19	0.278	(0.001)
Jun-19	0.276	(0.001)

1YR Strip 0.299 (0.000)

### CME Future Prices

#### Propane (C3)

##### Non-LDH— Mont Belvieu

Month	Close	Change
Jul-18	0.879	0.001
Aug-18	0.914	0.013
Sep-18	0.915	0.012
Oct-18	0.917	0.010
Nov-18	0.918	0.011
Dec-18	0.918	0.011
Jan-19	0.917	0.009
Feb-19	0.910	0.009
Mar-19	0.893	0.008
Apr-19	0.833	0.007
May-19	0.780	0.005
Jun-19	0.763	0.004

1YR Strip 0.880 0.008

**NATURAL GAS NEWS**



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

**BULLISH**



RESISTANCE  
75.25 & 75.06  
SUPPORT  
72.42 & 71.40

**FOLLOW US ON TWITTER:**



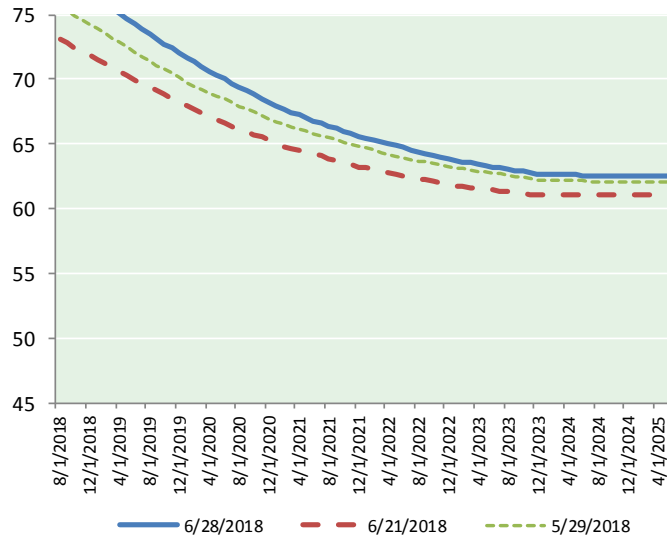
@MPG\_NatGasNews

**NYMEX Brent (BZ)**

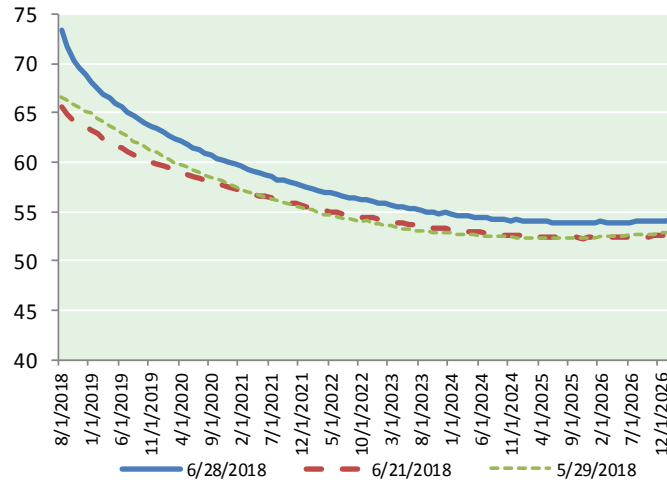
**Futures**

Month	Close	Change
Aug-18	77.85	0.23
Sep-18	77.61	0.15
Oct-18	77.33	0.16
Nov-18	77.05	0.15
Dec-18	76.70	0.13
Jan-19	76.32	0.11
Feb-19	75.89	0.07
Mar-19	75.46	0.04
Apr-19	75.05	0.01
May-19	74.63	(0.02)
Jun-19	74.22	(0.05)
Jul-19	73.84	(0.08)
Aug-19	73.49	(0.10)
Sep-19	73.10	(0.12)
Oct-19	72.74	(0.13)
Nov-19	72.39	(0.14)
Dec-19	71.98	(0.15)
Jan-20	71.63	(0.15)
Feb-20	71.31	(0.16)
Mar-20	70.97	(0.18)
Apr-20	70.64	(0.20)
May-20	70.34	(0.23)
Jun-20	70.04	(0.24)
Jul-20	69.72	(0.26)
1YR Strip	76.00	0.08
2018	77.31	0.16
5YR Strip	68.77	(0.25)

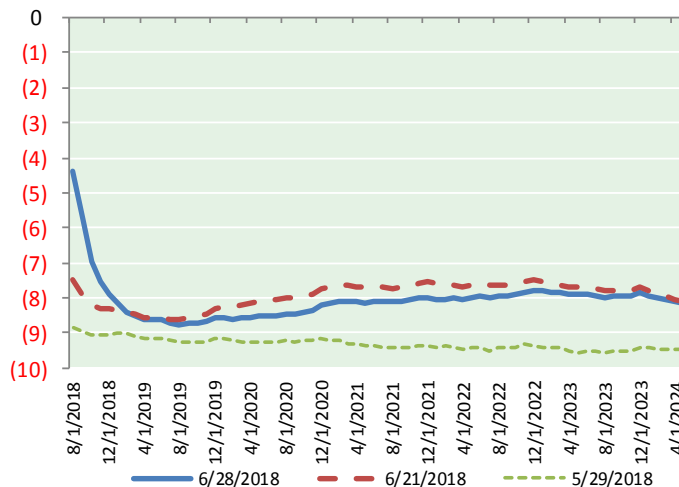
**BRENT CRUDE FORWARD CURVE**



**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)**

	Jul-18	Close	Change
Butane		1.034	0.000
Iso-Butane		1.342	0.015
Nat Gasoline		1.490	0.000

**NYMEX WTI (CL) Futures**

Month	Close	Change
Aug-18	73.45	0.69
Sep-18	71.81	0.55
Oct-18	70.34	0.38
Nov-18	69.51	0.29
Dec-18	68.79	0.18
Jan-19	68.15	0.11
Feb-19	67.50	0.04
Mar-19	66.94	(0.01)
Apr-19	66.44	(0.04)
May-19	65.99	(0.07)
Jun-19	65.59	(0.09)
Jul-19	65.12	(0.12)
Aug-19	64.72	(0.13)
Sep-19	64.35	(0.14)
Oct-19	64.02	(0.15)
Nov-19	63.70	(0.16)
Dec-19	63.41	(0.18)
Jan-20	63.05	(0.20)
Feb-20	62.71	(0.22)
Mar-20	62.39	(0.23)
Apr-20	62.09	(0.24)
May-20	61.81	(0.27)
Jun-20	61.52	(0.30)
Jul-20	61.20	(0.32)
1YR Strip	68.30	0.16
2018	70.78	0.42
5YR Strip	60.62	(0.31)