

# NATURAL GAS



JUNE 6, 2018

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



## NYMEX NG Futures

Month	Close	Change
Jul-18	2.890	(0.040)
Aug-18	2.907	(0.036)
Sep-18	2.892	(0.033)
Oct-18	2.900	(0.032)
Nov-18	2.940	(0.031)
Dec-18	3.046	(0.030)
Jan-19	3.131	(0.028)
Feb-19	3.097	(0.026)
Mar-19	2.994	(0.024)
Apr-19	2.635	(0.017)
May-19	2.594	(0.016)
Jun-19	2.622	(0.016)
Jul-19	2.654	(0.015)
Aug-19	2.661	(0.015)
Sep-19	2.648	(0.016)
Oct-19	2.669	(0.016)
Nov-19	2.723	(0.018)
Dec-19	2.856	(0.017)
Jan-20	2.956	(0.016)
Feb-20	2.921	(0.018)
Mar-20	2.828	(0.015)
Apr-20	2.554	(0.007)
May-20	2.530	(0.004)
Jun-20	2.561	(0.004)
1YR Strip	2.887	(0.027)
2018	2.929	(0.034)
5YR Strip	2.721	(0.008)

## IN THE NEWS

Analysis: Rover Pipeline coming online results in higher flows into East Canada— Platts reported: Rover Pipeline's long-awaited Market Zone North segment startup is resulting in higher flows into Eastern Canada as well as increased storage injection activity there, while lower injection activity is now being seen in the US Midwest. Flows into the Dawn Hub in Ontario increased on

- **Analysis: Rover Pipeline coming online results in higher flows into East Canada**
- **Turning trash to natural gas; Waste Management invests in Louisville**

June 1 when the segment was placed into service, which allows gas produced in the US Northeast region to access downstream markets at Dawn via leased capacity on Vector Pipeline. This has driven exports from Michigan to Dawn on Vector to climb 400 MMcf/d from the May average, although the overall impact on the Midwest has, thus far, been spread out and somewhat muted, according to S&P Global Platts Analytics. Since June 1, Rover has delivered an average of about 800 MMcf/d into Vector Pipeline, where Rover has 950 MMcf/d of leased capacity under long-term contract. On Vector, deliveries to Dawn since then have increased by about 450 MMcf/d to average 605 MMcf/d this month, up from an average 160 MMcf/d in the last week of May. For more on this story visit [platts.com](http://platts.com) or click <https://bit.ly/2sAZQY9>

Turning trash to natural gas; Waste Management invests in Louisville— WLKY reported: Waste Management is investing \$30 million in Louisville to turn landfill trash into natural gas. The Outer Loop Recycling and Disposal Facility unveiled the new operation Tuesday. Wells under the landfill will collect methane produced by decomposing trash. The methane gas will be turned into natural gas and used to fuel waste collection trucks. "The Outer Loop Recycling and Disposal Facility accepts around 1 million tons of waste per year from local area businesses and homes," Waste Management Area Vice President Tim Wells said. "This project closes the loop." Each day, the facility will produce enough natural gas to fuel 800 trucks. For more on this story visit [wky.com](http://wky.com) or click <https://bit.ly/2sx1LtO>

## 12 MONTH CANDLESTICK (WEEKLY)



## Prompt Natural Gas (NG) Daily Sentiment

**BULLISH**



RESISTANCE

2.92 & 2.96

SUPPORT

2.87 & 2.84

## Trading Summary

### NATURAL GAS

Futures	Close	Change
NG	2.890	(0.040)
Volume	329,274	(35,015)
Open Int.	1,563,859	17,592

### CRUDE AND GASOLINE

Futures	Close	Change
Crude	65.52	0.77
RBOB	2.1062	(0.0162)
Crude/NG	22.67	0.57

### METALS

Futures	Close	Change
Gold	1,297.50	(1.50)

### EQUITIES

Exchange	Close	Change
DOW	24,799.98	(13.71)
S&P 500	-867.22	1.93

### CURRENCY

Currency	Close	Change
EUR/USD	1.1774	0.0056
USD/CND	1.2405	(0.0096)

## Contact Us



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

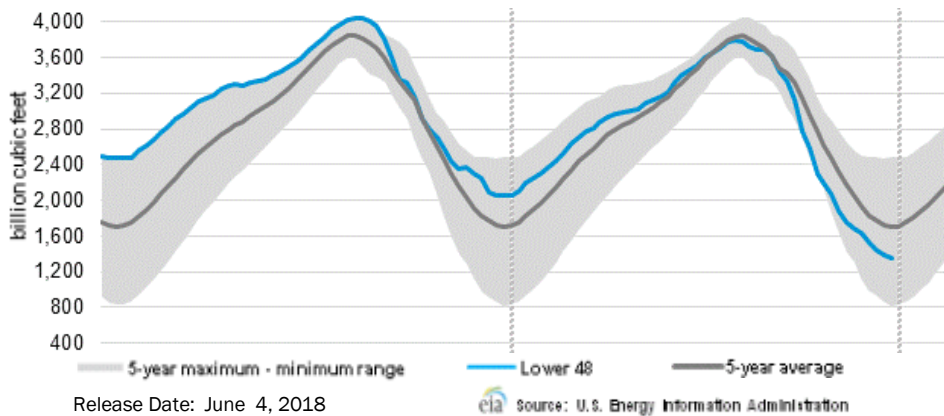
Phone: (800) 695-6626





**NATURAL GAS NEWS**

**WEEKLY GAS IN UNDERGROUND STORAGE WITH 5-YR RANGE**



**Rig Count**

Report Date: June 1, 2018

	Total	Change
US -	1060	+1
CN -	99	+18

**EIA Weekly NG Storage Actual and Surveys for June 1, 2018**

Released May 31, 2018

Range (75) to (97)

PIRA – (104)

Citi Futures – (101)

Reuters – (107)

**EIA ACTUAL – 96**

**Total Working Gas In Storage**

**1,725 BCF**

96 BCF (LAST WEEK)

(788) BCF (LAST YEAR)

(500) BCF (5-YR AVG)

**U.S. Natural Gas Supply Gas Week 5/24– 5/30**

**Average daily values (BCF/D):**

Last Year (BCF/d)

Dry Production – +81.1

Total Supply – +71.9

Last Week (BCF/d)

Dry Production – +79.7

Total Supply – +86.0

[NEXT REPORT ON Jun 8]

**U.S. Natural Gas Demand Gas Week 5/24– 5/30**

**Average daily values (BCF/D):**

Last Year (BCF/d)

Power – +23.7

Total Demand – +65.4

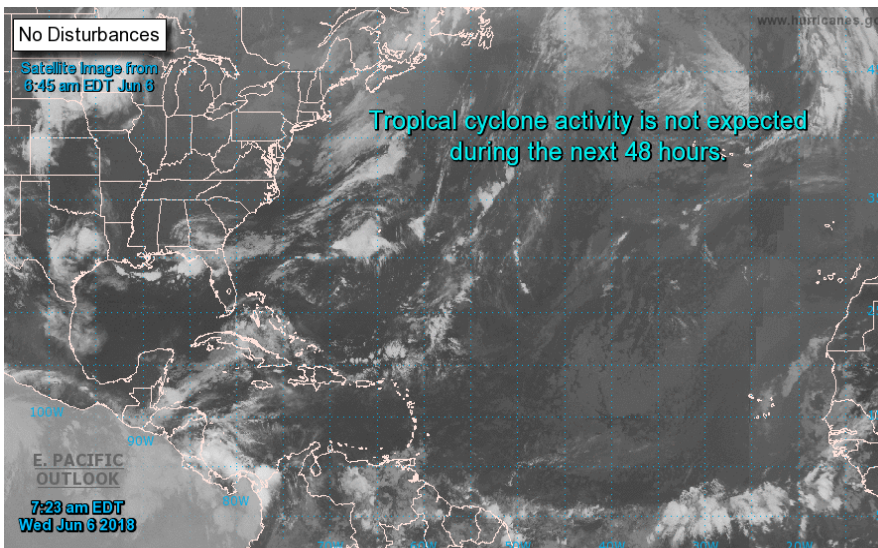
Last Week (BCF/d)

Power – +27.9

Total Demand – +70.1

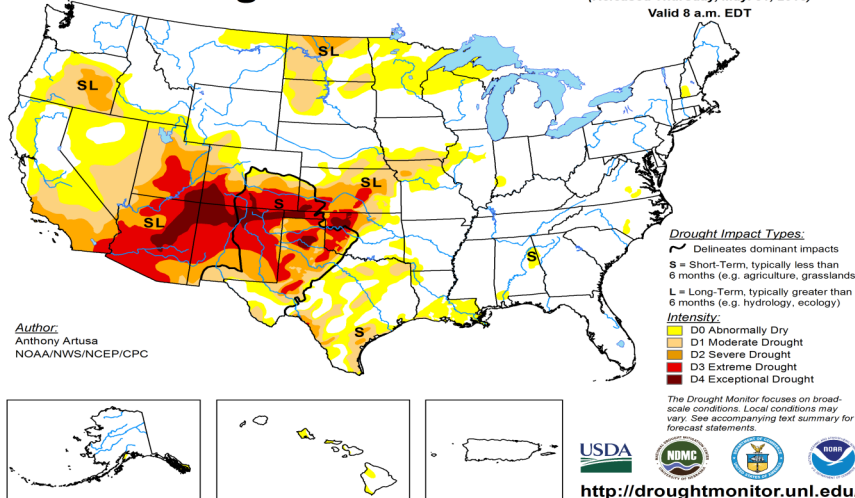
[NEXT REPORT ON Jun 8]

**TROPICAL STORM ACTIVITY— ATLANTIC**



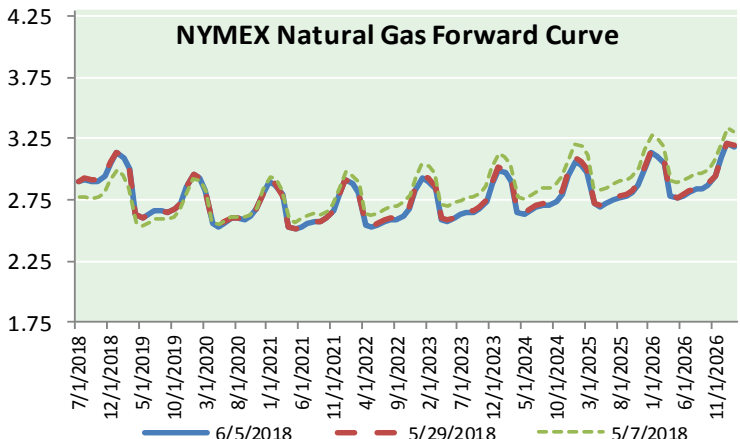
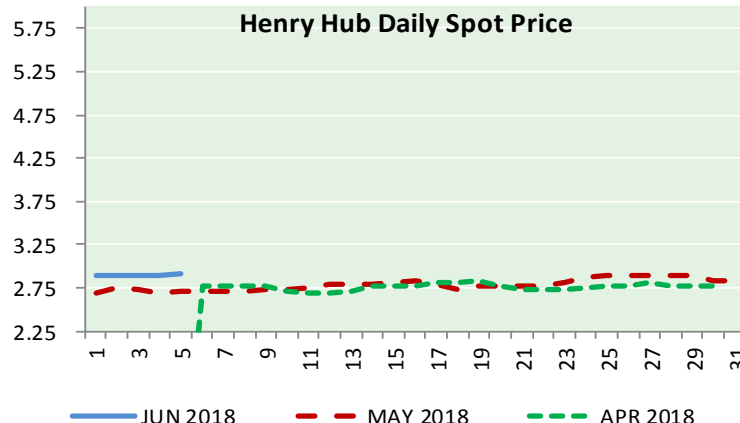
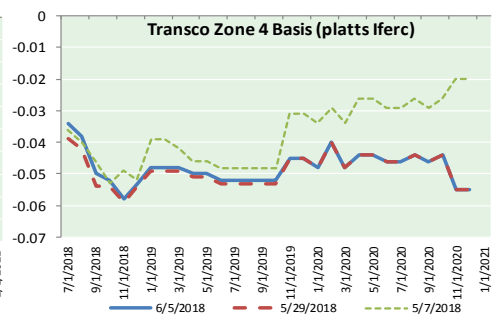
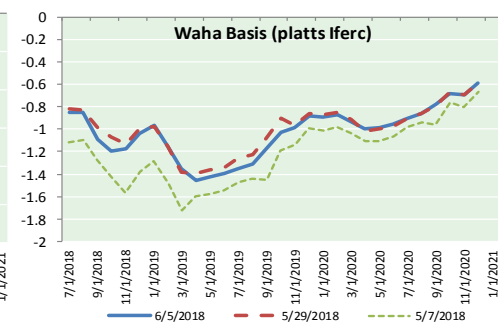
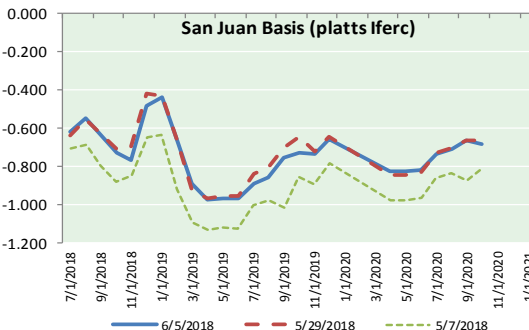
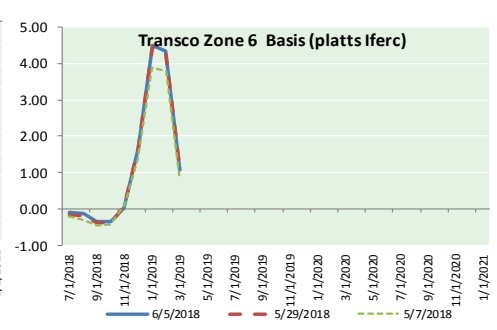
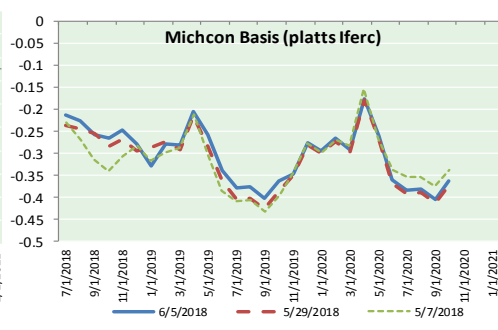
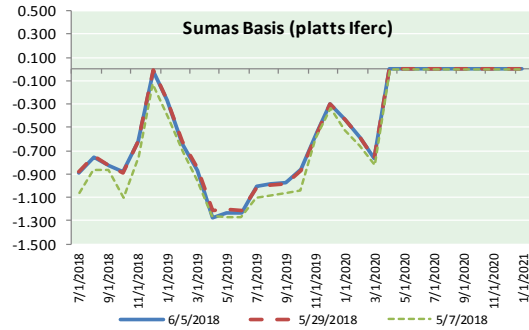
**U.S. Drought Monitor**

May 29, 2018  
 (Released Thursday, May 31, 2018)  
 Valid 8 a.m. EDT





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	
4	64.75	19	
5	65.52	20	
6		21	
7		22	
8		23	
9		24	
10		25	
11		26	
12		27	
13		28	
14		29	
15		30	

Average (Jun) 65.3600  
(through 06/05/2018)

Average (May) 69.9832

Average (Apr) 66.3252

CME NG Option Prices

ATM Call

Month	Strike	Close	Imp Vol
Aug-18			
Sep-18	2.900	0.095	22.5
Oct-18			
Nov-18			
Dec-18			

CME NG Option Prices

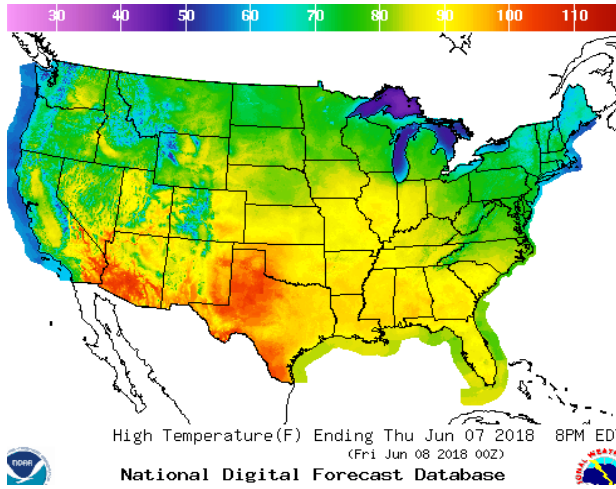
ATM Put

Month	Strike	Close	Imp Vol
Aug-18			
Sep-18	2.900	0.091	20.6
Oct-18			
Nov-18			
Dec-18			

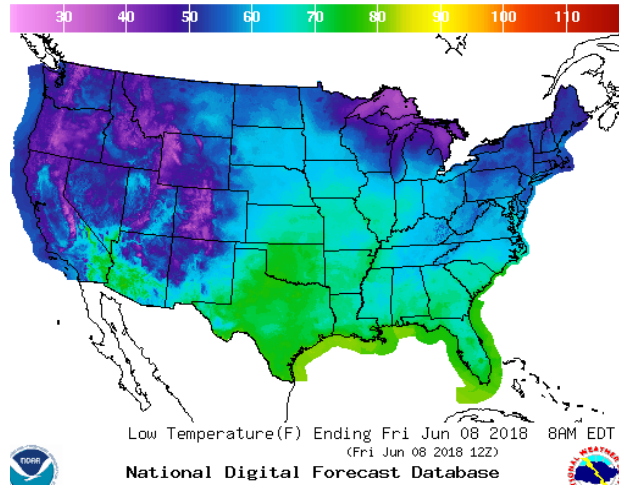


WEATHER – HIGH / LOW TEMPERATURE TOMORROW

HIGH Temperature

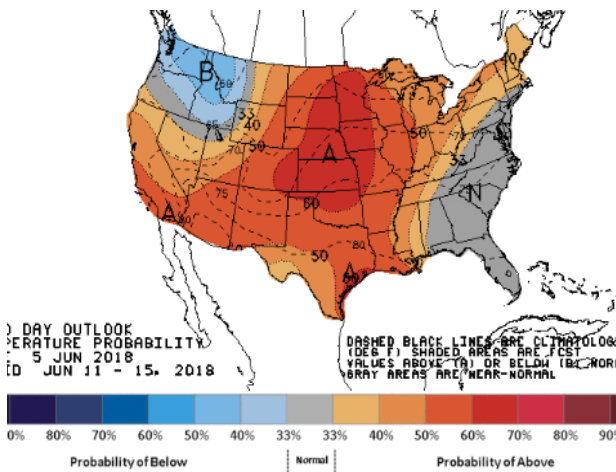


LOW Temperature

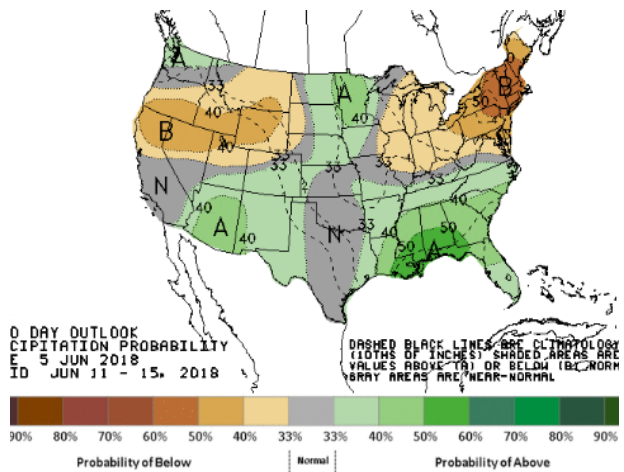


WEATHER – 6 TO 10 DAY OUTLOOK – NOAA

Temperature

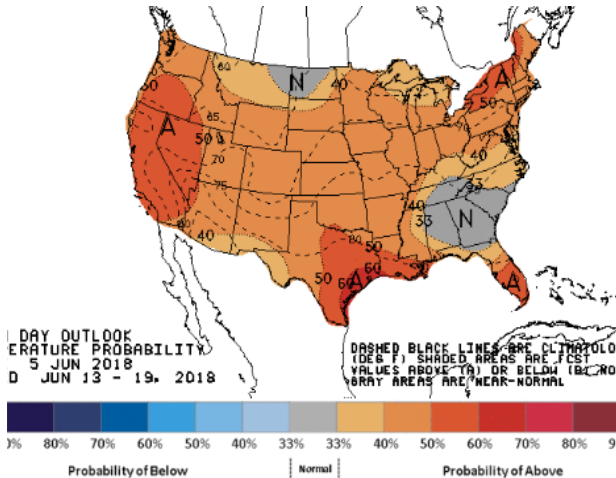


Precipitation

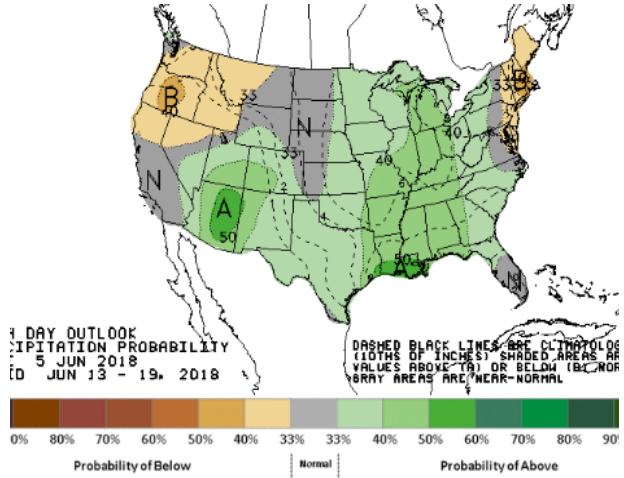


WEATHER – 8 TO 14 DAY OUTLOOK – NOAA

Temperature



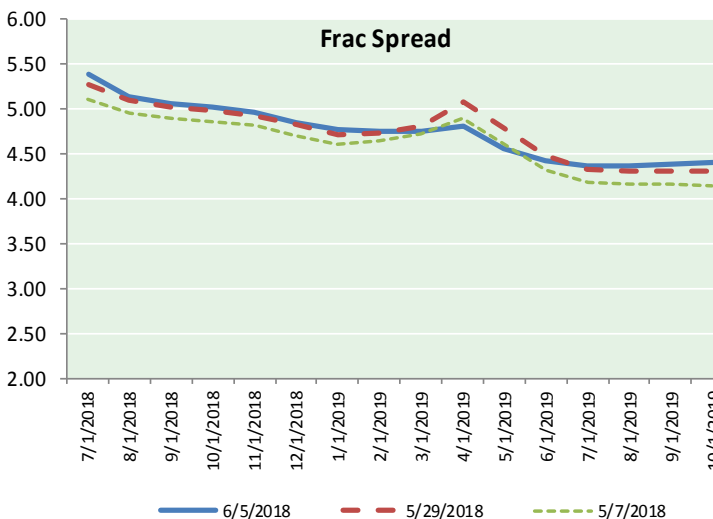
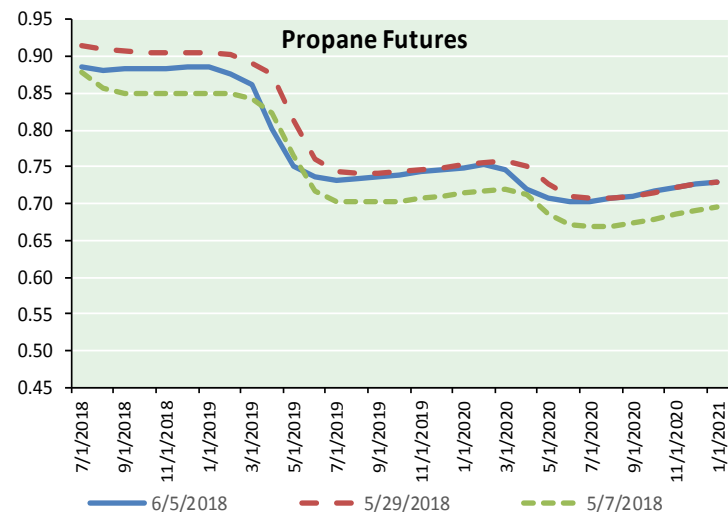
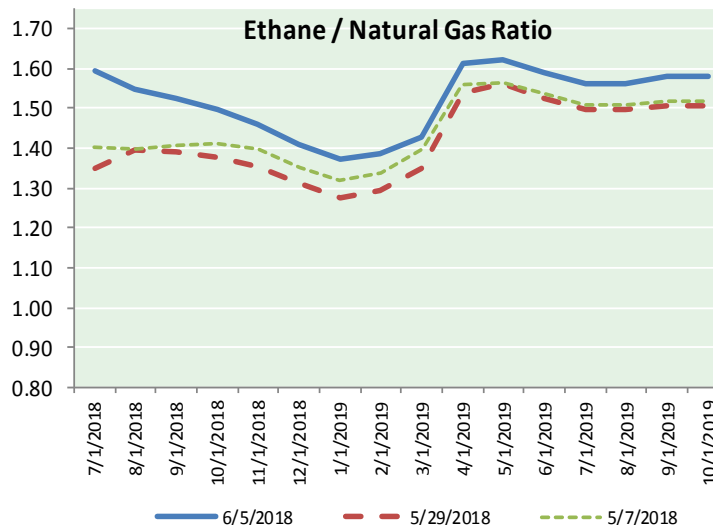
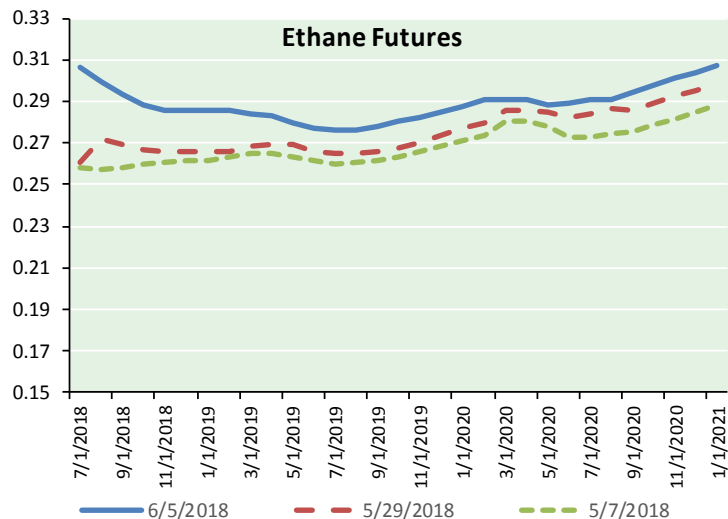
Precipitation



# 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
Jul-18	0.306	0.008
Aug-18	0.299	0.007
Sep-18	0.293	0.005
Oct-18	0.288	0.005
Nov-18	0.285	0.003
Dec-18	0.285	0.003
Jan-19	0.285	0.003
Feb-19	0.285	0.003
Mar-19	0.284	0.003
Apr-19	0.283	0.003
May-19	0.280	0.003
Jun-19	0.277	0.002

1YR Strip 0.288 0.004

### CME Future Prices

#### Propane (C3)

##### Non-LDH— Mont Belvieu

Month	Close	Change
Jul-18	0.885	(0.013)
Aug-18	0.882	(0.013)
Sep-18	0.883	(0.012)
Oct-18	0.884	(0.010)
Nov-18	0.884	(0.010)
Dec-18	0.885	(0.008)
Jan-19	0.887	(0.005)
Feb-19	0.877	(0.004)
Mar-19	0.863	(0.003)
Apr-19	0.803	(0.002)
May-19	0.752	(0.001)
Jun-19	0.736	0.000

1YR Strip 0.852 (0.007)

# NATURAL GAS NEWS



## Prompt WTI (CL) Crude Daily Sentiment

**BEARISH**



RESISTANCE

65.99 & 66.45

SUPPORT

64.64 & 63.75

FOLLOW US ON TWITTER:



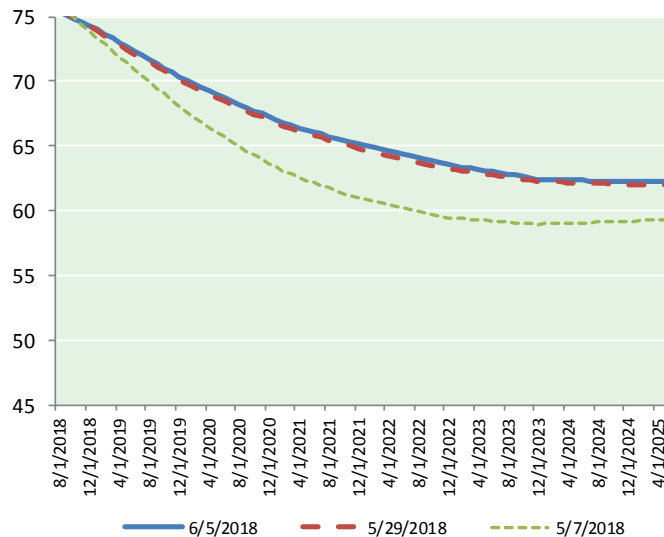
@MPG\_NatGasNews

## NYMEX Brent (BZ)

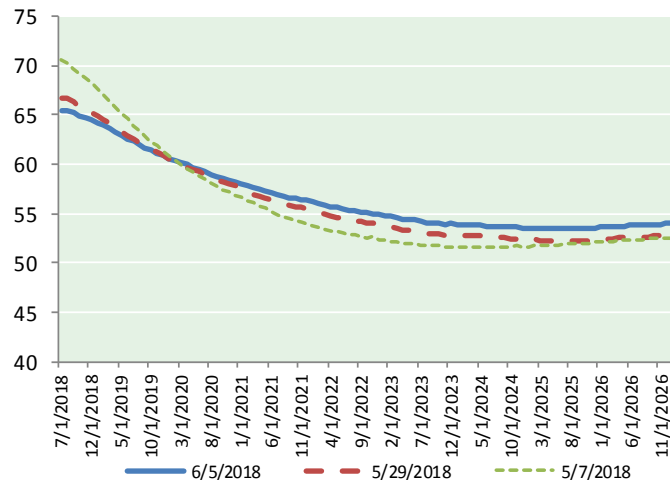
### Futures

Month	Close	Change
Aug-18	75.38	0.09
Sep-18	75.13	0.03
Oct-18	74.85	(0.03)
Nov-18	74.60	(0.06)
Dec-18	74.33	(0.08)
Jan-19	74.01	(0.11)
Feb-19	73.67	(0.13)
Mar-19	73.34	(0.15)
Apr-19	73.01	(0.17)
May-19	72.66	(0.19)
Jun-19	72.30	(0.20)
Jul-19	72.00	(0.21)
Aug-19	71.69	(0.21)
Sep-19	71.35	(0.21)
Oct-19	71.03	(0.23)
Nov-19	70.71	(0.23)
Dec-19	70.34	(0.24)
Jan-20	70.03	(0.25)
Feb-20	69.77	(0.24)
Mar-20	69.50	(0.25)
Apr-20	69.23	(0.24)
May-20	68.98	(0.26)
Jun-20	68.73	(0.29)
Jul-20	68.44	(0.29)
1YR Strip	73.77	(0.10)
2018	74.86	(0.01)
5YR Strip	67.70	(0.27)

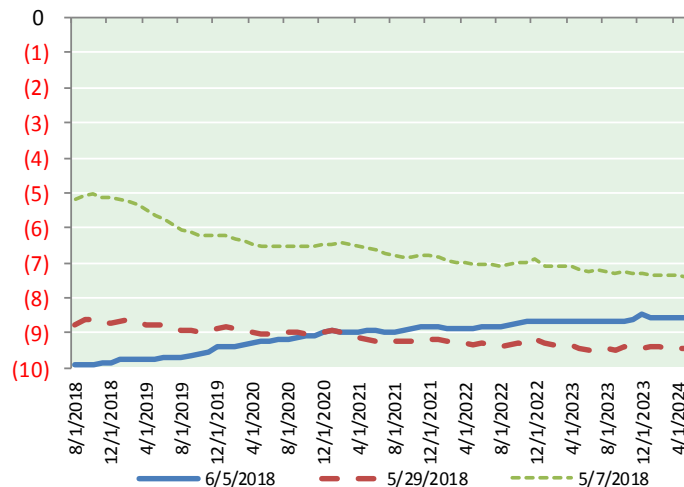
## BRENT CRUDE FORWARD CURVE



## 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	1.020	0.007	
Iso-Butane	1.365	(0.049)	
Nat Gasoline	1.507	0.003	

## NYMEX WTI (CL) Futures

Month	Close	Change
Jul-18	65.52	0.77
Aug-18	65.46	0.78
Sep-18	65.23	0.75
Oct-18	64.95	0.69
Nov-18	64.73	0.63
Dec-18	64.47	0.56
Jan-19	64.24	0.52
Feb-19	63.91	0.49
Mar-19	63.58	0.44
Apr-19	63.25	0.41
May-19	62.92	0.36
Jun-19	62.60	0.32
Jul-19	62.28	0.31
Aug-19	61.96	0.29
Sep-19	61.67	0.29
Oct-19	61.42	0.29
Nov-19	61.16	0.28
Dec-19	60.93	0.27
Jan-20	60.64	0.27
Feb-20	60.38	0.28
Mar-20	60.14	0.27
Apr-20	59.92	0.27
May-20	59.72	0.27
Jun-20	59.50	0.25
1YR Strip	64.24	0.56
2018	65.06	0.70
5YR Strip	58.73	0.27