

# NATURAL GAS



MARCH 12, 2018

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



## NYMEX NG Futures

Month	Close	Change
Apr-18	2.732	(0.024)
May-18	2.759	(0.028)
Jun-18	2.806	(0.027)
Jul-18	2.855	(0.026)
Aug-18	2.867	(0.023)
Sep-18	2.849	(0.021)
Oct-18	2.861	(0.020)
Nov-18	2.910	(0.017)
Dec-18	3.027	(0.017)
Jan-19	3.109	(0.018)
Feb-19	3.074	(0.018)
Mar-19	2.981	(0.017)
Apr-19	2.687	(0.007)
May-19	2.649	(0.006)
Jun-19	2.676	(0.007)
Jul-19	2.707	(0.006)
Aug-19	2.713	(0.005)
Sep-19	2.699	(0.006)
Oct-19	2.726	(0.007)
Nov-19	2.778	(0.006)
Dec-19	2.912	(0.006)
Jan-20	3.026	(0.008)
Feb-20	3.000	(0.010)
Mar-20	2.907	(0.010)
1YR Strip	2.903	(0.021)
2018	2.852	(0.023)
5YR Strip	2.813	(0.018)

## IN THE NEWS

3 Natural Gas Charts To End Winter 2018 — Forbes reported: Burdened by a historically low-price environment for oil since 2014 and gas since 2008, it's amazing how quickly the efficiency of our industry has evolved. U.S. oil and gas drillers have upgraded their operations and technologies far faster than anybody could have predicted and are now producing at record highs. As it

- **3 Natural Gas Charts To End Winter 2018**
- **Natural Gas Prices Continue to Slip**

turns out, the long perception that U.S. crude oil production peaked in 1970 was wrong, as was the perception that U.S. gas production peaked in 2005. Those companies that couldn't improve were forced out of the industry, with 100+ combined bankruptcies in 2015 and 2016. As reported by BNEF's 2018 Sustainable Energy Factbook, which is a must read every year, the incredible declines in breakeven costs for the U.S. natural gas industry illustrate a fact that hardly ever gets mentioned. Renewable energy technologies won't simply be handed the future: renewables won't be competing against oil and gas as they are now but as they will become. The renewable industry is evolving but so is the oil and gas industry. The high gas prices that we saw before the shale revolution aren't really possible anymore. For more on this story visit [forbes.com](http://forbes.com) or click <http://bit.ly/2p8kh9j>

Natural Gas Prices Continue to Slip: — Nasdaq reported: Energy stocks are poised for a markedly higher opening as broader index futures continued yesterday's gains after the government reported better-than-expected job growth for the previous month. Oil prices are reversing two days of heavy losses even as the green-back jumped following a much stronger than expected jobs report and on hopes of a breakthrough in the nuclear standoff with North Korea. North Korea's leader pledged to refrain from further nuclear or missile tests, lifting Asian stock markets and pulling crude oil futures along with them. For more on this story visit [nasdaq.com](http://nasdaq.com) or click <http://bit.ly/2tvYYnx>

## 12 MONTH CANDLESTICK (WEEKLY)



## Prompt Natural Gas (NG) Daily Sentiment

**NEUTRAL**



RESISTANCE

2.75 & 2.77

SUPPORT

2.71 & 2.69

## Trading Summary

### NATURAL GAS

Futures	Close	Change
NG	2.732	(0.024)
Volume	405,697	(362,411)
Open Int.	1,370,584	12,885

### CRUDE AND GASOLINE

Futures	Close	Change
Crude	62.04	1.92
RBOB	1.9043	0.0366
Crude/NG	22.71	0.89

### METALS

Futures	Close	Change
Gold	1,324.00	

### EQUITIES

Exchange	Close	Change
DOW	25,335.74	350.53
S&P 500	0.00	(36.16)

### CURRENCY

Currency	Close	Change
EUR/USD	1.2362	(0.0015)
USD/CND	1.2405	0.0018

## Contact Us



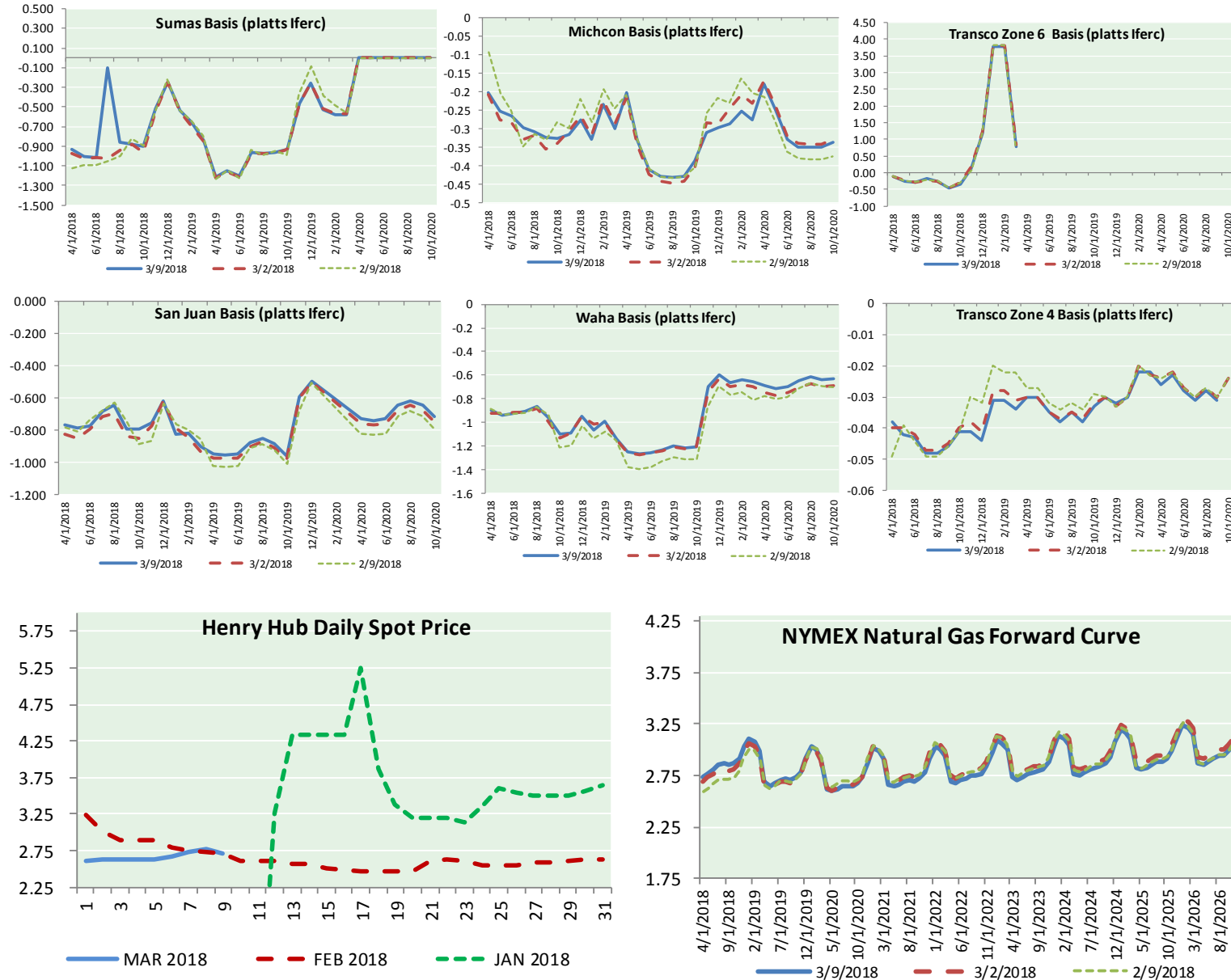
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NATURAL GAS BASIS FUTURES, HENRY HUB SPOT PRICES, AND FORWARD CURVE



**NYMEX WTI Delivery**  
**Month Average (\$/bbl)**  
 (Excluding Weekends and Holidays)

Month: March 2018

Day	Price	Day	Price
1	60.99	16	
2	61.25	17	
3		18	
4		19	
5	62.57	20	
6	62.60	21	
7	61.15	22	
8	60.12	23	
9	62.04	24	
10		25	
11		26	
12		27	
13		28	
14		29	
15		30	
		31	

**Average (Mar)** 61.5314  
 (through 03/09/2018)

**Average (Feb)** 62.1837

**Average (Jan)** 63.6590

**CME NG Option Prices**

**ATM Call**

Month	Strike	Close	Imp Vol
May-18			
Jun-18	2.800	0.082	20.6
Jul-18			
Aug-18			
Sep-18			

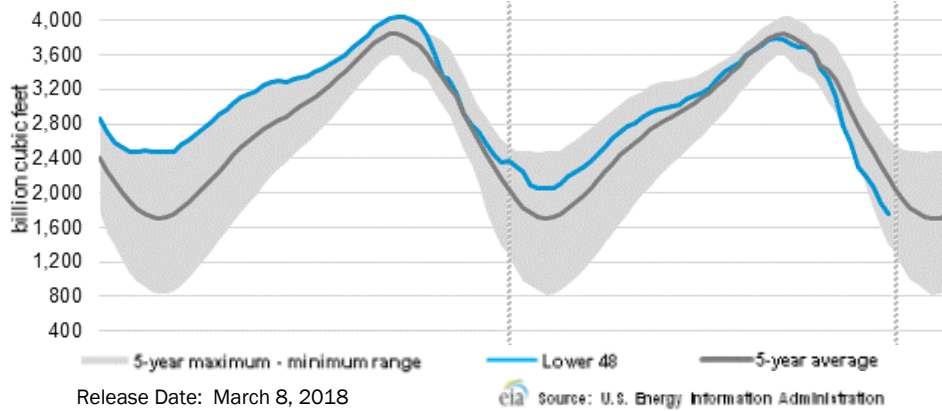
**CME NG Option Prices**

**ATM Put**

Month	Strike	Close	Imp Vol
May-18			
Jun-18	2.800	0.116	30.0
Jul-18			
Aug-18			
Sep-18			

# NATURAL GAS NEWS

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



## Rig Count

Report Date: March 9, 2018

	Total	Change
US -	984	+3
CN -	273	(29)

## EIA Weekly NG Storage Actual and Surveys for March 1, 2018

Released March 8, 2018

Range (44) to (69)

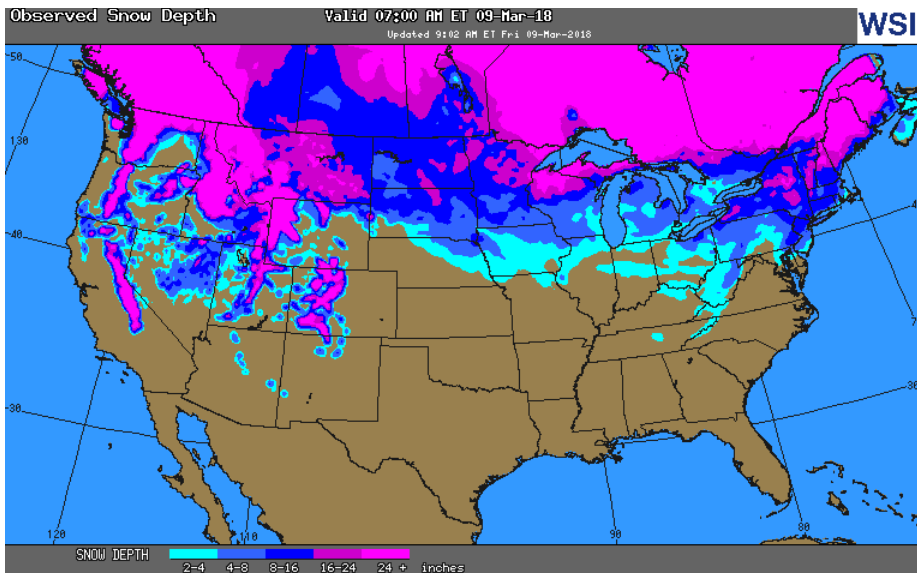
PIRA – (57)

ARM – (59)

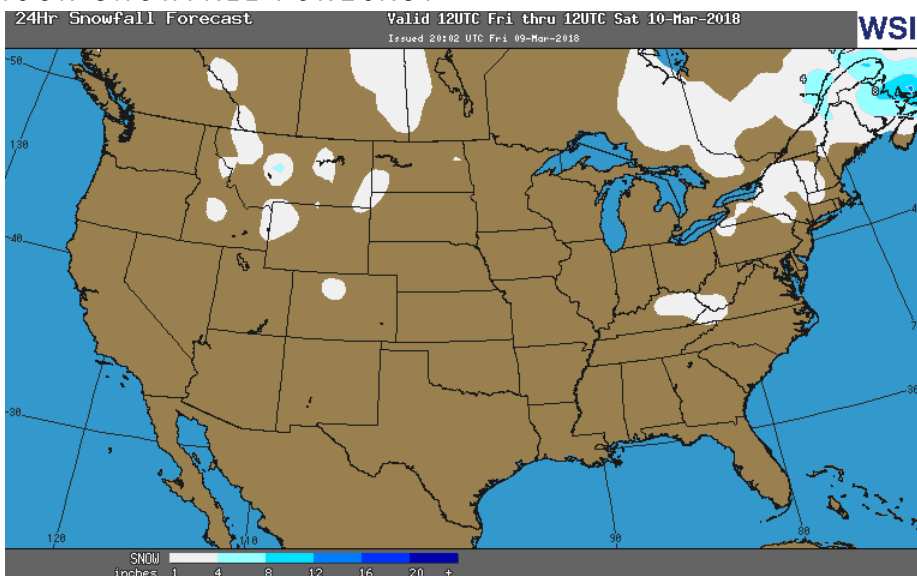
Reuters – (56)

EIA ACTUAL – (57)

## OBSERVED SNOW DEPTH



## 24 HOUR SNOWFALL FORECAST



## Total Working Gas In Storage

**1,625 BCF**

(57) BCF (LAST WEEK)

(680) BCF (LAST YEAR)

(300) BCF (5-YR AVG)

## U.S. Natural Gas Supply Gas Week 3/1– 3/7

Average daily values (BCF/D):

Last Year (BCF/d)

Dry Production – +71.7

Total Supply – +77.4

Last Week (BCF/d)

Dry Production – +78.5

Total Supply – +84.6

[NEXT REPORT ON Mar 15]

## U.S. Natural Gas Demand Gas Week 3/1– 3/7

Last Year (BCF/d)

Power – +22.0

Total Demand – +85.8

Last Week (BCF/d)

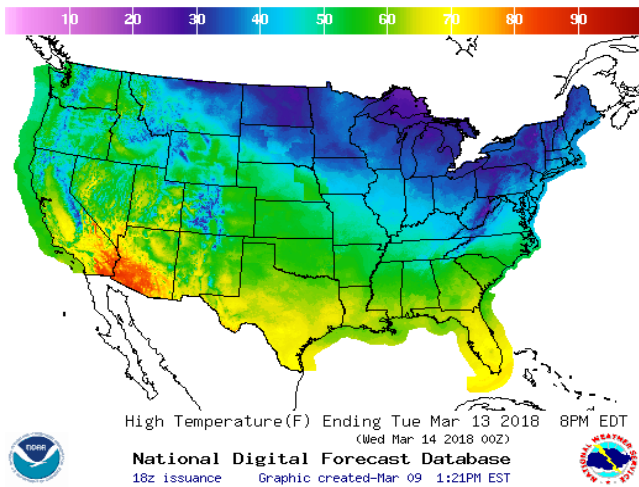
Power – +23.9

Total Demand – +88.7

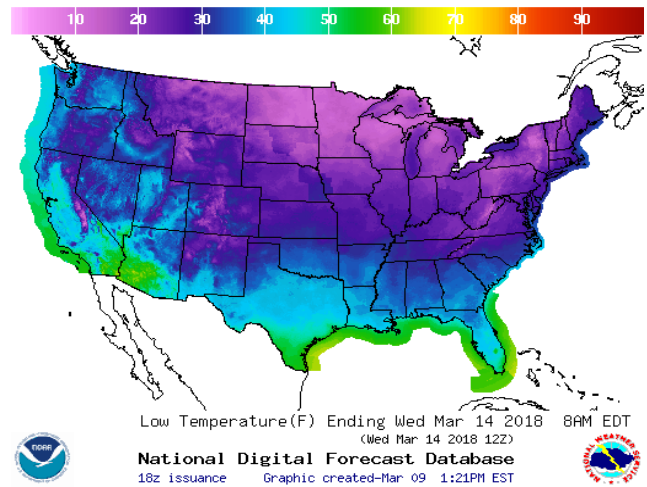
[NEXT REPORT ON Mar 15]

WEATHER – HIGH / LOW TEMPERATURE TOMORROW

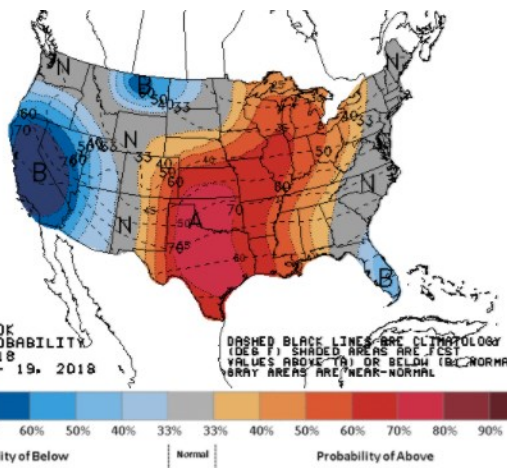
HIGH Temperature



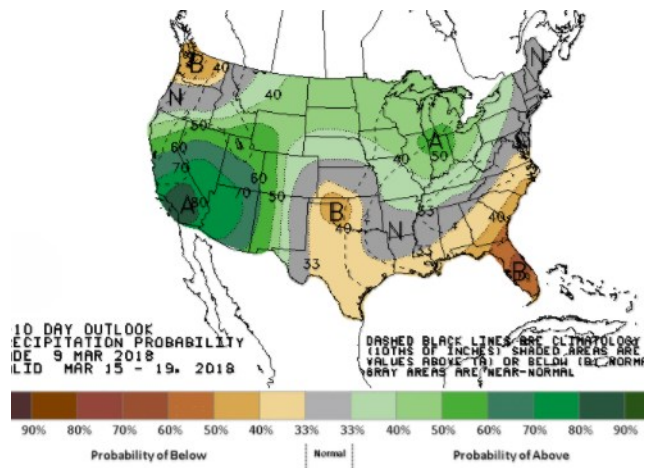
LOW Temperature



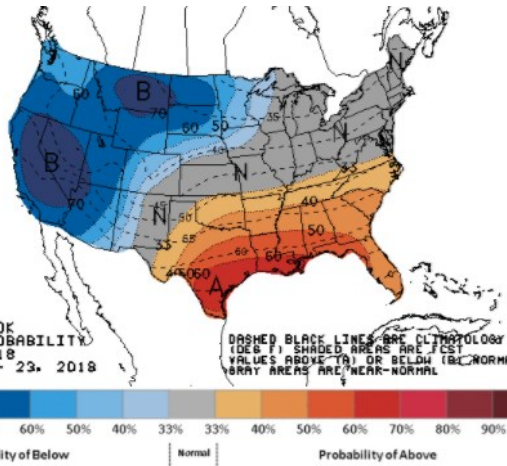
WEATHER – 6 TO 10 DAY OUTLOOK – NOAA  
Temperature



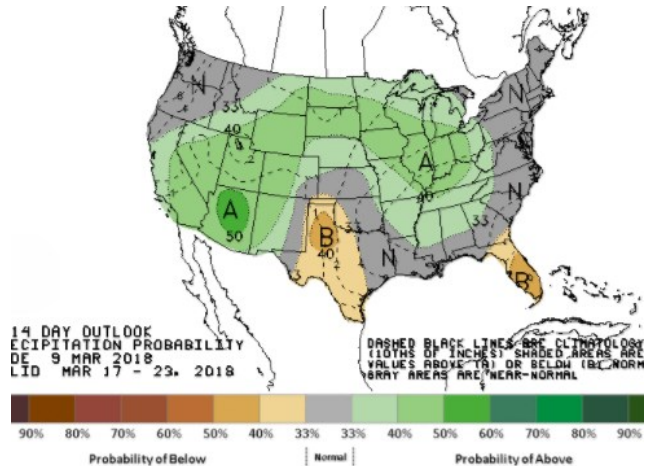
Precipitation



WEATHER – 8 TO 14 DAY OUTLOOK – NOAA  
Temperature



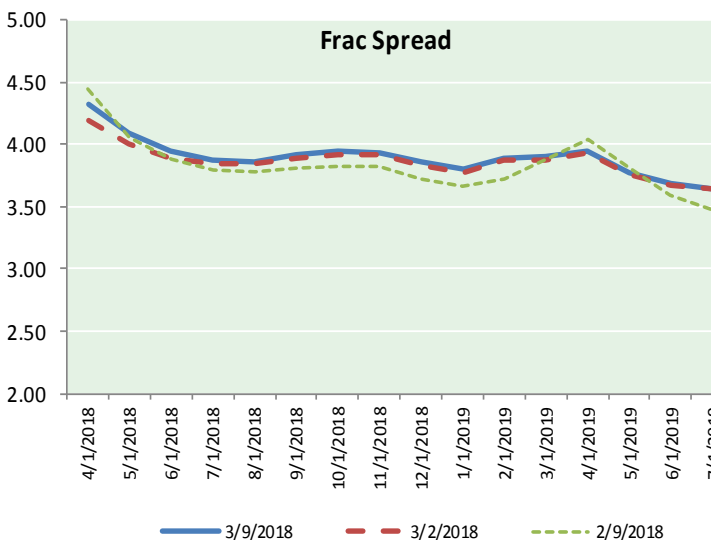
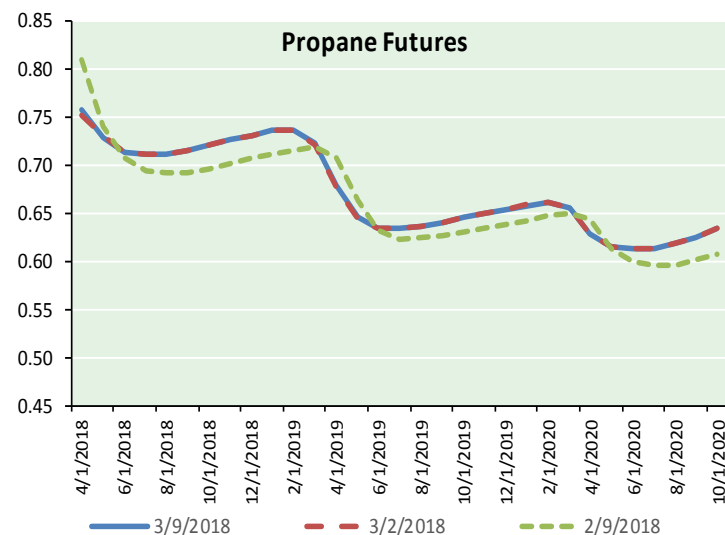
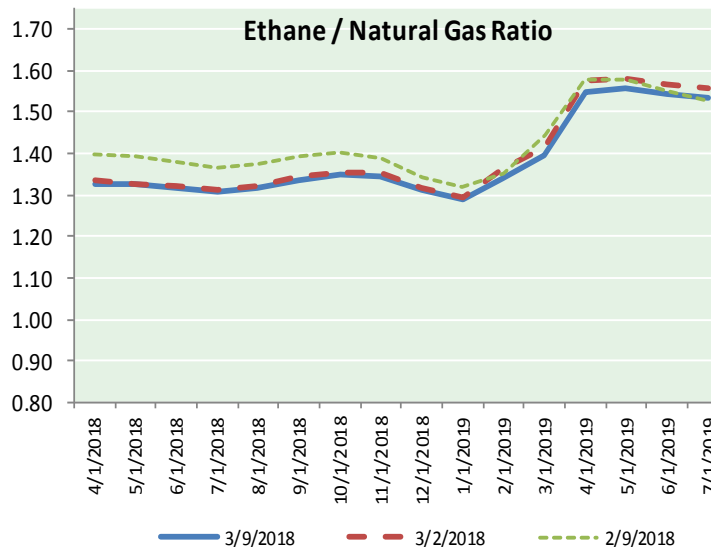
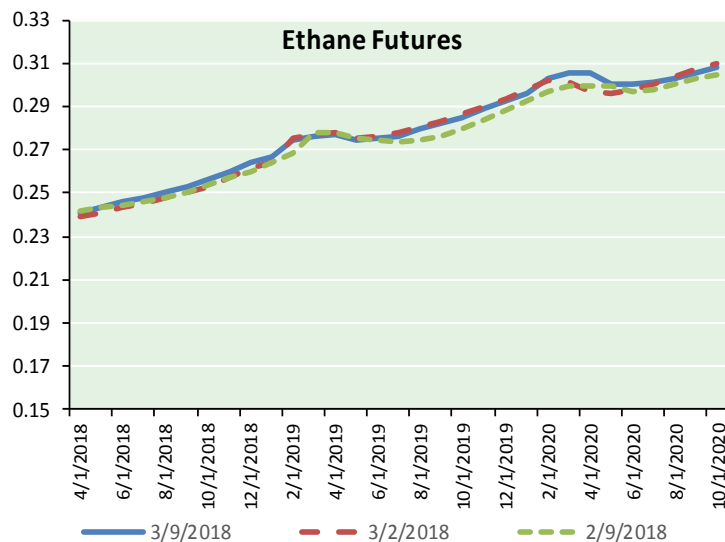
Precipitation





# 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
Apr-18	0.241	(0.000)
May-18	0.243	0.001
Jun-18	0.246	0.001
Jul-18	0.248	0.001
Aug-18	0.251	0.001
Sep-18	0.253	0.001
Oct-18	0.256	0.001
Nov-18	0.260	0.001
Dec-18	0.264	0.001
Jan-19	0.267	0.000
Feb-19	0.274	0.001
Mar-19	0.276	0.001

1YR Strip 0.257 0.001

### CME Future Prices

#### Propane (C3)

##### Non-LDH— Mont Belvieu

Month	Close	Change
Apr-18	0.759	0.016
May-18	0.729	0.016
Jun-18	0.714	0.016
Jul-18	0.712	0.015
Aug-18	0.712	0.014
Sep-18	0.716	0.014
Oct-18	0.721	0.014
Nov-18	0.727	0.014
Dec-18	0.732	0.014
Jan-19	0.737	0.014
Feb-19	0.738	0.014
Mar-19	0.724	0.014

1YR Strip 0.727 0.015

# NATURAL GAS NEWS



Prompt WTI (CL) Crude  
Daily Sentiment

**BEARISH**



RESISTANCE  
62.77 & 63.49  
SUPPORT  
60.73 & 59.41

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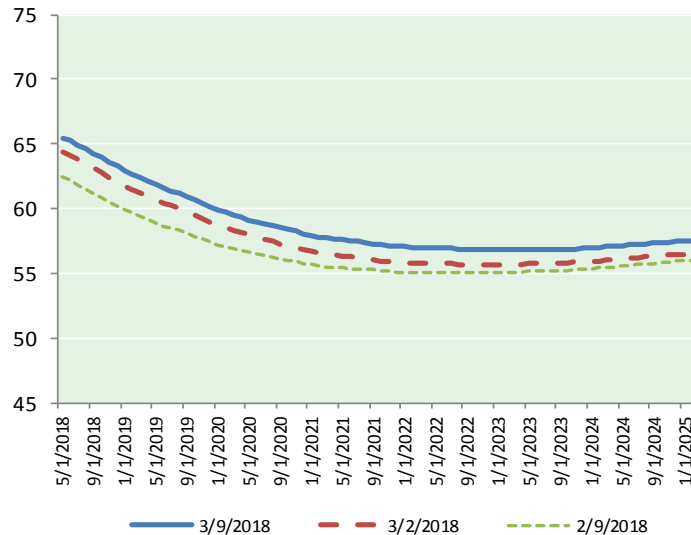
@MPG\_NatGasNews

**NYMEX Brent (BZ)**

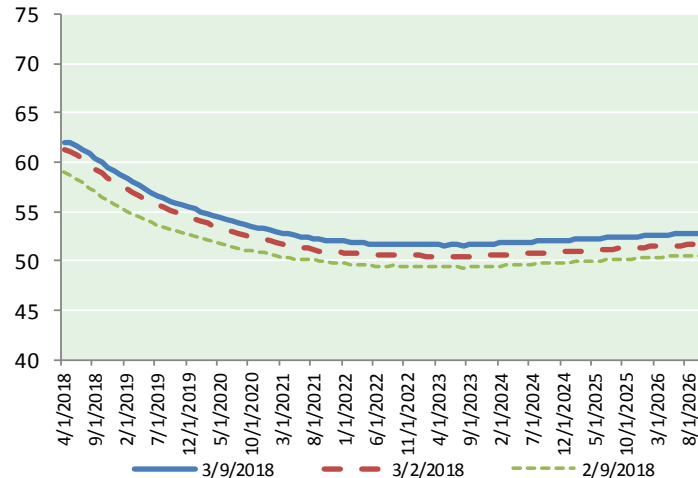
Futures

Month	Close	Change
May-18	65.49	1.88
Jun-18	65.27	1.83
Jul-18	64.95	1.78
Aug-18	64.63	1.73
Sep-18	64.31	1.70
Oct-18	63.97	1.66
Nov-18	63.63	1.63
Dec-18	63.29	1.61
Jan-19	62.97	1.58
Feb-19	62.69	1.55
Mar-19	62.41	1.51
Apr-19	62.15	1.48
May-19	61.89	1.45
Jun-19	61.61	1.41
Jul-19	61.39	1.38
Aug-19	61.15	1.35
Sep-19	60.91	1.34
Oct-19	60.67	1.31
Nov-19	60.42	1.29
Dec-19	60.12	1.26
Jan-20	59.90	1.25
Feb-20	59.72	1.24
Mar-20	59.53	1.23
Apr-20	59.32	1.22
1YR Strip	63.81	1.66
2018	64.44	1.73
5YR Strip	59.26	1.27

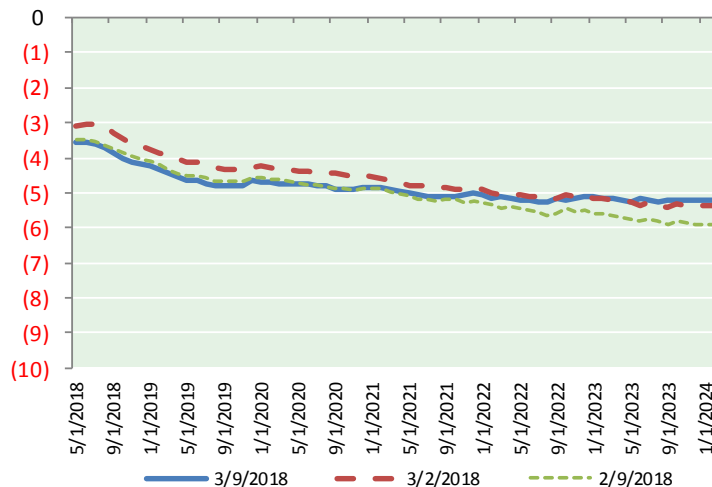
**BRENT CRUDE FORWARD CURVE**



**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)

Apr-18	Close	Change
Butane	0.911	0.024
Iso-Butane	0.914	0.020
Nat Gasoline	1.474	0.044

**NYMEX WTI (CL) Futures**

Month	Close	Change
Apr-18	62.04	1.92
May-18	61.92	1.86
Jun-18	61.69	1.78
Jul-18	61.33	1.69
Aug-18	60.89	1.62
Sep-18	60.42	1.58
Oct-18	59.95	1.54
Nov-18	59.52	1.51
Dec-18	59.13	1.49
Jan-19	58.73	1.45
Feb-19	58.33	1.42
Mar-19	57.95	1.37
Apr-19	57.60	1.33
May-19	57.26	1.30
Jun-19	56.96	1.29
Jul-19	56.64	1.26
Aug-19	56.35	1.24
Sep-19	56.09	1.21
Oct-19	55.86	1.19
Nov-19	55.64	1.17
Dec-19	55.46	1.15
Jan-20	55.22	1.14
Feb-20	55.00	1.12
Mar-20	54.78	1.11
1YR Strip	60.16	1.60
2018	60.77	1.67
5YR Strip	54.63	1.17