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***Week Ending April 13, 2018***

**Please contact me to review a joint RBN Energy daily publication detailing natural gas fundamentals.**

**Price Action:** The May contract rose 3.4 cents (1.3%) to \$2.735 on a 13.9 cent range (\$2.760/\$2.621).

**Price Outlook:** Despite a still rather modest 13.9 cent daily range, due to last week's even smaller 10.9 cents, this week posted both a new high and low compared to last week. Since 2000, 110 weeks have witnessed both a new high and low with 3 of the last 5 weeks doing so. Weather forecasts subtracted 41 bcf from storage projections. **For daily updated storage projections, subscribe to our joint publication with RBN Energy. The current 15-day forecast is cooler than 10 of the previous 10 years.** CFTC data indicated a (8,702) contract reduction in the managed money net long position as longs added and shorts added. Total open interest rose 108,545 to 3.600 million as of April 10. Aggregated CME futures open interest rose to 1.499 million as of April 13. Open interest in the May \$3.00 call rose +2,843 to 54,630. Open interest in the May \$3.50 call was unchanged at 46,049. Open interest in the May \$2.50 put rose +4,882 to 52,423.

**Weekly Storage:** US working gas storage for the week ending April 6 indicated a withdrawal of (19) bcf. Working gas inventories fell to 1,335 bcf. Current inventories fall (726) bcf (-35.2%) below last year and fall (368) bcf (-21.6%) below the 5-year average.

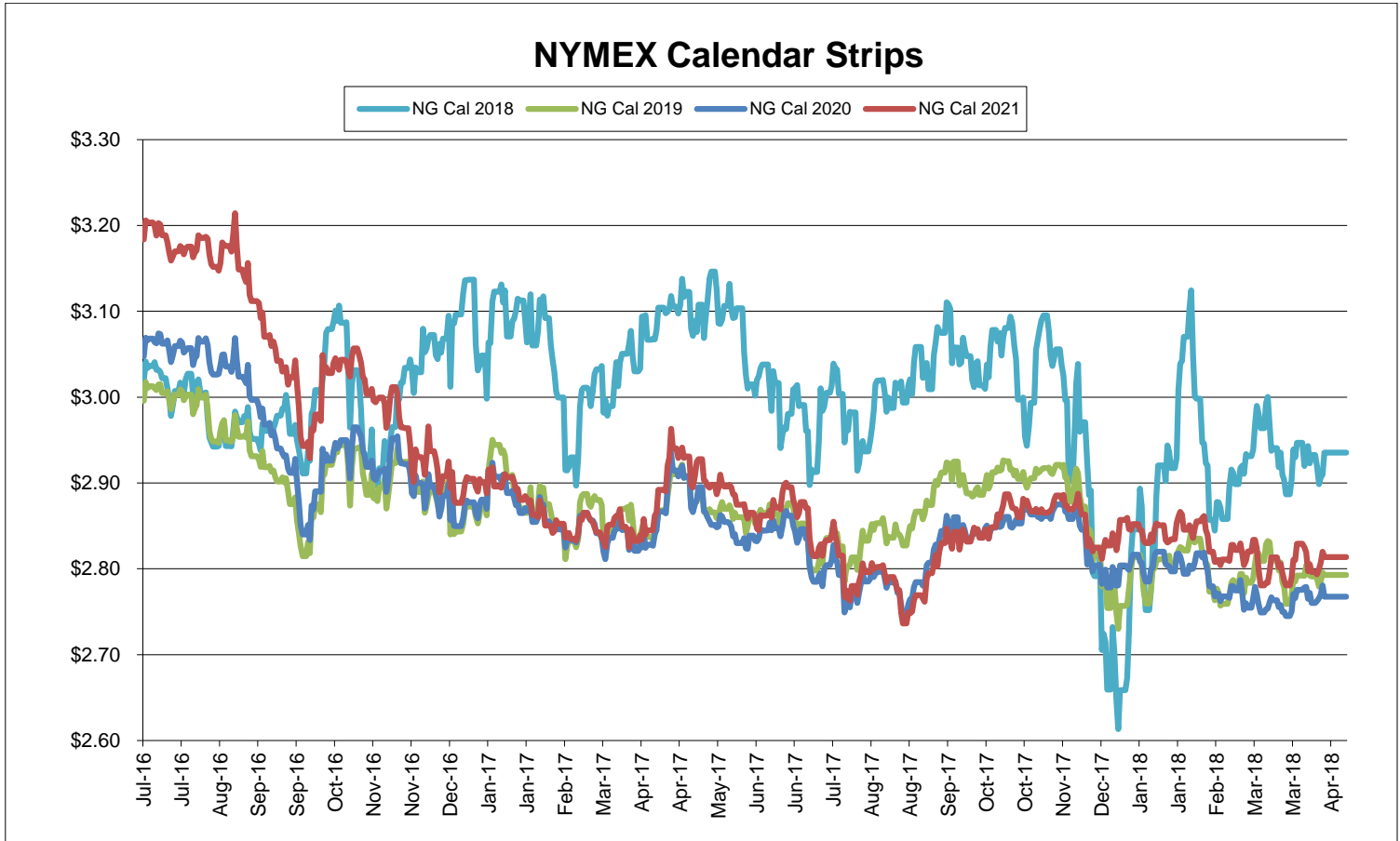
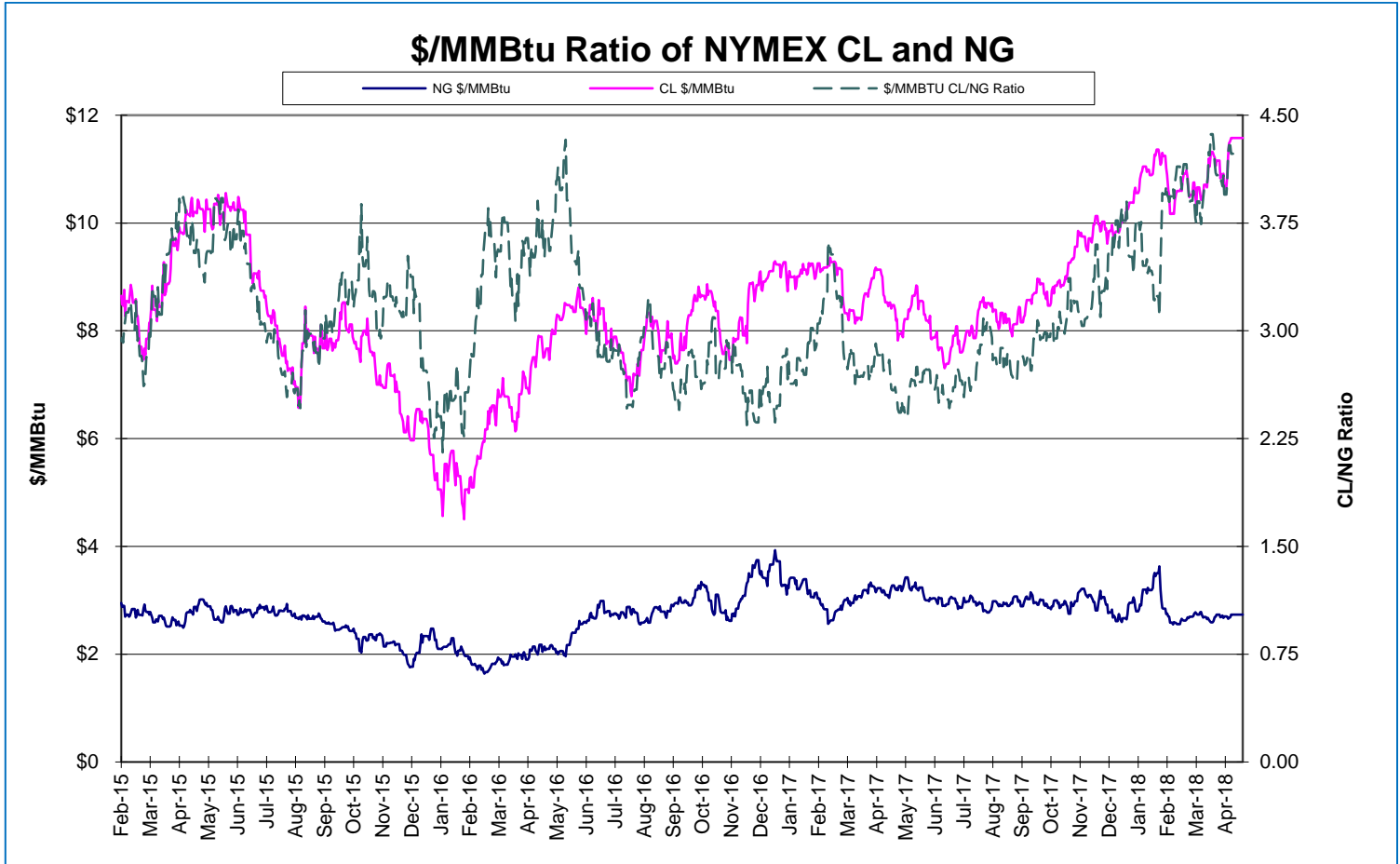
**Storage Outlook:** : Our EIA weekly storage estimate was (7)bcf from the actual EIA implied flow and rose outside our tolerance as the deviation to the base model returned. The forecasts use a 10-year rolling temperature profile past the 15-day forecast. **Our joint publication with RBN updates storage projections daily.**

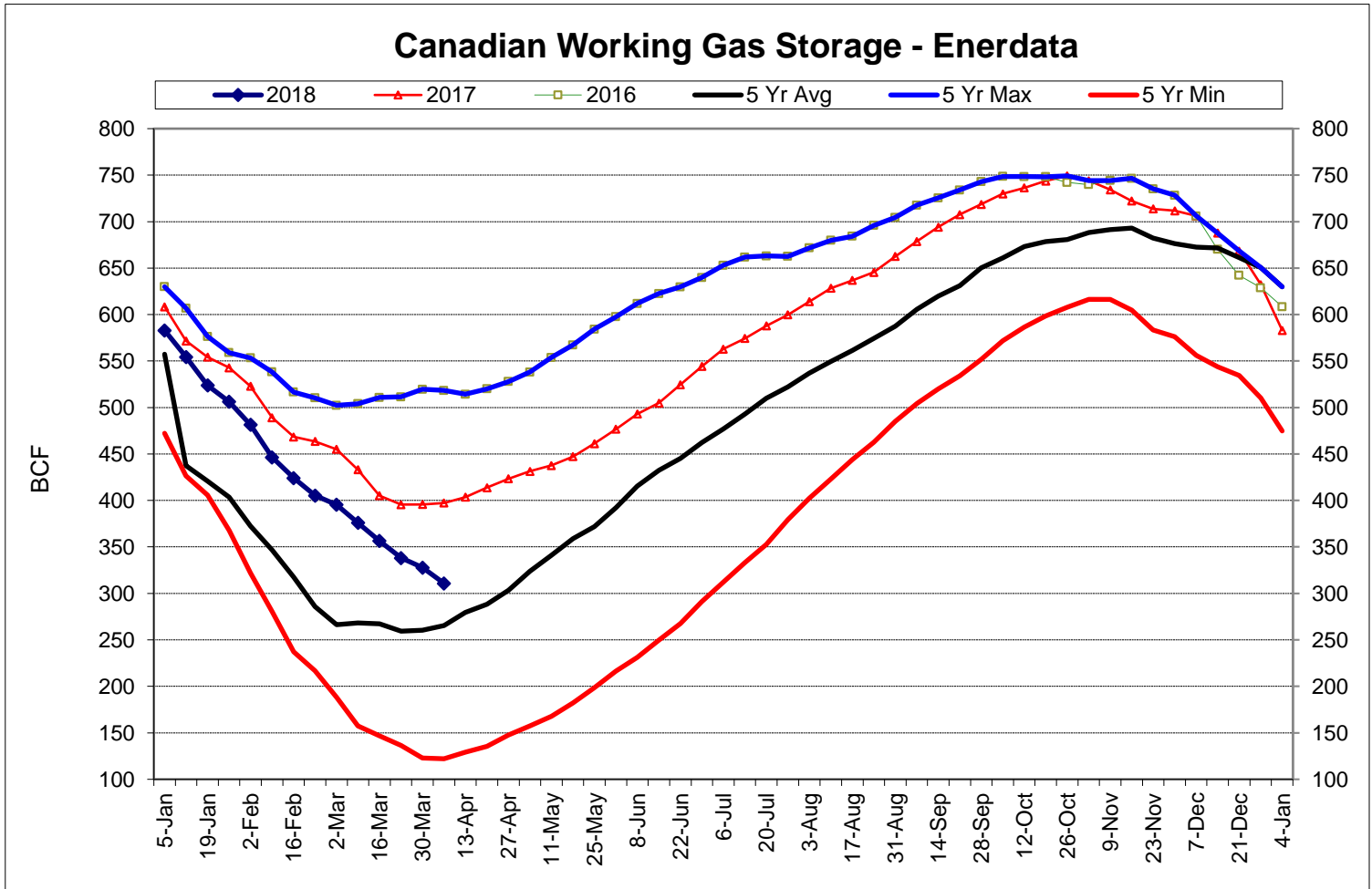
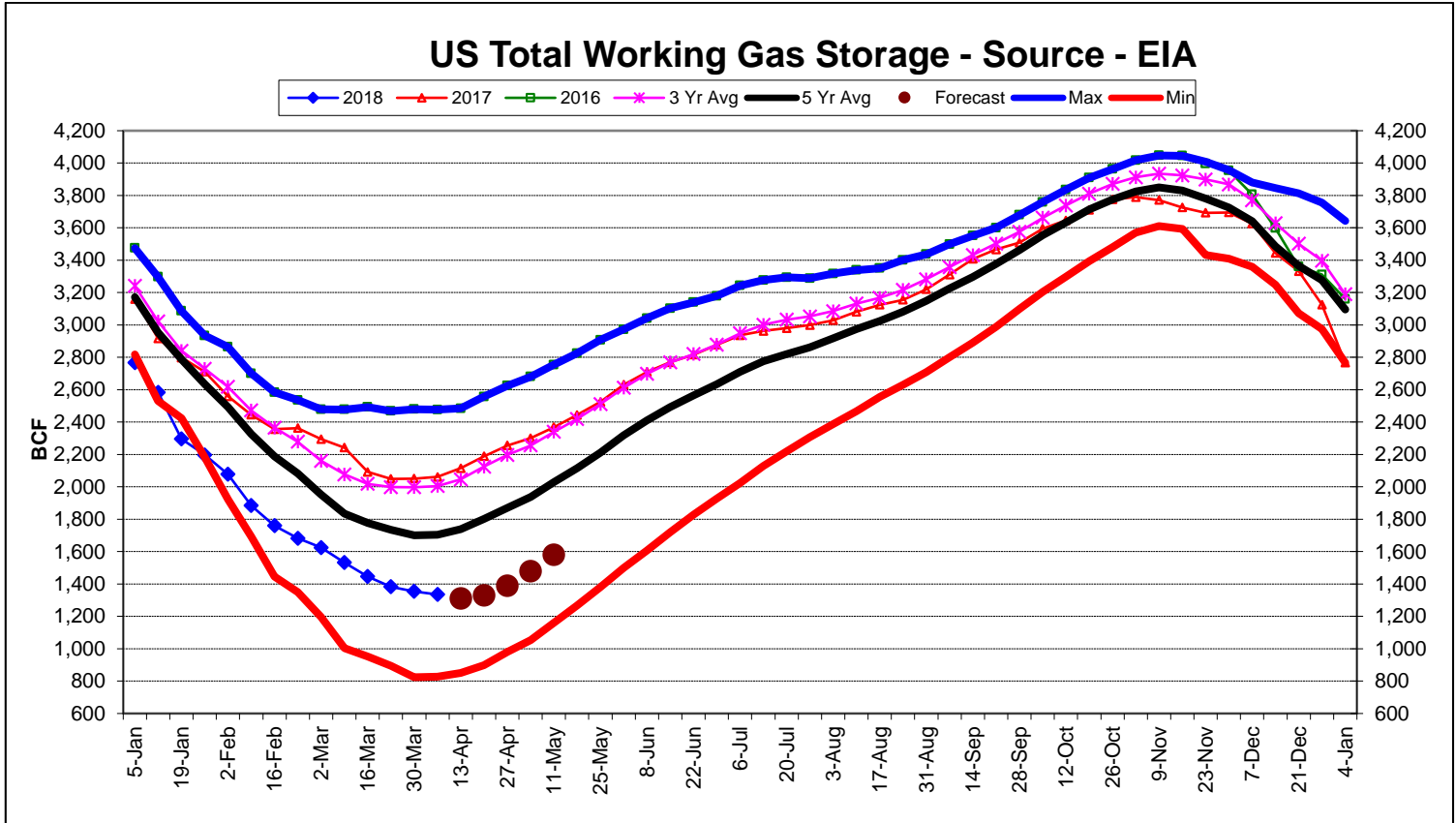
**Supply Trends:** Total supply rose 0.1 bcf/d to 78.4 bcf/d. US production rose. Canadian imports rose. LNG imports exports fell. LNG exports rose. Mexican exports fell. The US Baker Hughes rig count rose +5. Oil activity increased +7. Natural gas activity decreased (2). The total US rig count now stands at 1008. The Canadian rig count fell (9) to 102. Thus, the total North American rig count fell (4) to 1,110 and now exceeds last year by +145. **The higher efficiency US horizontal rig count fell (1) to 883 and rises +177 above last year. Our weekly special topics report focuses on the Q4 E&P company reports.**

**Demand Trends:** Total demand fell (1.6) bcf/d to +79.9 bcf/d. Power demand fell. Industrial demand fell. Res/Comm demand fell. Electricity demand rose +640 gigawatt-hrs to 70,814 which exceeds last year by +2,259 (3.3%) and exceeds the 5-year average by 2,003 (2.9%%).

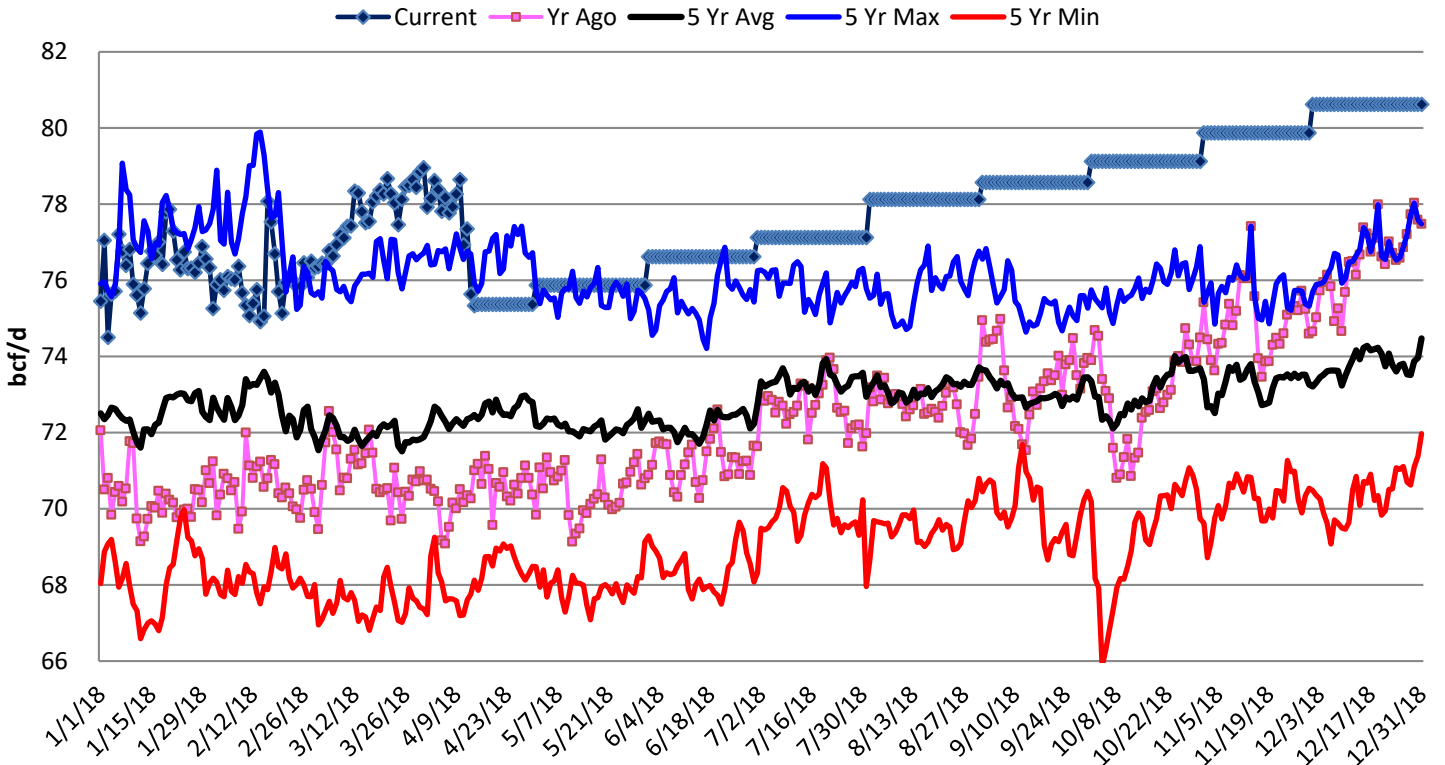
**Nuclear Generation:** Nuclear generation fell (1,563)MW in the reference week to 82,716 MW. This is +4,514 MW higher than last year and +1,778 MW higher than the 5-year average. **Recent output was at 76,232 MW.**

- The heating season is entering its final leg. With a forecast through April 27 the 2018 total heating index is at 2,955 compared to 2,279 for 2017, 2,401 for 2016, 2,877 for 2015, 3,213 for 2014, 3,020 for 2013, 2,552 for 2012 and 3,141 for 2011.

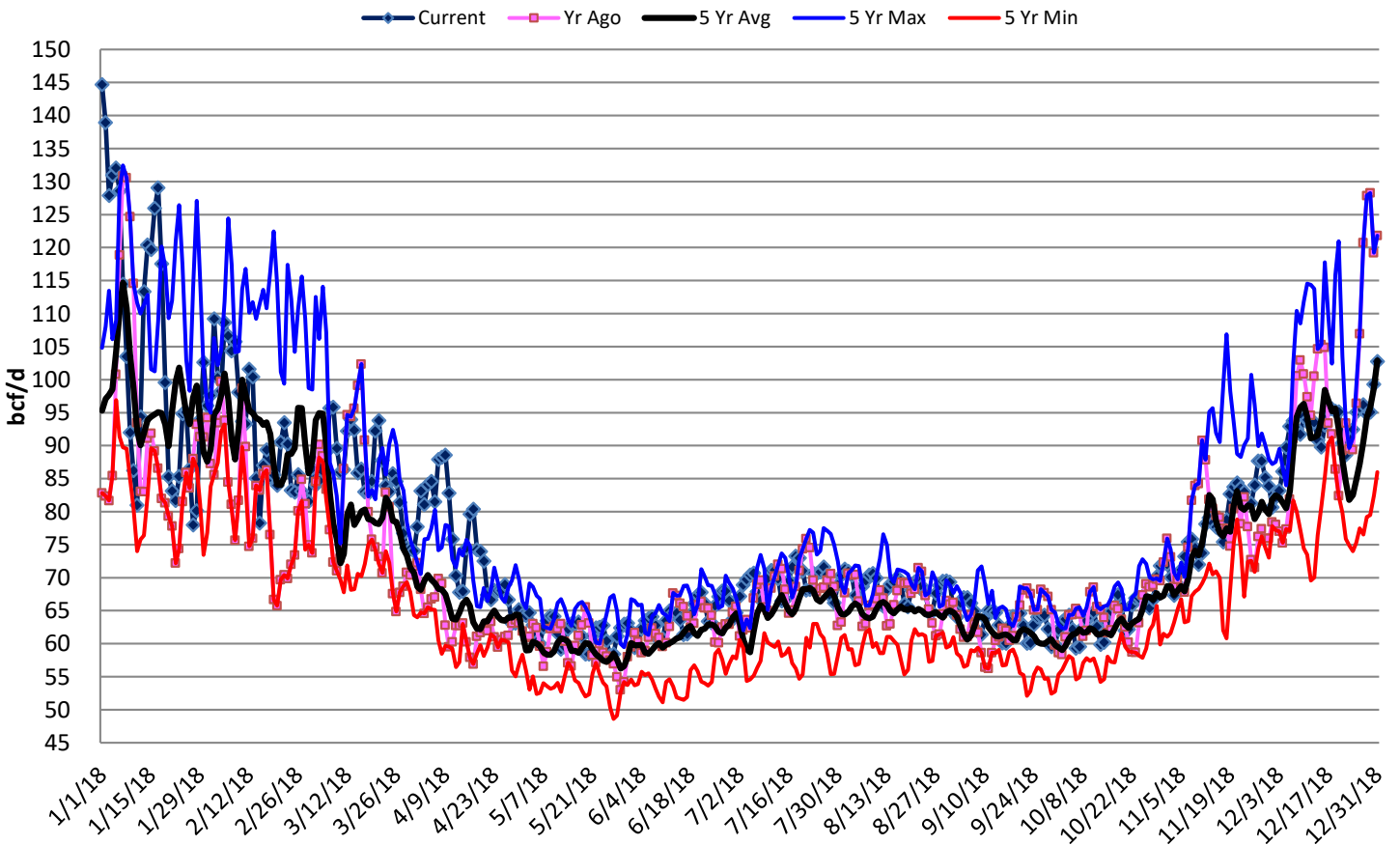




### US Total Supply



### US Total Demand



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**ADDITIONAL INFORMATION AVAILABLE UPON REQUEST**

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