



# Weekly Energy Report

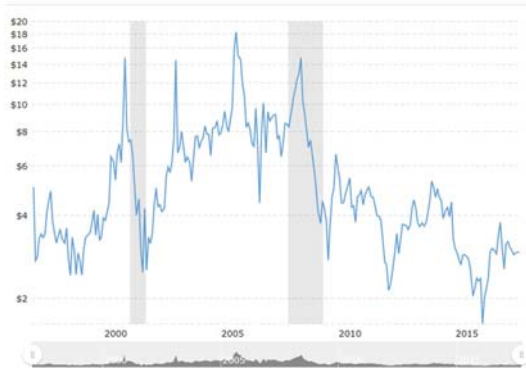


## Natural Gas in Underground Storage

The weekly EIA Natural Gas Storage Report advised that there was an injection of 87Bcf (billion cubic feet) into Underground Storage for the week ending October 6th, 2017.

This is 6Bcf below the median forecast of a 93Bcf injection, the average prediction of sector analysts and traders in the Dow Jones Newswires weekly survey. The injection one year ago was 79Bcf and the 5-year average injection is 87Bcf. Storage is 153Bcf below last year for the same week and 0.2Bcf below the 5-year average...

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## Natural Gas Pricing

As of 9:42AM CST, November 2017, (the prompt month) Natural Gas was trading at \$2.95, +\$0.01 from one week ago and the 1-Year Spread average was \$3.03, -\$0.01 from one week ago...

## Crude Oil Pricing

As of 10:47AM CST, November, 2017, (the prompt month) Light, Sweet Crude on the NYMEX was at \$50.34, -\$0.42 from one week ago.

### Crude Oil & Natural Gas

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)	2 DAY
CL1COM WTI Crude Oil (Nymex)	US\$/BBL	50.34	-0.99	-1.93%	Nov 2017	9:37 AM	
CO1COM Brent Crude (ICE)	US\$/BBL	56.11	-0.83	-1.46%	Dec 2017	9:37 AM	
CF1COM Crude Oil (Tokyo)	JPY/BL	37470.00	-300.00	-0.79%	Mar 2018	9:42 AM	
NG1COM Natural Gas (Nymex)	US\$/MMBtu	2.94	+0.05	+1.82%	Nov 2017	9:37 AM	

Petroleum Stocks (Million Barrels)	Current Week	
	10/6/17	9/29/17
Crude Oil .....	1,134.7	1,138.6
Commercial (Excluding SPR) <sup>2</sup> .....	462.2	465.0
Strategic Petroleum Reserve (SPR) <sup>3</sup> .....	672.4	673.6
Total Motor Gasoline <sup>4</sup> .....	221.4	218.9
Reformulated .....	0.0	0.1
Conventional .....	21.3	21.9
Blending Components .....	200.1	196.9
Fuel Ethanol .....	21.5	21.5
Kerosene-Type Jet Fuel .....	43.1	43.4
Distillate Fuel Oil <sup>4</sup> .....	134.0	135.4
15 ppm sulfur and Under <sup>4</sup> .....	115.6	117.3
> 15 ppm to 500 ppm sulfur .....	7.0	6.9
> 500 ppm sulfur .....	11.4	11.3
Residual Fuel Oil .....	35.8	36.6
Propane/Propylene .....	78.9	78.0
Other Oils <sup>5</sup> .....	295.8	295.5
Unfinished Oils .....	89.3	89.6
Total Stocks (Including SPR) <sup>3,4</sup> .....	1,965.2	1,968.1
Total Stocks (Excluding SPR) <sup>4</sup> .....	1,292.7	1,294.4

## Crude Oil Inventory

US crude inventories decreased by 2.8 million barrels to 462.2 million barrels for the week ended October 6th, according to data released yesterday morning by the US Department of Energy. Traders in the Reuters poll projected a draw of 2.4 million barrels.

## U.S. Rotary Rigs

U.S. Rotary Rigs drilling for natural gas were -2 at 187 for the week of October 6th. The number of rigs currently drilling for Natural Gas is 93 higher than last year's level of 94. US Rigs drilling for oil were -2 at 748 There are 320 more rigs targeting oil than last year. Canadian rigs were -4 for the week. Rigs targeting oil dropped 1% to 80% of all drilling activity.

North American Rig Count	10/06/2017		09/29/2017		10/07/2016		Change		Percent Change	
	Weekly	Annual	Weekly	Annual	Weekly	Annual	Weekly	Annual	Weekly	Annual
<b>Total U.S.</b>	936	940	524	(4)	412	-0.4%	78.6%			
Offshore	22	22	23	0	(1)	0.0%	-4.3%			
Land	914	918	501	(4)	413	-0.4%	82.4%			
Inland Waters	1	2	1	(1)	0	-50.0%	0.0%			
Oil	748	750	428	(2)	320	-0.3%	74.8%			
Percent	79.9%	79.8%	81.7%	0.1%	-1.8%					
Gas	187	189	94	(2)	93	-1.1%	98.9%			
Percent	20.0%	20.1%	17.9%	-0.1%	2.0%					
Directional	79	82	50	-3	29	-3.7%	58.0%			
Horizontal	792	794	413	-2	379	-0.3%	91.8%			
Vertical	65	64	61	1	4	1.6%	6.6%			
Gulf of Mexico	22	22	22	0	0	0.0%	0.0%			
Gulf Oil	18	18	22	0	-4	0.0%	-18.2%			
Percent	81.8%	81.8%	100.0%	0.0%	-18.2%					
Gulf Gas	4	4	0	0	4	0.0%	n.a.			
Percent	18.2%	18.2%	0.0%	0.0%	18.2%					
<b>Canada</b>	209	213	165	(4)	44	-1.9%	26.7%			
Oil	112	113	87	(1)	25	-0.9%	28.7%			
Percent	53.6%	53.1%	52.7%	0.5%	0.9%					
Gas	97	100	78	(3)	19	-3.0%	24.4%			
Percent	46.4%	46.9%	47.3%	-0.5%	-0.9%					
<b>North America</b>	1,145	1,153	689	(8)	456	-0.7%	66.2%			
<b>Prices</b>										
Oil \$/bbl.	\$50.45	\$51.91	\$49.49	(\$1.46)	\$0.96	-2.8%	1.9%			
Oil \$/mmbtu	\$8.70	\$8.95	\$8.53	(\$0.25)	\$0.17	-2.8%	1.9%			
Gas \$/mmbtu	\$2.81	\$2.94	\$2.89	(\$0.12)	(\$0.08)	-4.2%	-2.7%			



## Geopolitical

The latest issue of the US Energy Information's (EIA) "Monthly Energy Review" (with data through June 30, 2017) reveals that domestic production and use of renewable energy sources) continued to show strong growth during the first half of 2017 as the consumption of both nuclear power and fossil fuels declined. Renewables accounted for 13.5% of domestic energy production during the 1st half of 2017...



## Weather

**The AccuWeather 1-5 day Outlook** forecasts above-normal temperatures for the Eastern 2/3 of the US while the Northwest is projected to be below-normal. The 6-10 Day Outlook shows a similar forecast and in the 11-15 Day Forecast, normal temps are projected for the Northeast quarter of the country with normal temps forecast for the balance of the US. The 30 day forecast is similar to the 11-15 day...



## Sustainability and Renewables

ENGIE North America and Holyoke announced plans this week for a 3-megawatt utility-scale energy storage installation in Massachusetts that they say will be the largest in the state once completed. The new installation project calls for a series of batteries at the Mt. Tom solar array, which became operational earlier this year...



## This Week's Key Takeaway

"I would do away with these incentives that we give to the wind industry," said EPA chief Scott Pruitt, responding to a question about the effectiveness of renewable energy at an event held at the Kentucky Farm Bureau on Monday. "I'd let them stand on their own and compete against coal and natural gas and other sources." (ed note: Ouch!)

Next Day On-Peak Power (traded for 10/12/2017)		
<b>ISO-NE Mass Hub</b> <b>\$28.39</b>	<b>MISO Indiana Hub</b> <b>\$33.75</b>	<b>NYISO Zone G</b> <b>\$26.72</b>
<b>PJM West Hub</b> <b>\$30.84</b>	<b>ERCOT North</b> <b>\$26.00</b>	<b>CAISO SP15</b> <b>\$33.25</b>

