

Volume 614 June 9, 2016

Market- Prices traded higher this week and are trading sharply higher in the front months and lower in the later months today after the storage report was an injection less than expectations. Upward pressure results from The Colorado State University hurricane forecast indicating an average active season and oil prices are rising.....over \$50. Downward pressure results from storage levels above last year and above the five year average. Additional upward pressure on natural gas prices results from exported liquefied natural gas (LNG). Rig counts for both traditional and horizontal have dropped significantly over the last 2 years indicating continued ample supply of natural gas. Natural gas storage inventories are higher than last year and slightly higher than the five-year average as seen on the graph to the right. The US gas traditional rotary rig count decreased 2 rigs and horizontal drilling increased 5 rigs. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for July is higher this week at \$50.69 per barrel. Heating oil is higher at \$1.55 per gal. Unleaded gasoline futures are higher this week at \$1.61 and gasoline at the pump is around \$2.55...in Indiana. The natural gas storage report this week was an injection of 65BCF; storage is **660BCF higher** than last year and **722BCF higher** than the 5 year average.



Above Graph—July 2016 NYMEX gas futures

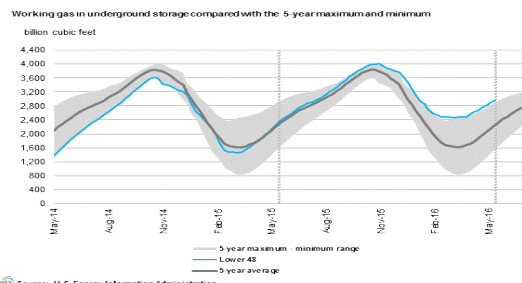
**Extended Temperature Forecast:
Chicago Area**

	THU	FRI	SAT	SUN	MON
High	80	91	94	77	82
Low	67	72	63	60	68

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,972	2,312	2,250

The total is an increase of 65 BCF from last week.



Above Graph - Storage levels as of 6-9-16

Comparative Fuels: Futures Prices for Jul

	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.603	\$2.603
Propane (gal)	\$4.880	\$5.319
Crude Oil (barrel)	\$50.69	
Heating Oil (gal)	\$1.55	\$1.115
Unleaded Gas (gal)	\$1.61	

North American Traditional Nat. Gas Rig Count:

This week	82
Last week	87
Year Ago this week	222

US Horizontal Rig Count:

This week	319
Last week	314
Year Ago this week	673

NGI Chicago for June 2016 \$1.940

