

Volume 615 June 16, 2016

Market- Prices traded mixed to higher this week and are trading higher in the front months and lower in the later months today after the storage report was an injection higher than expectations. Upward pressure results from The Colorado State University hurricane forecast indicating an average active season and oil prices are rising. 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 increased 3 rigs and horizontal drilling increased 4 rigs. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for July is lower this week at \$46.49 per barrel. Heating oil is lower at \$1.43 per gal. Unleaded gasoline futures are lower this week at \$1.48 and gasoline at the pump is around \$2.49...in Indiana. The natural gas storage report this week was an injection of 69BCF; storage is **633BCF higher** than last year and **704BCF higher** than the 5 year average.



Above Graph—July 2016 NYMEX gas futures

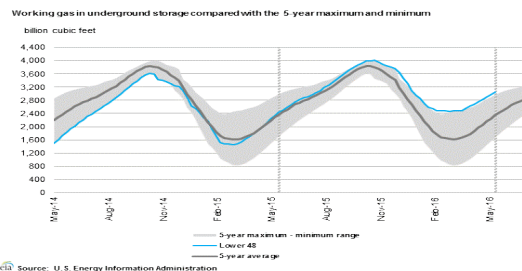
**Extended Temperature Forecast:
Chicago Area**

	THU	FRI	SAT	SUN	MON
High	77	82	85	93	90
Low	61	62	65	72	65

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,041	2,408	2,337

The total is an increase of 69 BCF from last week.



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

Comparative Fuels: Futures Prices for Jul

	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.617	\$2.617
Propane (gal)	\$4.810	\$5.243
Crude Oil (barrel)	\$46.49	
Heating Oil (gal)	\$1.43	\$1.028
Unleaded Gas (gal)	\$1.48	

North American Traditional Nat. Gas Rig Count:

This week	85
Last week	82
Year Ago this week	221

US Horizontal Rig Count:

This week	323
Last week	319
Year Ago this week	663

NGI Chicago for June 2016 \$1.940

