



Market Commentary for April 18, 2018

NATURAL GAS

Henry Hub

Day change: **\$0.007, up 0.2%** | Settle \$2.745 | May 2018

Waha Basis:

Day change: **up \$0.04** | Settle: **-\$1.24** | May 2018

Low point: **-\$1.686** | Mar 2019

TTF

Day change: **\$0.096, up 1.4%** | Settle \$6.988 | May 2018

- Why be Pro-pane when you can be Pro-TELL? Engie announced the cancellation of an investment program using LPG for power generation in developing markets
- Three is company in the Panama Canal as demand for US LNG surges. Yesterday was the first time 3 LNG vessels passed the canal in one day
- Bloomberg reports LNG prices in Asia have risen \$.40 to \$7.50 as oil-linked LNG contracts ride along with Brent prices rising to a 3-year high
- [Winter is coming](#), and it's not just [Ned Stark](#) (Game of Thrones) saying so. And while nobody believed old Ned, he was right. Argentina is seeking 18 cargoes this southern hemisphere winter, with bids due yesterday
- Europeans will be paying more for pipeline gas from Russia next winter as Russia's Energy Ministry raised Gazprom's average export price of gas 34%
- An ICF report indicated U.S. LNG exports could add \$1.7 to \$3.3 trillion to the U.S. GDP between 2013 and 2050 with about 40% of that value attributed to the value of gas exported and the rest to local jobs and economic contributions

OIL

Brent

Day change: **\$1.9, up 2.6%** | Settle: \$73.48 | June 2018

WTI

Day change: **\$1.95, up 2.9%** | Settle: \$68.82 | May 2018

- Crude settled at its highest point since 2014 driven by strong inventory reductions including the first U.S. draw-down in 6 weeks, and strong OPEC compliance
- PADD 3 inventory dedined by 1.5 million bbls with Cushing down for the first time in 6 weeks by 1.1 million bbls. Imports were down .7 Mb/d with exports up .54 Mb/d
- OPEC has met 5 consecutive months of compliance to cut 1.8 MBbd of supply to help re-balance the market. OPEC and Russia meet in June to discuss 2019 plans
- When's the last time we had a positive Venezuela update? Not today. Sellers of US crude to PDVSA couldn't agree on pay-first terms to supply a refinery in Curacao



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