

**Early Morning Update:**

The Feb19 natural gas contract is flat at \$3.59. The Feb19 crude oil contract is up \$0.76 at \$51.27.

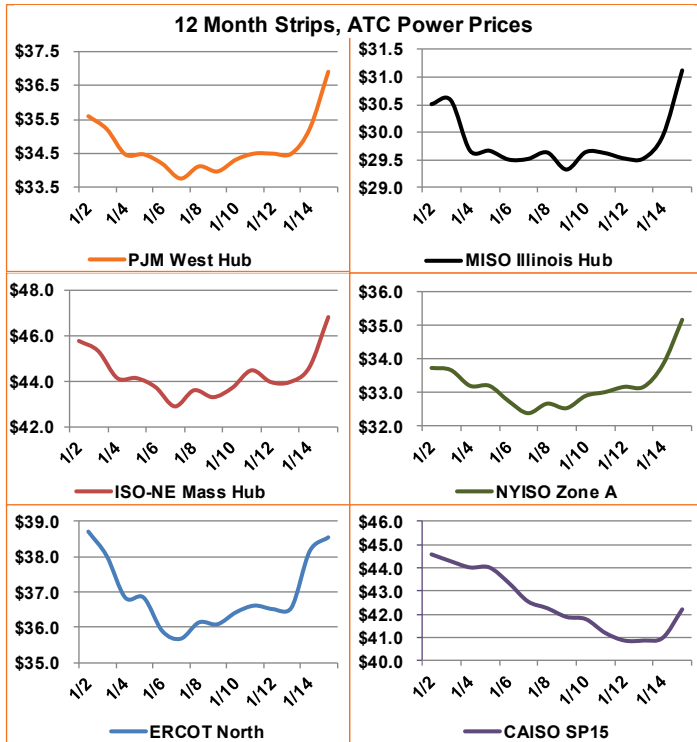
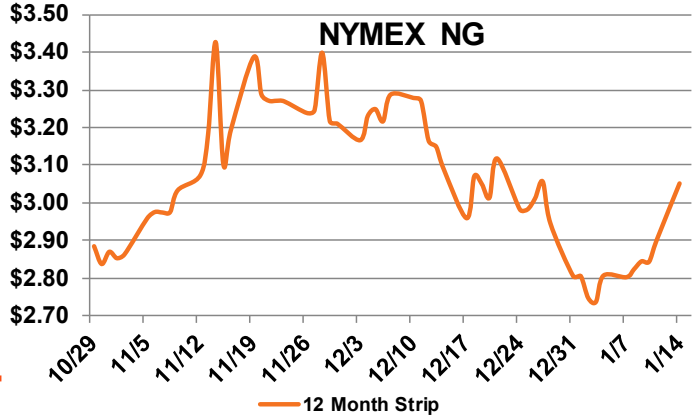
**Summary:** The market remained solidly weather-driven on Monday, as colder forecasts brought the largest prompt month jump since November. The February 2019 contract rose 49 cents to \$3.591, the 12-month strip gained 15 cents to \$3.051, 2020 ticked up less than 2 cents to \$2.766, and 2021 stayed flat to \$2.665. The near-term weather forecast turned much colder over the weekend, showing the country swathed in temperatures which, in some areas, are close to 15 degrees below normal. A strong Nor'Easter is on the way to the east coast this weekend, with snowfall totals expected to be anywhere from 6 to 18 inches. This is expected to usher in much colder air for the remainder of the month, putting an upward pressure on demand levels that have been moderate as of late. Production has remained steady at 85 bcf/d, which may allow for the year-over-year deficit to shrink more over the coming weeks.

**Bullish Factors**

- Strong LNG exports
- Exports to Mexico
- Low storage levels

**Bearish Factors**

- Record NG production
- Warm weather forecasts
- Higher associated gas production



**Next Day On-Peak Power (traded for 1/15/2019)**

ISO-NE Mass Hub \$61.16	MISO Indiana Hub \$31.63	NYISO Zone G \$40.30
PJM West Hub \$36.59	ERCOT North \$28.50	CAISO SP15 \$47.85
NYMEX NG		Change
Feb-19	3.591	0.492
Mar-19	3.289	0.344
12 Month	3.051	0.150
Cal 20	2.665	0.000
Cal 21	2.679	-0.001

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,614	2,705	2,818	3,078
Diff v. Current		-91	-204	-464
% Diff			-7.2%	-15.1%

