

Early Morning Update:

The Mar19 natural gas contract is trading down \$0.02 at \$2.79. The Mar19 crude oil contract is up \$0.22 at \$54.01.

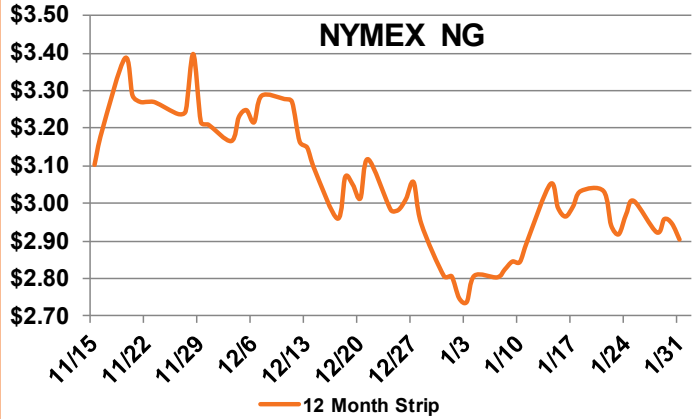
Summary: One last hurrah for the frigid conditions that have blanketed much of the country. Over the weekend, forecasts call for a significant warm-up on temperatures, in some cases the temperature change will be 75 degrees over the course of just 48 hours. Watch out for potholes. We've seen some higher index prices for both gas and power, but not as high as last winter. The difference this year was that the intense cold never made it all the way to the Boston area, so those along the Algonquin pipeline were spared from the same conditions that Chicago saw. The EIA yesterday announced a draw from storage of 173 Bcf, lower than expectations. The report had a limited impact on pricing as the prompt month slid 4c to close at \$2.814. The warm-up in temps is having an effect on the end/season storage projections. The latest estimate calls for a total of 1.33 Tcf although I'm sure that'll change again as weather volatility continues.

Bullish Factors

- Frigid temps
- High LNG exports
- Low storage levels

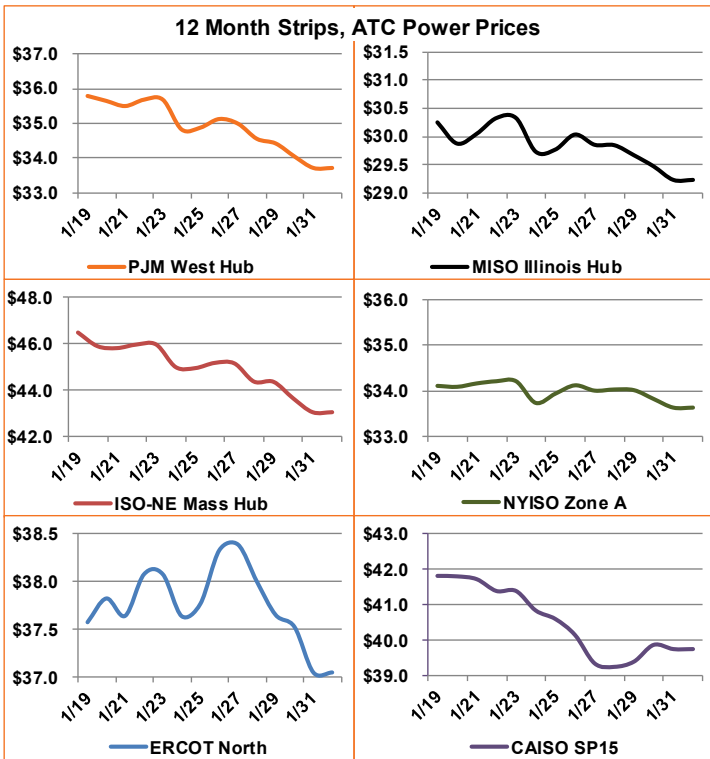
Bearish Factors

- Record NG production
- Higher demand
- Higher associated gas production



Next Day On-Peak Power (traded for 2/1/2019)

ISO-NE Mass Hub \$60.13	MISO Indiana Hub \$38.74	NYISO Zone G \$72.96
PJM West Hub \$46.87	ERCOT North \$25.60	CAISO SP15 \$38.29
NYMEX NG		Change
Mar-19	2.814	-0.040
Apr-19	2.765	-0.043
12 Month	2.903	-0.043
Cal 20	2.610	-0.023
Cal 21	2.635	-0.011



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,197	2,370	2,211	2,525
Diff v. Current		-173	-14	-328
% Diff			-0.6%	-13.0%

