

**Early Morning Update:**

The Mar19 natural gas contract is trading up \$0.11 at \$2.69. The Mar19 crude oil contract is down \$1.12 at \$51.60.

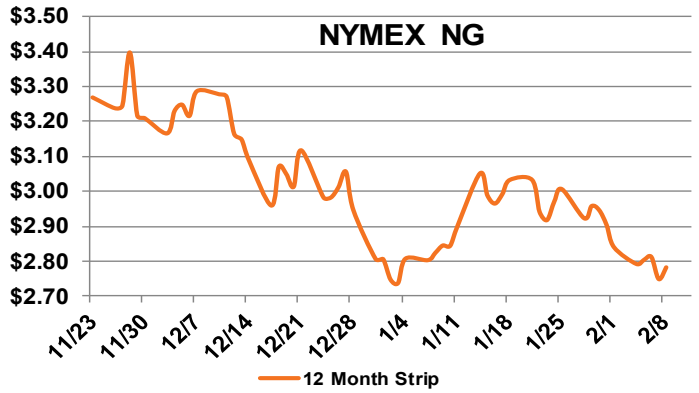
**Summary:** On Friday, the natural gas futures prompt month moved up 3.2 cents to settle at \$2.583/MMBtu. The balance of 2019 also followed suit, moving up by a few cents. The push in pricing came after a week of weak demand for natural gas due to warming temperatures, and a bearish storage report. Changing weather forecasts show a blanket of colder-than-normal temperatures returning to the majority of the country. The 1-5 day outlook shows the coldest temperatures mostly confined to the Midwest, with some warmer-than-normal temps along the East Coast down into Texas, major demand centers for natural gas. In the 6-10 day forecasts, colder temperatures creep into those warmer regions and persist through the end of the month. LNG feedgas and exports to Mexico are projected to increase this week, as well, to average over 106 Bcf/d, up from the current monthly average of just over 102 Bcf/d. The EIA reported a storage withdrawal of 237 Bcf, much lower than expectations, but higher than the 116 Bcf pull seen last year for the corresponding week, as well as the -150 Bcf five-year average. So far this year, total U.S. dry production is averaging just over 84 Bcf/d, down from the record levels we saw late November, but is still 7.1 Bcf/d higher than the levels we were at last year at this time.

**Bullish Factors**

- High LNG exports
- Higher demand
- Low storage levels

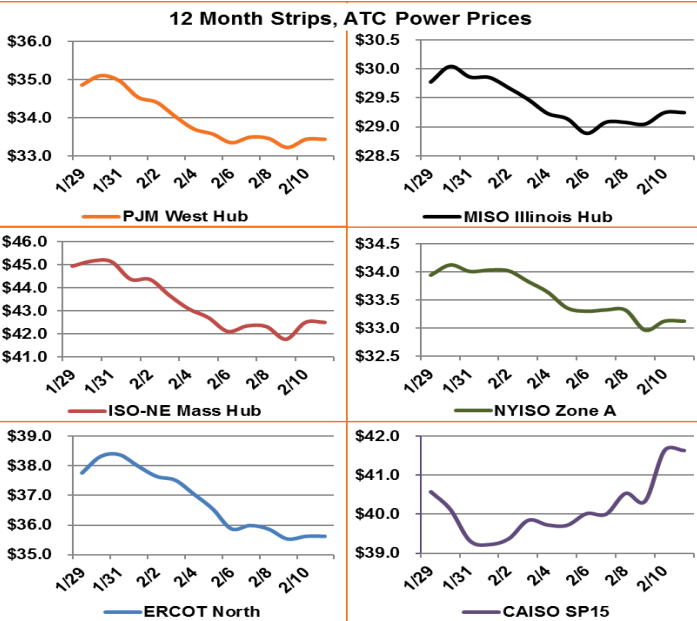
**Bearish Factors**

- Record NG production
- Mild temperatures
- Higher associated gas production



**Next Day On-Peak Power (traded for 2/11/2019)**

<b>ISO-NE Mass Hub</b> \$44.21 (2/10/19)	<b>MISO Indiana Hub</b> \$28.24	<b>NYISO Zone G</b> \$35.34
<b>PJM West Hub</b> \$29.90	<b>ERCOT North</b> \$19.23	<b>CAISO SP15</b> \$145.86
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Mar-19	2.583	0.032
Apr-19	2.604	0.032
12 Month	2.782	0.034
Cal 20	2.636	0.009
Cal 21	2.653	0.004



**EIA Natural Gas Storage**

<b>EIA Reported Storage (Bcf)</b>	<b>This Week</b>	<b>Last Week</b>	<b>Last Year</b>	<b>5-Year Avg.</b>
<b>Total</b>	1,960	2,197	2,095	2,375
<b>Diff v. Current</b>		-237	-135	-415
<b>% Diff</b>			-6.4%	-17.5%

