

Early Morning Update:

The Mar19 natural gas contract is trading up \$0.02 at \$2.59. The Mar19 crude oil contract is up \$0.90 at \$55.31.

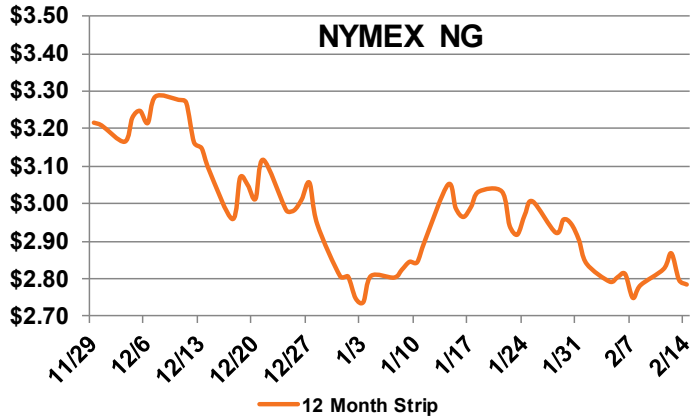
Summary: A very quiet day on the NYMEX yesterday as the prompt month settled down a mere \$.002 to close at \$2.573. The storage report fell right in-line with estimates at a draw of 78 Bcf. The low draw reflected the unusually warm temperatures across much of the east coast last week. Temps have since turned colder and the estimates for the next few reports call for larger draws, which will add to the Y-o-Y storage draws. Estimates for the next three draws are: -177, -134, -74, all larger than last year. Season-end storage estimates are hovering near 1.3 Tcf and while estimates vary on end/summer storage estimates, most show storage being higher than 2018 and ending somewhere around 3.6 Tcf. To get to that storage level, we'll need some combination of lower demand than last years' strong levels and higher NG production. NG production has stagnated recently near 85 Bcf/d and we'll need to see that start to grow to make those end/summer storage projections.

Bullish Factors

- High LNG exports
- Higher demand
- Low storage levels

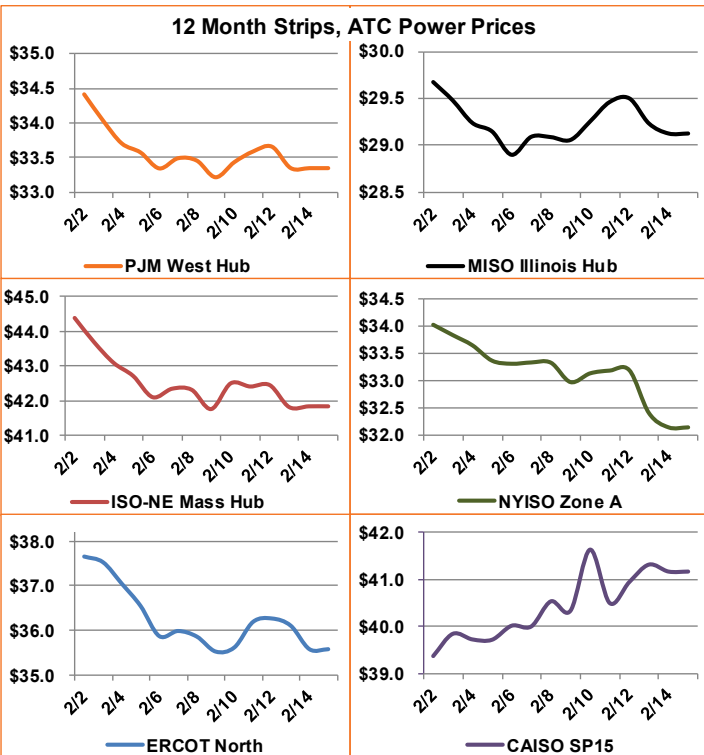
Bearish Factors

- Record NG production
- Higher associated gas production
- End of winter coming soon



Next Day On-Peak Power (traded for 2/15/2019)

ISO-NE Mass Hub \$28.08	MISO Indiana Hub \$28.64	NYISO Zone G \$27.89
PJM West Hub \$24.14	ERCOT North \$23.40	CAISO SP15 \$59.46
NYMEX NG	Close	Change
Mar-19	2.573	-0.002
Apr-19	2.610	-0.011
12 Month	2.784	-0.012
Cal 20	2.655	0.008
Cal 21	2.663	-0.002



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,882	1,960	1,912	2,215
Diff v. Current		-78	-30	-333
% Diff			-6.4%	-17.5%

