

Early Morning Update:

The Mar19 natural gas contract is trading down \$0.01 at \$2.68. The Apr19 crude oil contract is up \$0.79 at \$57.75.

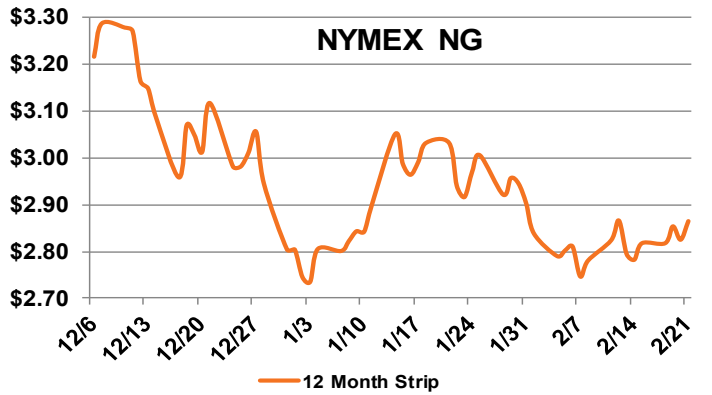
Summary: More than double the size of the previous week's storage withdrawal, the U.S. Energy Information Administration reported a 177 Bcf decrease in natural gas storage inventories yesterday for the week to Feb 15. Although Bentek Energy's prediction was right on the nose, the consensus of market estimates was a bit lower at 165 Bcf, while the 134 Bcf pull seen last year for the same week, as well as the -148 Bcf five-year average, were both much smaller. The deficit to last year grew to 4.1% (-73 Bcf), while the deficit to the five-year average now stands at 17.5% (-362 Bcf). The prompt month natural gas price rose 6.1 cents on the news, settling at \$2.697/MMBtu. The succeeding months followed suit, with April up six cents, and May up a nickel. Total U.S. demand for natural gas has been declining this week, down to 110.2 Bcf/d today, and is expected to slip further over the weekend before bouncing back on Monday. Dry production continues to struggle, and is currently down to 85.0 Bcf/d today.

Bullish Factors

- High LNG exports
- Higher demand
- Low storage levels

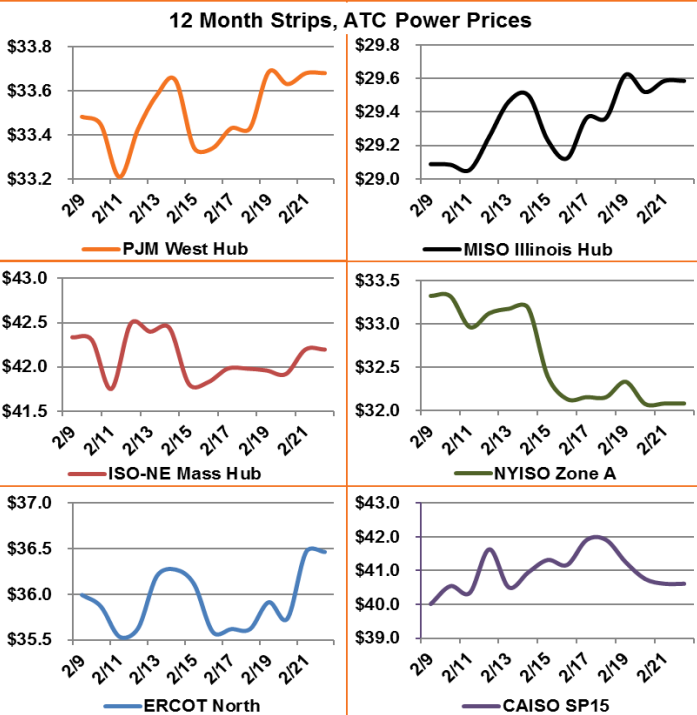
Bearish Factors

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



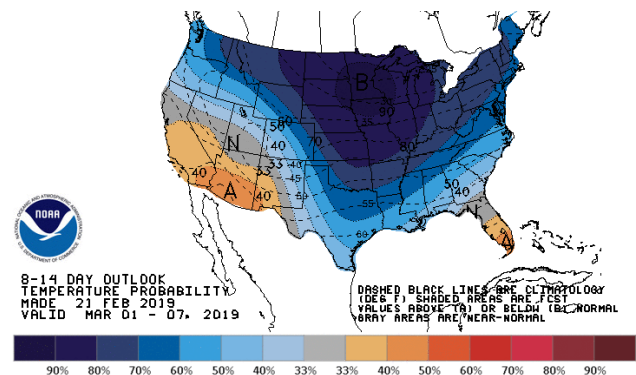
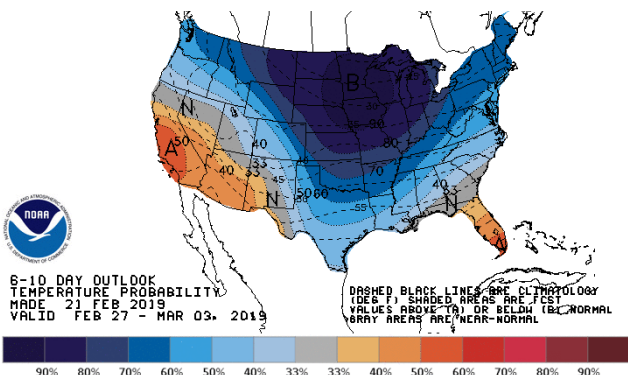
Next Day On-Peak Power (traded for 2/22/2019)

ISO-NE Mass Hub \$31.67	MISO Indiana Hub \$26.31	NYISO Zone G \$27.80
PJM West Hub \$27.03	ERCOT North \$24.69	CAISO SP15 \$51.07
NYMEX NG	Close	Change
Mar-19	2.697	0.061
Apr-19	2.724	0.055
12 Month	2.866	0.040
Cal 20	2.631	-0.004
Cal 21	2.640	-0.005



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,705	1,882	1,778	2,067
Diff v. Current		-177	-73	-362
% Diff			-4.1%	-17.5%



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