

Early Morning Update:

The Apr19 natural gas contract is trading up \$0.02 at \$2.88. The Apr19 crude oil contract is up \$0.70 at \$56.50.

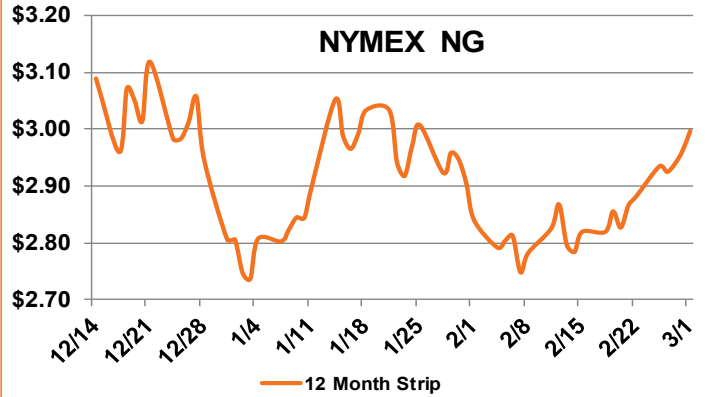
Summary: On Friday, the Apr19 NYMEX natural gas futures price rose 4.7 cents on the day to settle at \$2.859/MMBtu. There was also upward movement from May to July of around four cents, as the focus is shifting to this upcoming summer. Pricing rose despite the bearish 166 Bcf storage withdrawal reported by the EIA last week, which was less than the 172 draw the market expected. Price volatility could continue with the blast of cold that is expected to blanket the majority of the U.S. in the 1-5 day forecast. With this cold, storage withdrawals are predicted to once again widen the storage deficit to historical benchmarks, causing some concern heading into the summer season. The current estimate for the end-of-season storage inventory is 1.1 Tcf. Weather forecasts have moderated significantly in the 6-10 day outlook, showing the cold temps retreating from the Northeast, a major demand center for natural gas. Demand estimates for today are around 131 Bcf, which would make it one of the peak demand days this winter season. U.S. LNG exports continue to rise, over five Bcf/d, and are expected to climb this year as export facility projects are completed and put into service. Total U.S. dry production continues to hover just over 85 Bcf/d, but is expected to rise throughout 2019 to meet the growing demand.

Bullish Factors

- High LNG exports
- Higher demand
- Low storage levels

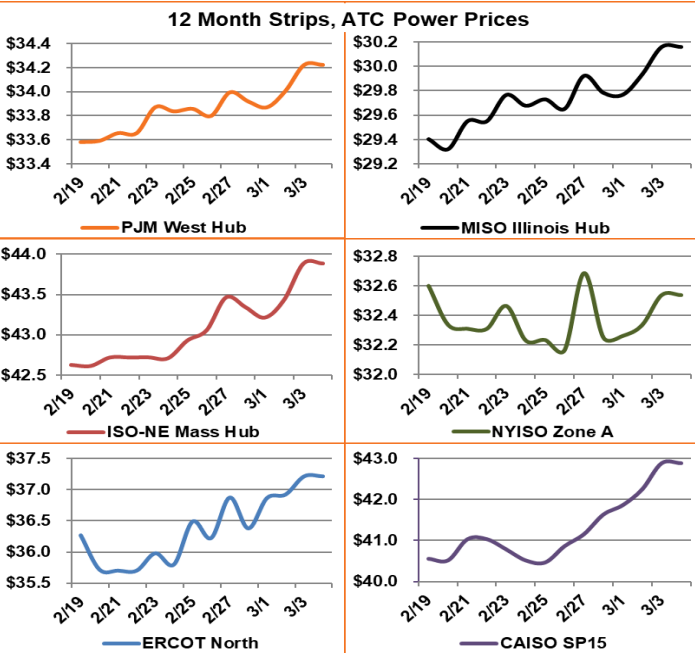
Bearish Factors

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



Next Day On-Peak Power (traded for 3/4/2019)

ISO-NE Mass Hub \$68.41	MISO Indiana Hub \$47.97	NYISO Zone G \$44.84
PJM West Hub \$42.67	ERCOT North \$68.71	CAISO SP15 \$70.34
NYMEX NG	Close	Change
Apr-19	2.859	0.047
May-19	2.863	0.040
12 Month	2.996	0.035
Cal 20	2.626	-0.004
Cal 21	2.643	-0.002



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,539	1,705	1,693	1,963
Diff v. Current		-166	-154	-424
% Diff			-9.1%	-21.6%

