

Early Morning Update:

The Apr17 natural gas contract is trading up \$0.03 to \$2.93. The Apr17 crude contract is down \$0.80 at \$49.48.

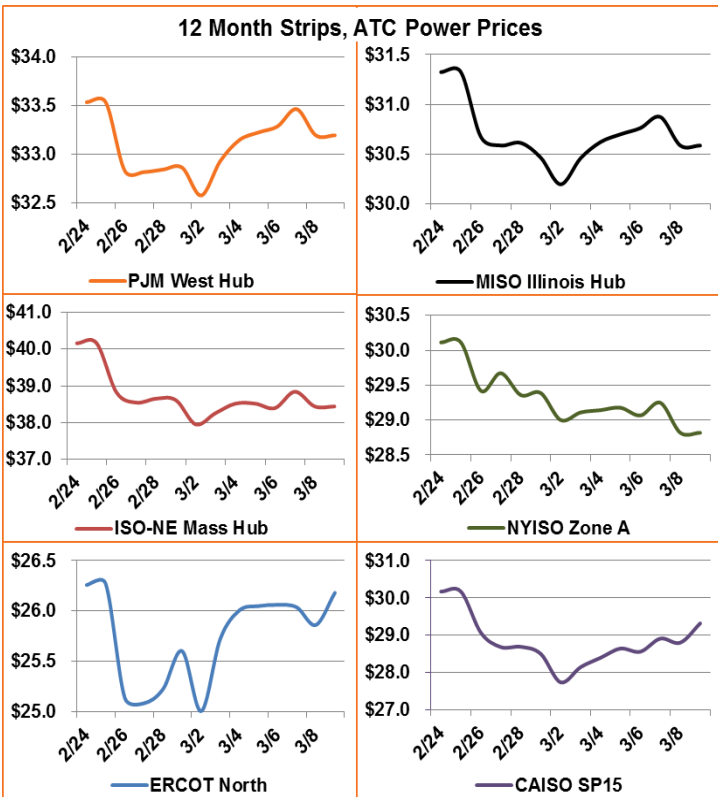
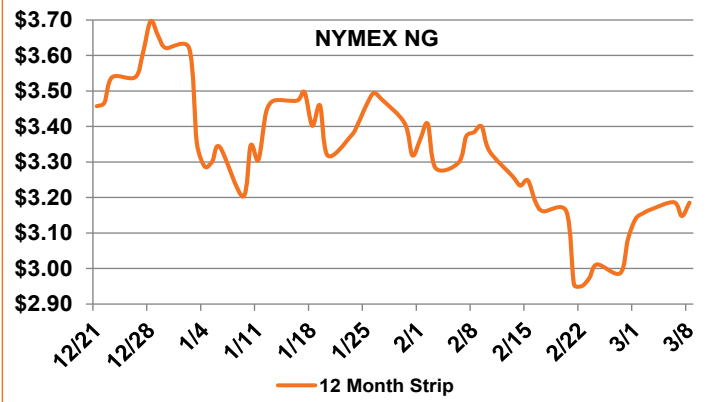
Summary: The market has been fairly choppy over the last several days, as weather forecasts have turned colder in the near-term, followed by much-above-average weather for the latter half of the month. Trading Wednesday started the day on an upward trend, topping out up 12.1 cents at mid-day, and eventually closed 7.7 cents higher than the previous session. The strong snap of cold weather is expected to remain in effect through the weekend, before giving way to a warming trend that will have folks reminiscing about spring-like weather once again for most of the Northern tier. This week, the market is expecting a 62 Bcf withdrawal from storage, which compares to a 63 Bcf pull last year and a 136 Bcf five-year average. Given what is known, the end-of-season storage projection is reduced slightly to roughly 2.1 Tcf, still a 300 Bcf surplus to the five-year average.

Bullish Factors

- Stagnant production
- Exports to Mexico at record high
- Growing LNG exports

Bearish Factors

- Record warm weather
- Producer hedging
- Less coal-to-gas switching



Next Day On-Peak Power (traded for 3/9/2017)

ISO-NE Mass Hub \$26.60	MISO Indiana Hub \$28.25	NYISO Zone G \$27.64
PJM West Hub \$27.95	ERCOT North \$24.77	CAISO SP15 \$25.20
NYMEX NG		
	Close	Change
Apr-17	2.901	0.077
May-17	2.981	0.060
12 Month	3.185	0.038
Bal 17	3.119	0.044
Cal 18	3.010	0.018

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,363	2,356	2,550	2,068
Diff v. Current		7	-187	295
% Diff			-7.3%	14.3%

