

**Early Morning Update:**

The Apr18 natural gas contract is trading down \$0.05 at \$2.73. The Apr18 crude contract is up \$0.44 at \$61.15.

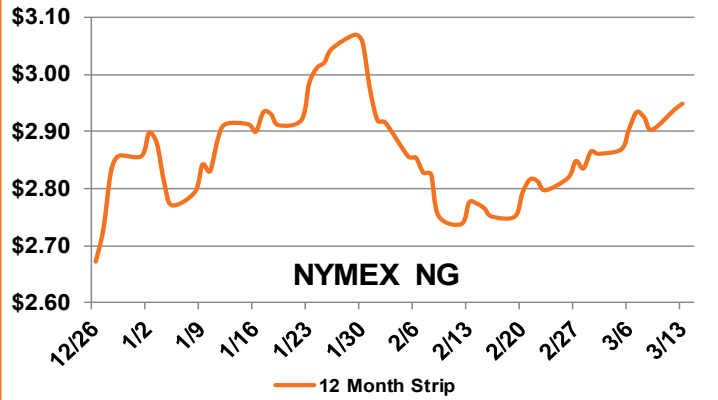
**Summary:** The natural gas market moved only minutely on Tuesday, as cold weather continues to provide support for current pricing. The April prompt month moved up less than a cent to \$2.786/MMBtu, the 12-month strip ticked up one cent to \$2.95, and the 2019 and 2020 years both added less than a cent to \$2.83 and \$2.75, respectively. Colder-than-normal temperatures have kept their hold on the eastern half of the country, and look to continue their grip for the next two weeks. Residential and commercial demand remains slightly elevated versus last March, but the largest demand increase has been in power burn, which is up nearly 5% since 2017. Production has fallen slightly, now coming in closer to 77 than 78 Bcf/d, as it had been for most of this month. However, this still remains strong compared to last year, and will hopefully aid in the coming weeks as storage reports incorporating the recent demand bump are released.

**Bullish Factors**

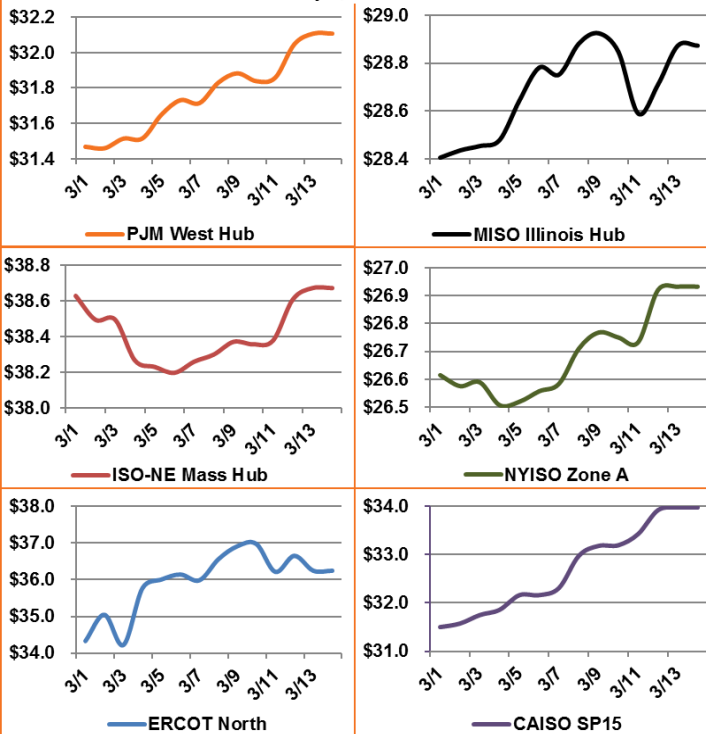
- Low expected storage levels
- LNG exports ramping up
- Exports to Mexico at all-time high

**Bearish Factors**

- NG production at record levels
- Growing renewable energy generation
- Warm weather



**12 Month Strips, ATC Power Prices**



**Next Day On-Peak Power (traded for 3/14/2018)**

ISO-NE Mass Hub \$43.03	MISO Indiana Hub \$32.05	NYISO Zone A \$29.00
PJM West Hub \$44.26	ERCOT North \$24.70	CAISO SP15 \$47.33
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Apr-18	2.786	0.008
May-18	2.809	0.009
12 Month	2.948	0.010
Cal 19	2.832	0.004
Cal 20	2.754	0.001

**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>	1,625	1,682	2,305	1,925
<b>Diff v. Current</b>		-57	-680	-300
<b>% Diff</b>			-29.5%	-15.6%

