

**Early Morning Update:**

The Apr18 natural gas contract is trading flat to yesterday's close at \$2.68. The Apr18 crude contract is up \$0.19 at \$61.38.

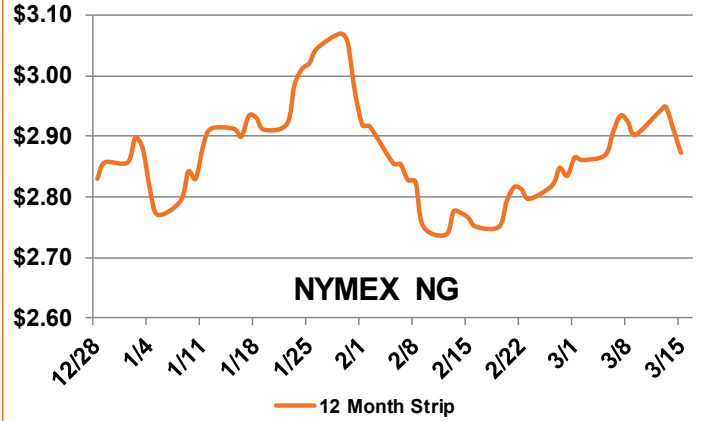
**Summary:** Another down day for the NYMEX as prompt month prices fell a nickel to close at \$2.681. The reported draw from storage was slightly lower than expectations and the market fell on the news. Despite the draw being lower than expectations, it was still higher than historic averages and the lingering cold weather is the culprit. What was once forecast to see mild temperatures, the 2nd half of March now looks to experience below-average temps, causing heating-related demand to linger a bit longer than expected. This has caused end-winter storage estimates to slip to near 1.35 Tcf as demand stay relatively high. On the power side, the Texas market has stabilized and even fallen a bit after the sharp rise in late Feb/early March. Concerns remain however about tight reserve margins for this coming summer.

**Bullish Factors**

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

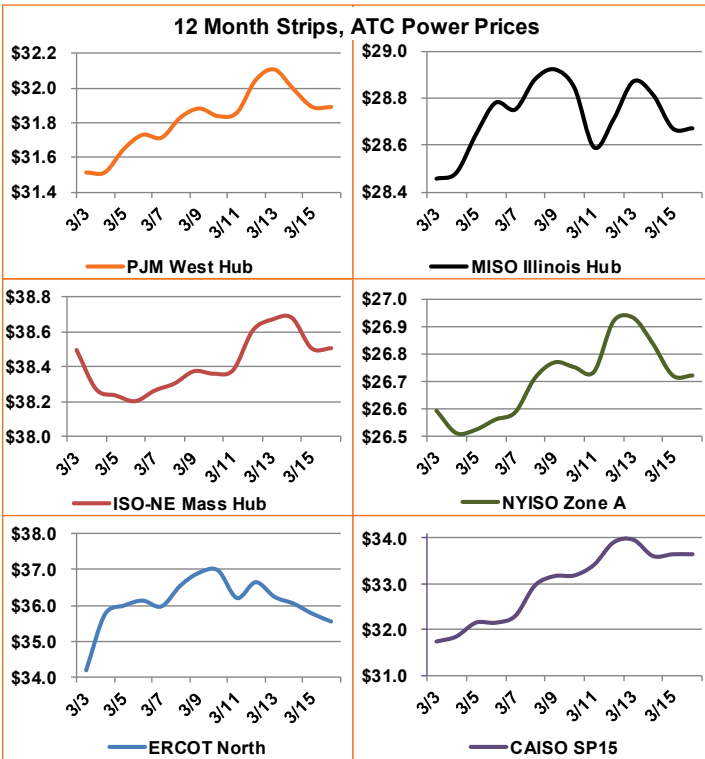
**Bearish Factors**

- NG production at record levels
- Growing renewable energy generation



**Next Day On-Peak Power (traded for 3/16/2018)**

<b>ISO-NE Mass Hub</b> \$57.13	<b>MISO Indiana Hub</b> \$28.76	<b>NYISO Zone G</b> \$34.50
<b>PJM West Hub</b> \$35.11	<b>ERCOT North</b> \$27.50	<b>CAISO SP15</b> \$31.27
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Apr-18	2.681	-0.050
May-18	2.712	-0.047
12 Month	2.873	-0.039
Cal 19	2.811	-0.020
Cal 20	2.767	0.006



**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>	1,532	1,625	2,249	1,828
<b>Diff v. Current</b>		-93	-717	-296
<b>% Diff</b>			-31.9%	-16.2%

