

Early Morning Update:

The Apr17 natural gas contract is trading up \$0.03 to \$2.93. The Apr17 crude contract is up \$0.34 at \$49.09.

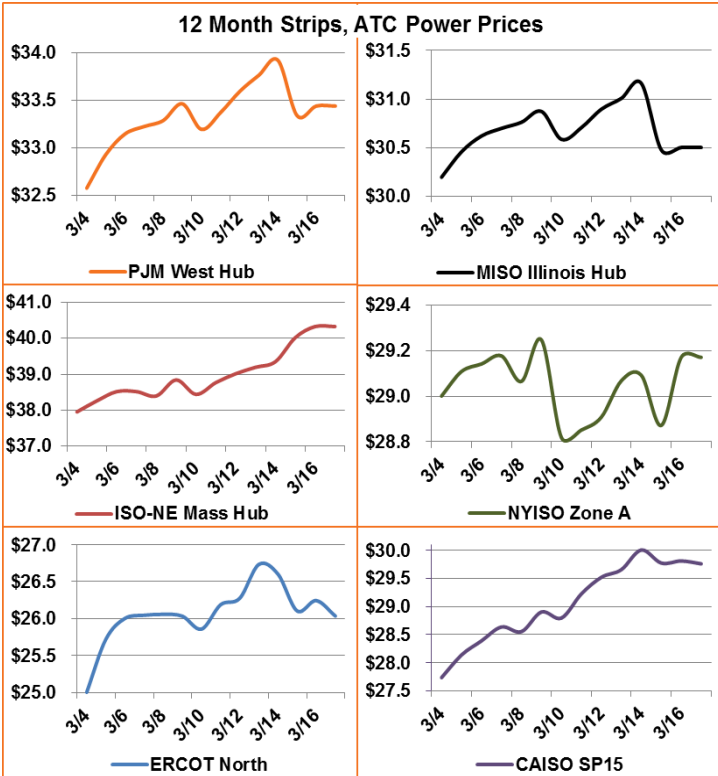
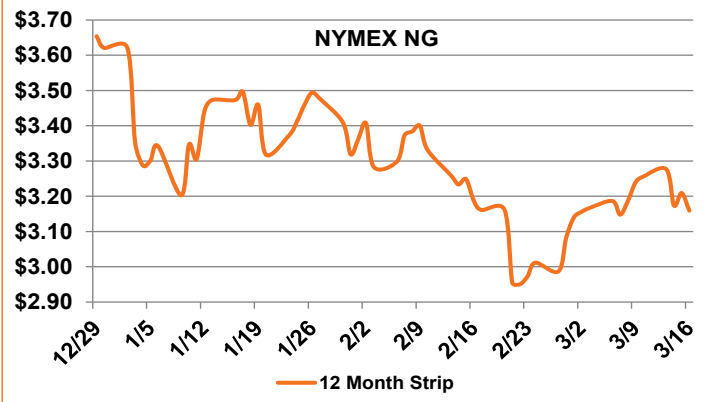
Summary: Happy St. Patrick's Day! The NYMEX prompt NG contract fell yesterday \$.079 to close the day at \$2.902. The market fell after a slightly bearish storage report showing a draw of -53 bcf from storage. With this weeks' cold weather, the draw for next week is expected to be quite high, with estimates in the -150 to -160 range. The recent weather volatility has also caused the estimates for end-of-winter storage to swing, with the latest figures showing just over 2.0 Tcf. Looking ahead, the weather does seem set to moderate a bit after a late winter cold blast and the higher index pricing we've seen in the northeast should calm down a bit.

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 3/17/2017)

ISO-NE Mass Hub \$51.75	MISO Indiana Hub \$22.60	NYISO Zone G \$52.05
PJM West Hub \$34.46	ERCOT North \$22.75	CAISO SP15 \$21.50
NYMEX NG	Close	Change
Apr-17	2.902	-0.079
May-17	2.967	-0.073
12 Month	3.159	-0.050
Bal 17	3.098	-0.056
Cal 18	2.981	-0.018

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,242	2,295	2,478	1,847
Diff v. Current		-53	-236	395
% Diff			-9.5%	21.4%

