

Early Morning Update:

The Apr18 natural gas contract is trading up \$0.03 at \$2.65. The May18 crude contract is up \$0.29 at \$65.84.

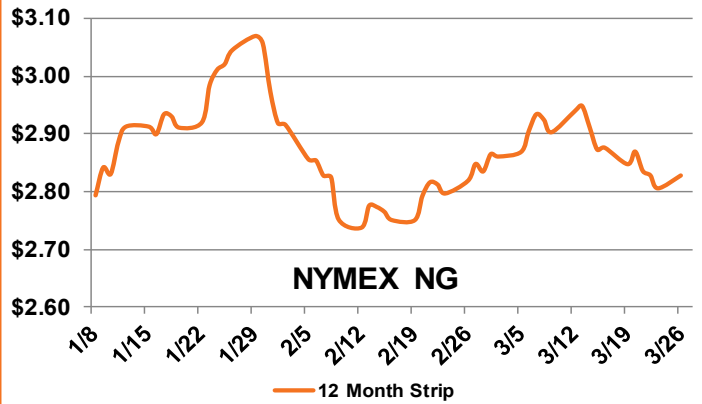
Summary: Natural gas rose across the board on Monday, as weather forecasts show colder temperatures on the horizon for most of the country. The April natural gas contract, which expires at the end of today's trading, gained nearly three cents to \$2.618, the 12-month strip rose two cents to \$2.82, and 2019 and 2020 were up less than a cent to \$2.78 and \$2.75, respectively. Temperatures throughout the Midwest and East Coast look to be from three to eight degrees below normal to start out the month of April, with relief expected around the tenth of the month. Production set a new all-time high on Sunday at 78.4 Bcf/d, but is expected to dip below 78 Bcf/d, on average, for the next week. Feed gas for the Cove Point LNG export terminal has increased exponentially since this weekend, indicating preparations for its second shipment are well underway as an empty tanker moves towards Maryland. As the withdrawal season dwindles to a close, final end-of-season estimates should tighten and should soon indicate the starting point for this 2018 injection season.

Bullish Factors

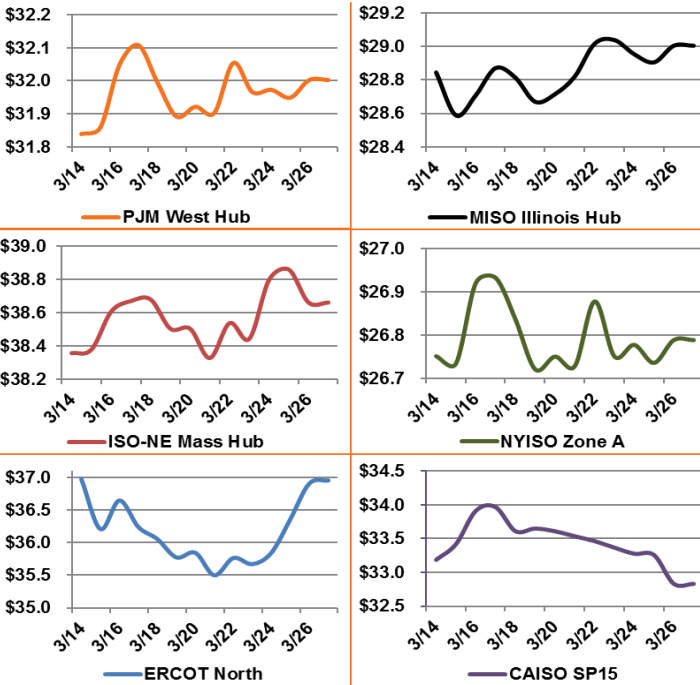
- Low expected storage levels
- LNG exports ramping up
- Exports to Mexico at all-time high

Bearish Factors

- NG production at record levels
- Growing renewable energy generation
- Increasing normal temperatures



12 Month Strips, ATC Power Prices



Next Day On-Peak Power (traded for 3/27/2018)

ISO-NE Mass Hub \$31.12	MISO Indiana Hub \$30.90	NYISO Zone G \$29.00
PJM West Hub \$33.05	ERCOT North \$30.50	CAISO SP15 \$24.70
NYMEX NG	Close	Change
Apr-18	2.618	0.027
May-18	2.657	0.024
12 Month	2.828	0.022
Cal 19	2.768	0.009
Cal 20	2.750	0.005

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,446	1,532	2,113	1,775
Diff v. Current		-86	-667	-329
% Diff			-31.6%	-18.5%

