

## **Daily Market Update**

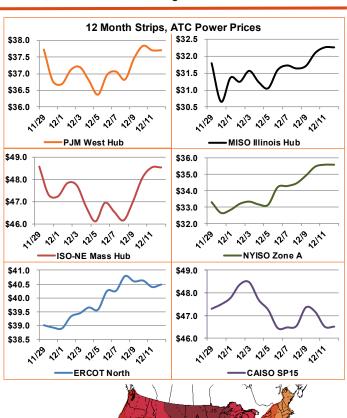
**December 12, 2018** 

**Bullish Factors** 

## **Early Morning Update**

The Jan19 natural gas contract is down \$0.14 at \$4.26. The Jan19 crude contract is up \$0.98 at \$52.63.

Summary: Yesterday's 13.8 cent loss for the NYMEX NG prompt month contract continued the recent trend of big swings in Winter 2019 NG prices. Over the past thirty days, the prompt month contract has moved +/- ten cents in 13 of the last 21 trading sessions. The January 2019 contract settled at \$4.407/MMBtu yesterday likely due to the National Weather Service maintaining and even increasing their prediction for blanketing warmer-thannormal temperatures in their 6-10 and 8-14 day outlooks as well as natural gas production strength with expectations of even higher production levels in the future. Beyond Q1 2019, there was little change in NG prices. In regulatory news, Bernard McNamee, former executive director of the office of policy at the US Department of Energy, was sworn in to the US Federal Energy Regulatory Commission vesterday to fill Robert Powelson's empty seat. His term will run through June 30, 2020. All five FERC seats are now filled and the next seat set to be up for grabs is Chervl LaFleur's, whose term runs through June 2019.



Bullish Factors		Dearish Factors		
Cold weather		Record NG production		
<ul> <li>■ LNG exports ramping up</li> </ul>		Weather forecasts turning warmer		
Low storage levels		Higher associated gas production		
\$3.50 \$3.40 \$3.30 \$3.20 \$3.10	N'	YMEX NG		
\$3.00 \$2.90 \$2.80 \$2.70	3 1012 1018 10123	10130 1116 1113 1120 1121 121A 12111		

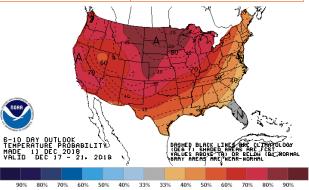
12 Month Strip

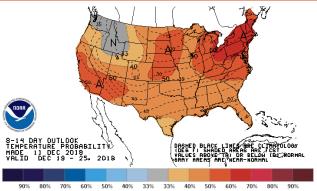
Next Day On-Peak Power (traded for 12/12/2018)

**Rearish Factors** 

West Day Off-1 cart ower (traded for 12/12/2010)							
ISO-NE Mass Hub \$75.97	MISO Indiana Hub \$42.83	NYISO Zone G \$50.59					
PJM West Hub \$42.43	ERCOT North \$35.19	CAISO SP15 \$57.75					
NYMEX NG	Close	Change					
Jan-19	4.407	-0.138					
Feb-19	4.258	-0.102					
12 Month	3.271	-0.008					
Cal 19	3.271	-0.008					
Cal 20	2.713	0.004					

EIA Natural Gas Storage								
EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.				
Total	2,991	3,054	3,695	3,716				
Diff v. Current		-63	-704	-725				
% Diff			-19.1%	-19.5%				





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