

Early Morning Update:

The Feb19 natural gas contract is trading down \$0.21 at \$3.33. The Feb19 crude contract is up \$0.35 at \$44.96.

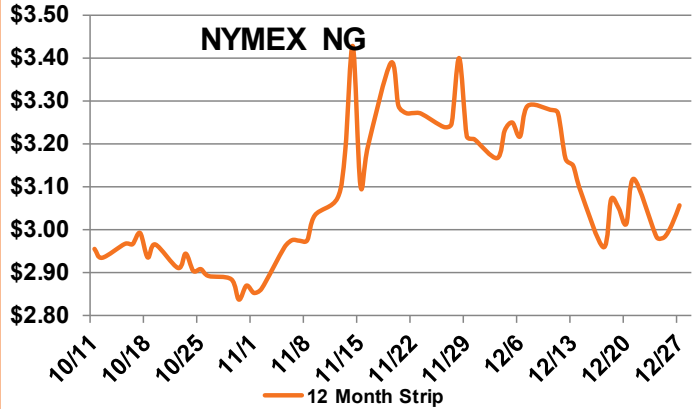
Summary: The Jan '19 NYMEX contract expired with a rally, closing up \$.175 to expire at \$3.642. The Feb '19 contract is now the prompt month. Overnight, weather forecasts looks to have been revised to show slightly warmer temps through the middle of Jan, helping push prices lower this morning. Power prices have also been weaker as index pricing has been low, especially in NY and NE. The storage report will be released today at 10:30. Estimates are calling for draw in the high 30's, very low for this time of year (-122 last year and -121 5-yr average).

Bullish Factors

- Strong LNG exports
- Exports to Mexico
- Low storage levels

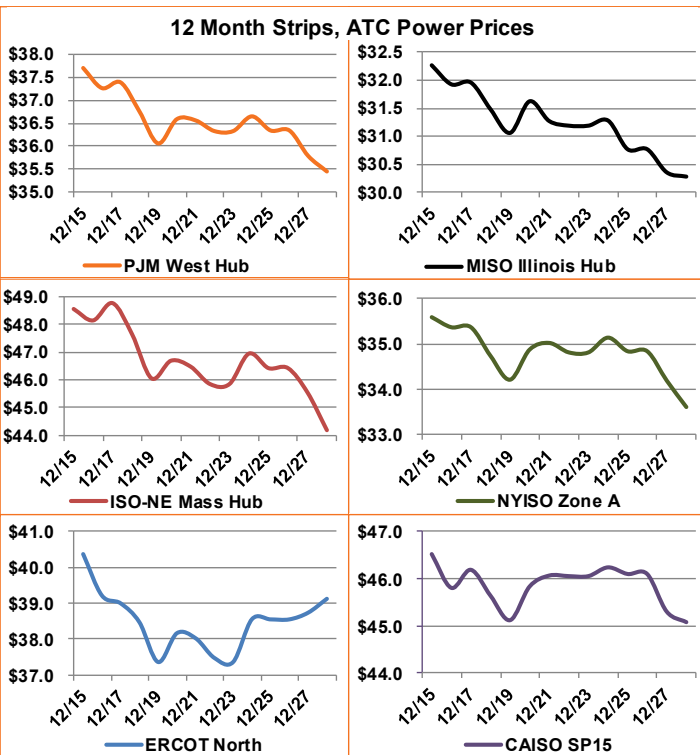
Bearish Factors

- Record NG production
- Weather forecasts turning warmer
- Higher associated gas production



Next Day On-Peak Power (traded for 12/28/2018)

ISO-NE Mass Hub \$32.31	MISO Indiana Hub \$27.00	NYISO Zone G \$29.94
PJM West Hub \$25.20	ERCOT North \$25.75	CAISO SP15 \$42.33
NYMEX NG		Change
Jan-19	3.642	0.175
Feb-19	3.546	0.123
12 Month	3.056	0.074
Cal 19	3.056	0.074
Cal 20	2.707	0.018



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,773	2,914	3,470	3,493
Diff v. Current		-141	-697	-720
% Diff			-20.1%	-20.6%

