

**Early Morning Update**

The Feb20 natural gas contract is trading flat at \$2.20. The Feb20 crude oil contract is up \$0.01 at \$59.05.

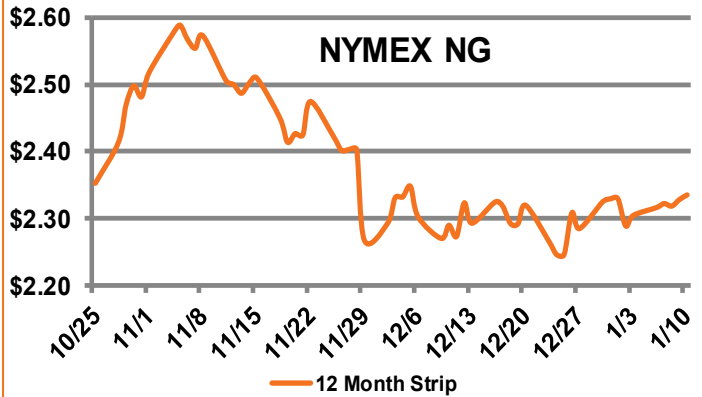
**Summary:** On Friday, the Feb19 NYMEX natural gas futures price pushed higher, rising 3.6 cents on the day to settle at \$2.202/MMBtu. This recent uptick seems to be in response to the colder-than-normal forecasts for the end of this month and potentially continuing into February. With the cooling forecasts, we are seeing some short-covering in the market, providing upward pressure to near-term pricing. The warmer-than-normal temps stick around in the 1-5 day forecast, with the swath of cold moving into the northern half of the country starting in the 6-10 day forecast. The cold then continues to spread to the majority of the country through the end of this month, covering much of the Northeast. This cold has the potential to increase res/comm demand in the Northeast by almost 27% versus what is expected this upcoming week. Even with this shift in weather forecasts, storage levels remain very healthy for this time of year, and withdrawals continued to be small due to the mild temps we saw last month into the beginning of this year. So far this month, U.S. dry production is averaging just over 92.0 Bcf/d, about 4.0 Bcf/d higher than the start of 2019.

**Bullish Factors**

- Record LNG exports
- Growing NG exports to Mexico
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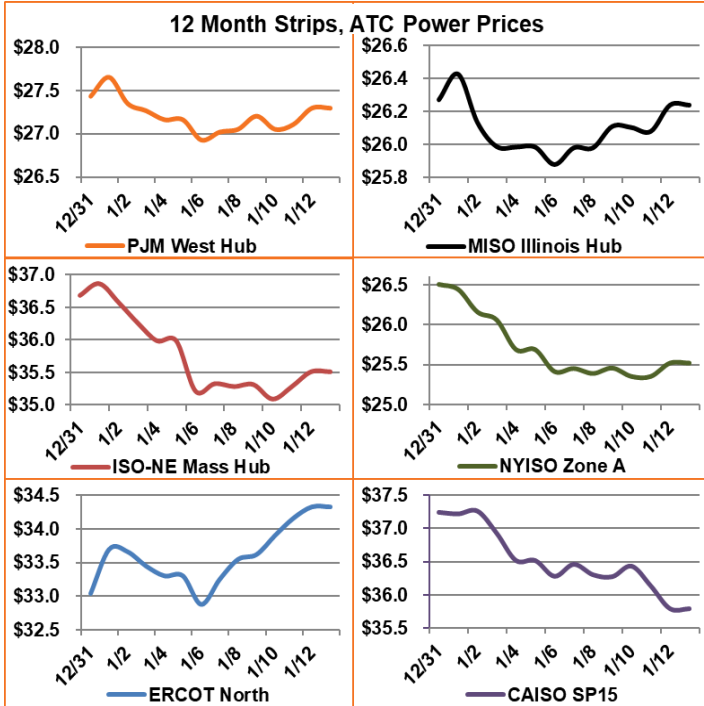
**Bearish Factors**

- Above average temperatures
- Higher associated gas production
- Healthy storage levels



**Next Day On-Peak Power (traded for 1/13/2020)**

ISO-NE Mass Hub \$25.00	MISO Indiana Hub \$25.50	NYISO Zone G \$23.62
PJM West Hub \$21.51	ERCOT North \$17.91	CAISO SP15 \$45.03
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Feb-20	2.202	0.036
Mar-20	2.168	0.020
12 Month	2.336	0.007
Cal 21	2.432	-0.003
Cal 22	2.433	0.001



**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,148	3,192	2,627	3,074
Diff v. Current		-44	521	74
% Diff			19.8%	2.4%

