

Daily Market Update

January 6, 2017

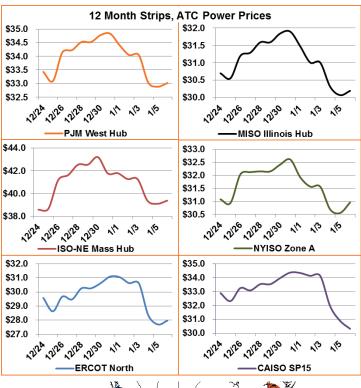
Early Morning Update:

The Feb17 natural gas contract is trading down \$0.03 at \$3.23. The Feb17 crude contract is up \$0.44 at \$54.20.

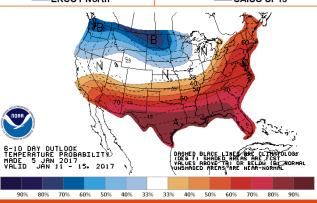
Summary: The prompt NG contract ended the day nearly flat, finishing up only \$.006 to close at \$3.273. There was some intraday movement as the market started the day higher, then dropped after a bearish storage report then saw some buying activity to move higher and close the day nearly flat. Estimates for a storage report were in the mid-60's but a draw of 49 Bcf was reported. Low demand over the holiday week and low power burns seemed to be the primary reasons for the departure from estimates. The small draw was below last year (-98) and the 5-year average (-107) for the first time in over a month. Estimates for end-of-winter storage totals look to be near 1.9 Tcf based on current weather forecasts. Those estimates are well below last years' record level but above 5-year average levels.

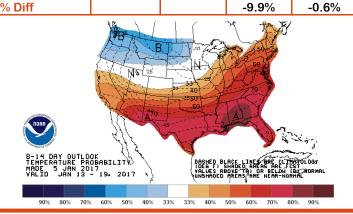
	Bullish Factors	Bearish Factors			
	Meandering production	●Warming weather forecasts			
	●Exports to Mexico at record high	Producer hedgingLess coal-to-gas switching			
	●Growing LNG exports				
	\$3.70 NY	MEX NG			





Next Day On-Peak Power (traded for 1/6/2017)								
ISO-NE Mass H \$59.83	ub	MISO Indiana Hub \$40.67)	NYISO Zone G \$47.89			
PJM West Hub \$38.99		ERCOT North \$27.00			CAISO SP15 \$38.10			
NYMEX NG		Close			Change			
Feb-17		3.273			0.006			
Mar-17 12 Month Bal 17		3.268			0.019			
		3.301			0.014			
		3.281			0.013			
Cal 18		3.040			0.006			
EIA Natural Gas Storage								
		his leek	Last Week		Last Year	5-Year Avg.		





3,360

-49

3,675

-364

3,332

-21

3,311

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Total

Diff v. Current