



WEEKLY NATURAL GAS MARKET UPDATE

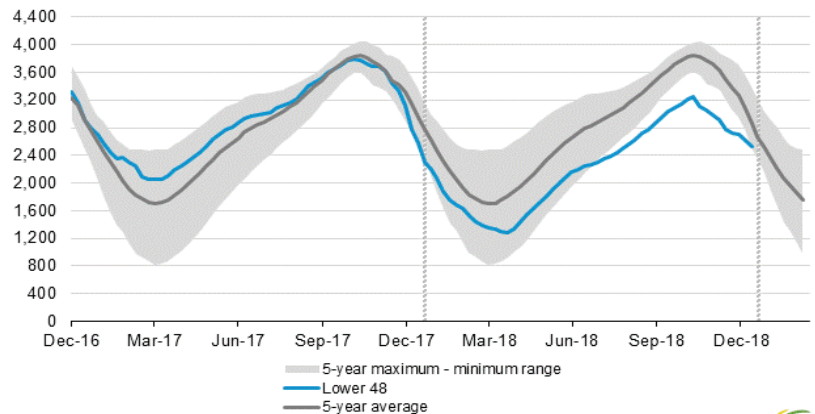
JANUARY 21, 2019

The Feb-2019 NYMEX natural gas contract closed Friday at \$3.482, up \$0.383 for the week. The 12-month strip average price of natural gas rose by \$0.131 over the same period. The Feb-2019 NYMEX crude oil contract closed Friday at \$53.80 up \$2.21 for the week. Updated NOAA forecasts suggest that the eastern ~1/2 of the US is in for a stretch of below normal temps that will last through at least mid-Feb. Baker Hughes reported on Friday that the US natural gas rig count was down 4 to 198 while total rigs (gas/oil combined) were down by 25 to 1050. In its most recent natural gas storage data, the EIA reported a withdrawal of 81 Bcf from national inventories, a number in-line with consensus market expectations. Early estimates for this week's report indicate an expected withdrawal in the range of 150 to 160 Bcf vs. a withdrawal of 273 Bcf for the same week last year and a 5-yr avg. withdrawal of 185 Bcf. Subsequent withdrawals from storage are likely to be larger than normal given current weather forecasts.

EIA NATURAL GAS STORAGE REPORT
Week Ending January 11, 2019

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	620	-31	621	666
Midwest	729	-34	726	769
Mountain	127	-5	159	164
Pacific	196	-8	245	264
S. Central	861	-4	859	997
Total	2533	-81	2610	2860

WORKING GAS IN UNDERGROUND STORAGE
COMPARED WITH 5-YEAR RANGE

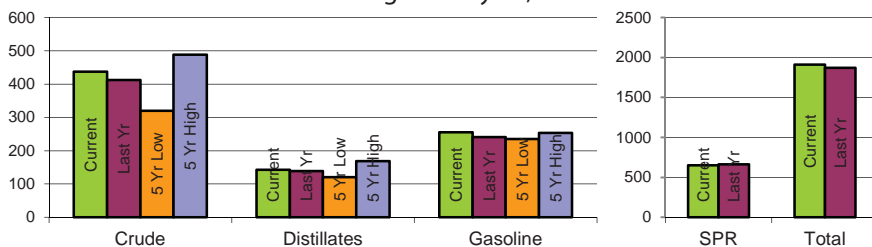


Source: U.S. Energy Information Administration



Storage Highlights: Working gas in storage was 2,533 Bcf as of Friday, January 11, 2019, according to EIA estimates. This represents a net decrease of 81 Bcf from the previous week. Stocks were 77 Bcf less than last year at this time and 327 Bcf below the five-year average of 2,860 Bcf. At 2,533 Bcf, total working gas is within the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)
Week Ending January 11, 2019

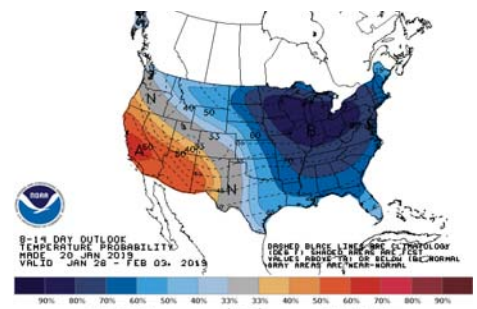


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) decreased by 2.7 million barrels from the previous week. At 437.1 million barrels, U.S. crude oil inventories are about 8% above the five year average for this time of year. Total motor gasoline inventories increased by 7.5 million barrels last week and are about 6% above the five year average for this time of year. Finished gasoline and blending components inventories both increased last week. Distillate fuel inventories increased by 3.0 million barrels last week and are about 3% below the five year average for this time of year. Propane/propylene inventories decreased by 1.2 million barrels last week and are about 1% above the five year average for this time of year. Total commercial petroleum inventories increased last week by 5.0 million barrels last week.

BAKER HUGHES US NATURAL GAS RIG COUNT, 01/18/2019

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	202	+4	198	+15	187

8-14 DAY TEMP OUTLOOK (NOAA)



3-4 WEEK TEMP OUTLOOK (NOAA)

