



## WEEKLY NATURAL GAS MARKET UPDATE

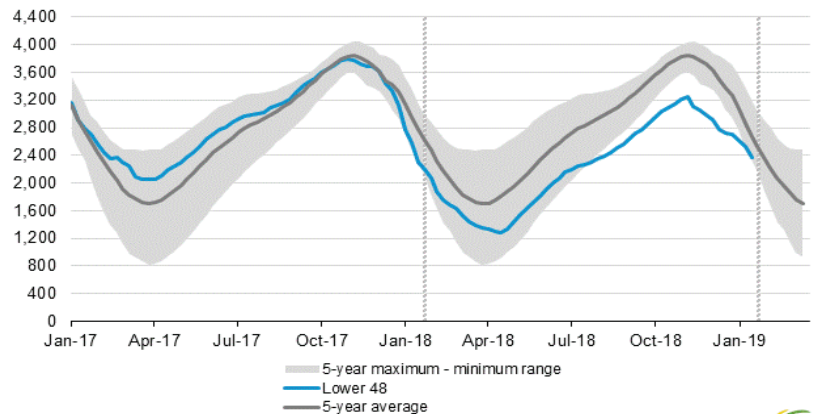
JANUARY 28, 2019

The Feb-2019 NYMEX natural gas contract closed Friday at \$3.178, down \$0.304 for the week. The 12-month strip average price of natural gas fell by \$0.026 over the same period. The Feb-2019 natural gas contract expires tomorrow, 1/29. The Mar-2019 NYMEX crude oil contract closed Friday at \$53.69, down \$0.35 for the week. NOAA forecasts suggest that after brutal cold this week, temps will moderate for much of the US. A return to below normal temps is still expected for the eastern US starting ~mid-Feb. Baker Hughes reported on Friday that the US natural gas rig count was down 1 to 197 while total rigs (gas/oil combined) were up 9 to 1059. In its most recent natural gas storage data, the EIA reported a withdrawal of 163 Bcf from national inventories, a number at the high end of consensus market expectations. Early estimates for this week's report indicate an expected withdrawal in the range of 180 to 200 Bcf vs. a withdrawal of 126 Bcf for the same week last year and a 5-yr avg. withdrawal of 150 Bcf.

EIA NATURAL GAS STORAGE REPORT  
Week Ending January 18, 2019

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	566	-54	563	619
Midwest	673	-56	646	711
Mountain	121	-6	147	155
Pacific	185	-11	235	253
S. Central	823	-38	746	937
Total	2370	-163	2337	2675

WORKING GAS IN UNDERGROUND STORAGE  
COMPARED WITH 5-YEAR RANGE

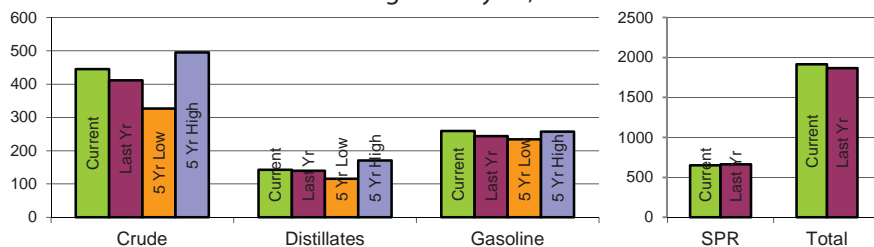


Source: U.S. Energy Information Administration



Storage Highlights: Working gas in storage was 2,370 Bcf as of Friday, January 18, 2019, according to EIA estimates. This represents a net decrease of 163 Bcf from the previous week. Stocks were 33 Bcf higher than last year at this time and 305 Bcf below the five-year average of 2,675 Bcf. At 2,370 Bcf, total working gas is within the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)  
Week Ending January 18, 2019

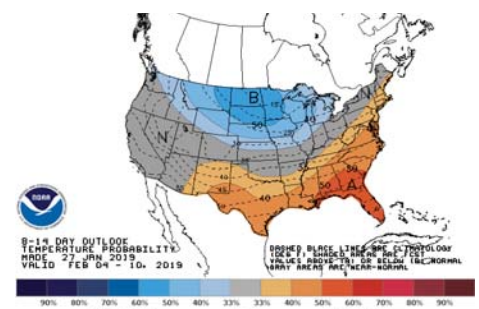


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 8.0 million barrels from the previous week. At 445.0 million barrels, U.S. crude oil inventories are about 9% above the five year average for this time of year. Total motor gasoline inventories increased by 4.1 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 decreased by 0.6 million barrels last week and are about 2% below the five year average for this time of year. Propane/propylene inventories decreased by 3.7 million barrels last week and are about 2% above the five year average for this time of year. Total commercial petroleum inventories increased last week by 6.7 million barrels last week.

BAKER HUGHES US NATURAL GAS RIG COUNT, 01/25/2019

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	197	-1	198	+9	188

8-14 DAY TEMP OUTLOOK (NOAA)



3-4 WEEK TEMP OUTLOOK (NOAA)

