



## WEEKLY NATURAL GAS MARKET UPDATE

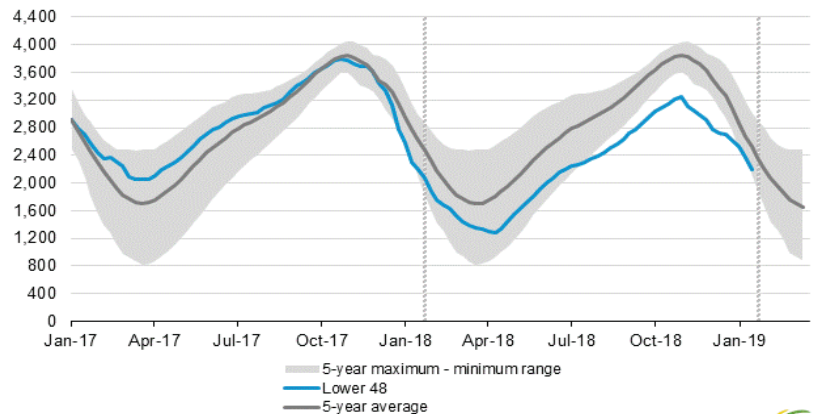
FEBRUARY 4, 2019

The Mar-2019 NYMEX natural gas contract closed Friday at \$2.734, down \$0.338 for the week. The 12-month strip average price of natural gas fell by \$0.166 over the same period. The Feb-2019 natural gas contract expired last week at a final settlement price of \$2.950. The Mar-2019 NYMEX crude oil contract closed Friday at \$55.26, up \$1.57 for the week. Updated forecasts from the NOAA suggest that temperatures will return to below normal for most of the US in the weeks ahead. Baker Hughes reported on Friday that the US natural gas rig count was up by 1 to 198 while total rigs (gas/oil combined) were down by 14 to 1045. In its most recent natural gas storage data, the EIA reported a withdrawal of 173 Bcf from national inventories, a number at the low end of consensus market expectations. Early estimates for this week's report indicate an expected withdrawal in the range of 240 to 250 Bcf vs. a withdrawal of 116 Bcf for the same week last year and a 5-yr avg. withdrawal of 150 Bcf.

EIA NATURAL GAS STORAGE REPORT  
Week Ending January 25, 2019

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	527	-39	529	575
Midwest	606	-67	601	663
Mountain	114	-7	138	149
Pacific	178	-7	222	242
S. Central	771	-52	720	896
Total	2197	-173	2211	2525

WORKING GAS IN UNDERGROUND STORAGE  
COMPARED WITH 5-YEAR RANGE

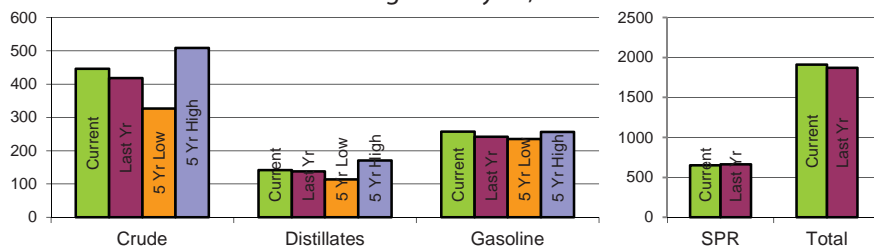


Source: U.S. Energy Information Administration



Storage Highlights: Working gas in storage was 2,197 Bcf as of Friday, January 25, 2019, according to EIA estimates. This represents a net decrease of 173 Bcf from the previous week. Stocks were 14 Bcf less than last year at this time and 328 Bcf below the five-year average of 2,525 Bcf. At 2,197 Bcf, total working gas is within the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)  
Week Ending January 25, 2019

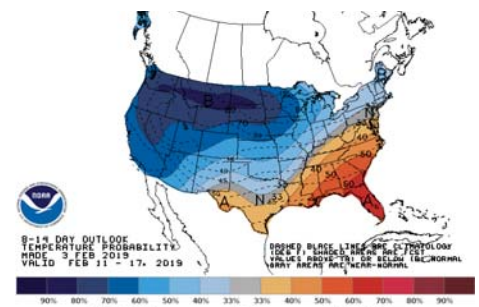


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 0.9 million barrels from the previous week. At 445.9 million barrels, U.S. crude oil inventories are about 7% above the five year average for this time of year. Total motor gasoline inventories decreased by 2.2 million barrels last week and are about 5% above the five year average for this time of year. Finished gasoline and blending components inventories both decreased last week. Distillate fuel inventories decreased by 1.1 million barrels last week and are about 2% below the five year average for this time of year. Propane/propylene inventories decreased by 3.6 million barrels last week and are about 2% above the five year average for this time of year. Total commercial petroleum inventories decreased last week by 4.8 million barrels last week.

BAKER HUGHES US NATURAL GAS RIG COUNT, 02/01/2019

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	198	+1	197	+17	181

8-14 DAY TEMP OUTLOOK (NOAA)



3-4 WEEK TEMP OUTLOOK (NOAA)

