



WEEKLY NATURAL GAS MARKET UPDATE

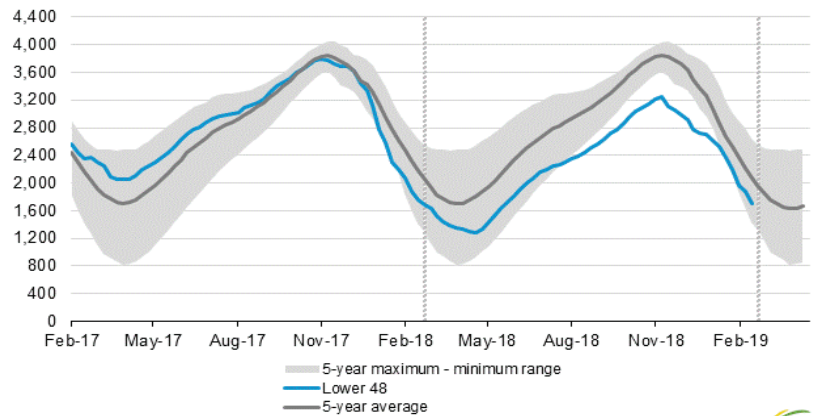
FEBRUARY 25, 2019

The Mar-2019 NYMEX natural gas contract closed Friday at \$2.717, up \$0.092 for the week. The 12-month strip average price of natural gas rose by \$0.062 over the same period. The Mar-2019 natural gas contract expires tomorrow, 2/26. The Apr-2019 NYMEX crude oil contract closed Friday at \$57.26, up \$1.28 for the week. Updated forecasts from the NOAA suggest that almost the entire US will be locked into a pattern of much below normal temperatures until at least mid-March. Baker Hughes reported on Friday that the US natural gas rig count was unchanged at 194 while total rigs (gas/oil combined) were down by 4 to 1047. In its most recent natural gas storage data, the EIA reported a withdrawal of 177 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 165 to 175 Bcf vs. a withdrawal of 85 Bcf for the same week last year and a 5-yr avg. withdrawal of 104 Bcf.

EIA NATURAL GAS STORAGE REPORT
Week Ending February 15, 2019

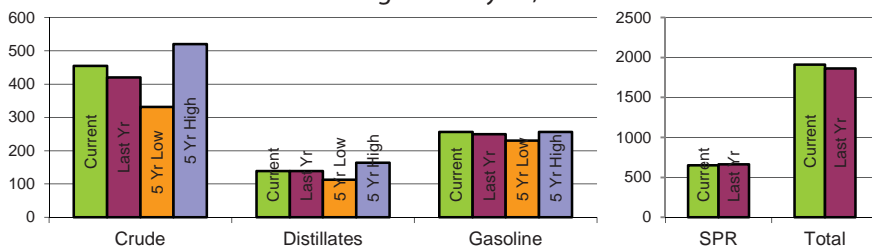
Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	395	-49	407	438
Midwest	436	-56	434	507
Mountain	87	-8	113	130
Pacific	138	-17	205	218
S. Central	649	-47	619	774
Total	1705	-177	1778	2067

WORKING GAS IN UNDERGROUND STORAGE
COMPARED WITH 5-YEAR RANGE



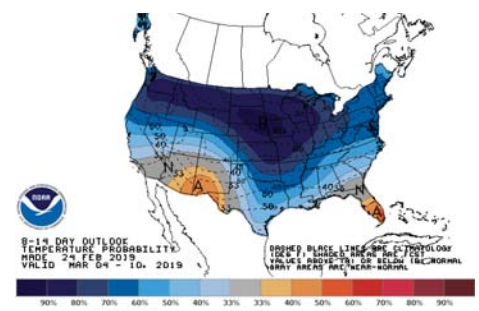
Storage Highlights: Working gas in storage was 1,705 Bcf as of Friday, February 15, 2019, according to EIA estimates. This represents a net decrease of 177 Bcf from the previous week. Stocks were 73 Bcf less than last year at this time and 362 Bcf below the five-year average of 2,067 Bcf. At 1,705 Bcf, total working gas is within the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)
Week Ending February 15, 2019

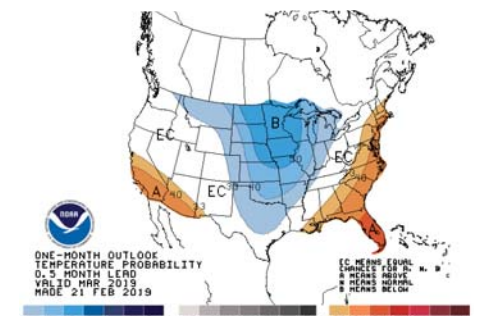


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 3.7 million barrels from the previous week. At 454.5 million barrels, U.S. crude oil inventories are about 6% above the five year average for this time of year. Total motor gasoline inventories decreased by 1.5 million barrels last week and are about 4% 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 1.5 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 10% above the five year average for this time of year. Total commercial petroleum inventories decreased last week by 2.5 million barrels last week.

8-14 DAY TEMP OUTLOOK (NOAA)



MAR-2019 TEMP OUTLOOK (NOAA)



BAKER HUGHES US NATURAL GAS RIG COUNT, 02/22/2019

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	194	-0-	194	+15	179