

MARKET UPDATE



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Market News

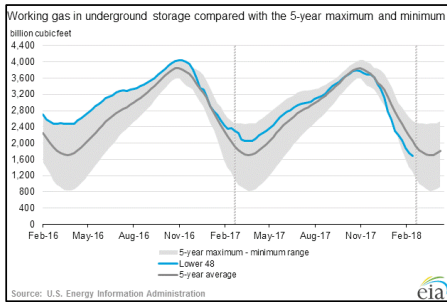
Market Recap - Natural gas spot prices fell at most locations this report week (Wednesday, February 21 to Wednesday, February 28). The Henry Hub spot price fell from \$2.65 per million British thermal units (MMBtu) last Wednesday to \$2.61/MMBtu yesterday. At the New York Mercantile Exchange (Nymex), the March 2018 contract expired Monday at \$2.639/MMBtu. The April 2018 contract price decreased to \$2.667/MMBtu, down 1¢ Wednesday to Wednesday.

Storage Report - Working gas in storage was 1,682 Bcf as of Friday, February 23, 2018, according to EIA estimates. This represents a net decrease of 78 Bcf from the previous week. Stocks were 680 Bcf less than last year at this time and 372 Bcf below the five-year average of 2,054 Bcf. At 1,682 Bcf, total working gas is within the five-year historical range.

Word on the Street - April Henry natural gas was slightly lower overnight. Technical indicators are turning neutral to bearish signaling that sideways to lower prices are possible near-term. If April renews the decline off January's high, the 87% retracement level of the December-January-rally crossing at 2.551. Closes above the 50-day moving average crossing at 2.719 are needed to confirm that a short-term low has been posted.

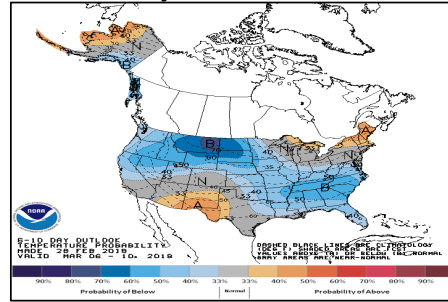
Observations - A late-month cold snap in the Northeast sent wholesale natural gas prices to \$54/MMBtu and wholesale electricity prices to \$176/MWh in New England. At times from December 27-31, over 30% of the power generation in ISONE came from oil-fired generators. The Northeast saw its share of coal and natural gas consumption decrease at the expense of other fossil fuel. This occurred because the Northeast experienced an extended period of significantly cold temperatures at the end of December 2017.

Inventories



Source: EIA

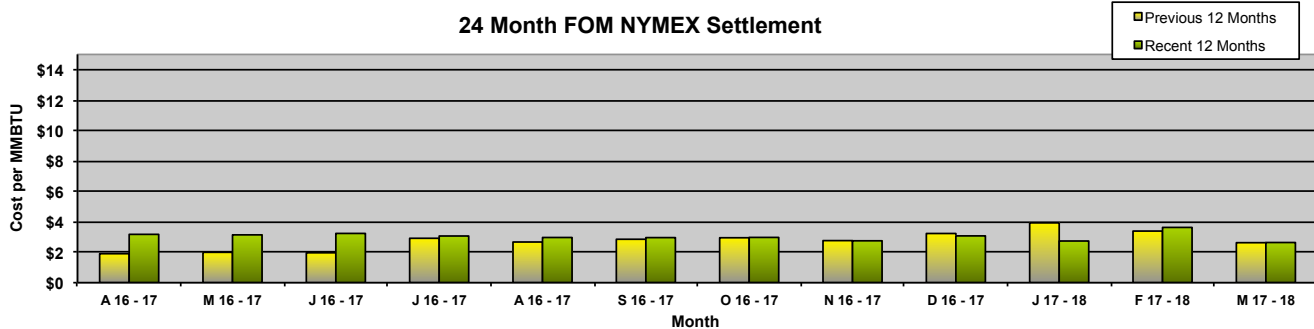
6-10 Day Forecast



Month	Last Price	Change	Updated - 3/01/2018 11:30 AM EST																							
Apr-18	\$2.69	0.02	<table border="1"> <thead> <tr> <th colspan="2">Summer / Winter</th> </tr> </thead> <tbody> <tr> <td>Nov -18 - March 19</td> <td>\$2.97</td> </tr> <tr> <td>April 18 - Oct 18</td> <td>\$2.77</td> </tr> <tr> <td>Nov 19 - March 20</td> <td>\$2.90</td> </tr> <tr> <th colspan="2">Strip Prices</th> </tr> <tr> <td>3 Month</td> <td>\$2.72</td> </tr> <tr> <td>6 Month</td> <td>\$2.76</td> </tr> <tr> <td>9 Month</td> <td>\$2.80</td> </tr> <tr> <td>1 Year</td> <td>\$2.85</td> </tr> <tr> <td>2 Year</td> <td>\$2.81</td> </tr> <tr> <td>3 Year</td> <td>\$2.79</td> </tr> </tbody> </table>		Summer / Winter		Nov -18 - March 19	\$2.97	April 18 - Oct 18	\$2.77	Nov 19 - March 20	\$2.90	Strip Prices		3 Month	\$2.72	6 Month	\$2.76	9 Month	\$2.80	1 Year	\$2.85	2 Year	\$2.81	3 Year	\$2.79
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May-18	\$2.72	0.03																								
Jun-18	\$2.76	0.03																								
Jul-18	\$2.80	0.02																								
Aug-18	\$2.81	0.02																								
Sep-18	\$2.79	0.02																								
Oct-18	\$2.81	0.02																								
Oct-18	\$2.85	0.01																								
Dec-18	\$2.98	0.02																								
Jan-19	\$3.06	0.02																								
Feb-19	\$3.03	0.02																								
Mar-19	\$2.94	0.01																								

Source: Nymex

24 Month FOM NYMEX Settlement



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