

Month	Settle	10/7/2016	Strip Avg,
Nov-16	3.193	Nov16-Mar17	3.417
Dec-16	3.391	Apr17-Oct17	3.185
Jan-17	3.519	Nov17-Mar18	3.374
Feb-17	3.520	Apr18-Oct18	2.843
Mar-17	3.462		
Apr-17	3.195	Nov16-Oct17	3.282
May-17	3.149	Calendar 2017	3.285
Jun-17	3.174	Calendar 2018	3.012
Jul-17	3.197	Calendar 2019	2.875
Aug-17	3.199	Calendar 2020	2.890
Sep-17	3.180	Calendar 2021	2.980
Oct-17	3.201	Calendar 2022	3.121

NEXT DAY GAS PRICES:

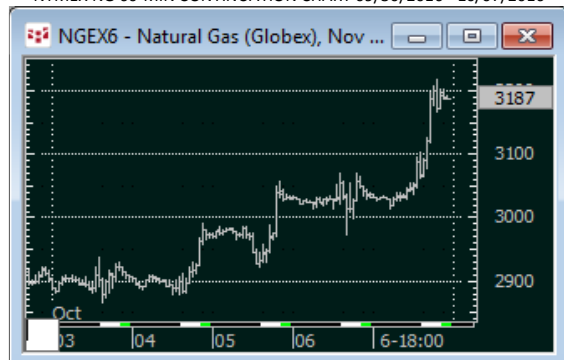
TETCO M2 (rec)	0.6311	Henry Hub	2.9660	Dom-SP	0.6527
----------------	--------	-----------	--------	--------	--------

ICE BASIS FUTURES PRICES:

Tetco M2 Basis	10/7/2016	Dominion-South Basis	
Nov-16	-1.8175	Nov-16	-1.8400
Dec-16	-1.3950	Dec-16	-1.4550
Nov16-Mar17	-1.2710	Nov16-Mar17	-1.3475
Apr17-Oct17	-1.3029	Apr17-Oct17	-1.2946
Nov16-Oct17	-1.2896	Nov16-Oct17	-1.3167
Calendar 2017	-1.1919	Calendar 2017	-1.2221
Calendar 2018	-0.8463	Calendar 2018	-0.8652
Calendar 2019	-0.7117	Calendar 2019	-0.7210

Market Commentary: Shoulder season or not, the natural gas market has taken on a decidedly bullish posture this week, with prices breaking out to their highest level since January of 2015. The rationale is harder to put a finger on, but production has trended ~1 Bcf/day lower over the past week, breaking below 70 Bcf/day for dry-gas output, and forecasts for a colder than normal winter have hit the wires at opportune times for those bullish the market, and helped propel prices higher. The way the market is behaving one might presume that a hurricane was tracking toward the producing region of the Gulf of Mexico, but instead the strongest hurricane to hit the US in more than a decade is navigating itself up Florida's East Coast and is expected to cause problems for Georgia and the Carolinas over the next few days. The net impact of the system is actually expected to be bearish, as the storm curtails demand and chokes off economic activity in the evacuation zones almost entirely, but the market is behaving as if we are about to be dealt a blow to supply or a jolt to demand. The system will not be finished after it begins to move away from the Carolinas either, with projections for Hurricane Matthew to curve back around and pass over the Bahamas for a second time, this time coming down from a northeastern direction, but it should be a much less extreme tropical depression by that time, as can be seen in the 5-day forecast track from Weather Underground. The 8 to 14 day temperature outlook from NOAA shows much above normal temperature conditions seen across the entire country right into the latter part of the month, so whatever excitement the market is exhibiting related to a colder than normal weather forecast is based entirely on forward projections and not on any actual early signs of cold weather that would begin to stoke heating demand. While production

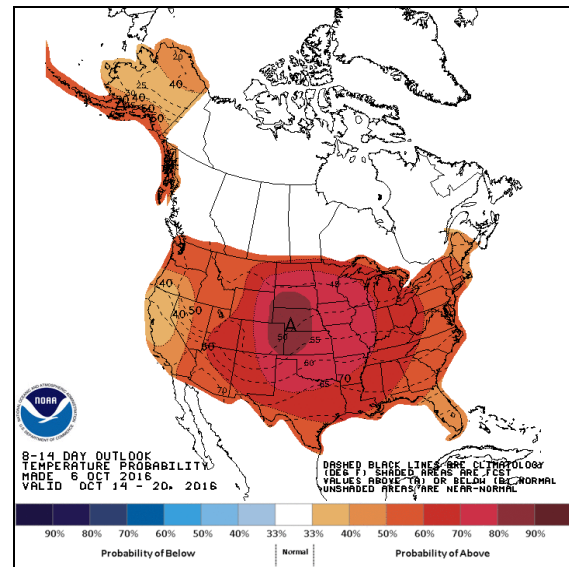
NYMEX NG 60-MIN CONTINUATION CHART 09/30/2016 - 10/07/2016



Snyder Brothers Inc., Gas Marketing
 1 Glade Park East, P.O. Box 1022
 Kittanning, PA 16201
 Ph: 724-548-8101
 Fax 724-545-8243
www.snyderbrothersinc.com

As of Week Ending:	9/30/2016	Build/(Draw)
Current Storage	3,680 Bcf	+80 Bcf
		Surplus/(Deficit)
Last Year Storage	3,606 Bcf	74 Bcf
5-Year Avg. Storage	3,475 Bcf	205 Bcf

has slipped recently, conditions in the local basis markets suggest that trend is likely to be short-lived, as producers have been aggressively selling basis in recent months to such an extent that it has trended almost entirely in a downward direction. Interestingly, weekend cash prices were notably weak, although still a big improvement from last weekend. But if 19-month highs for the prompt Nymex are coupled with weekend cash prices in the Marcellus region that are near all-time lows, the absolute bullishness of the market is called into question, and on top of that, the Cal 2017 Nymex strip remains over 2018, which remains over 2019, thereby further calling into question the long-term bullishness of the current market outlook.



This information is provided as a courtesy to our customers and should not be construed as advice regarding the purchase or sale of exchange-traded futures or options contracts or any other instruments. This report is based upon factual information obtained from sources believed to be reliable, but their accuracy is not guaranteed. Reliance upon this information for decisions is at the sole risk of the reader. This communication is not intended to forecast or predict future events. Past performance is not a guarantee or indication of future results. Prices are historical and/or indicative and do not represent firm quotes as to either price or size.