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Month	Settle	1/19/2018	Strip Avg.
Feb-18	3.185	Feb18-Apr18	2.971
Mar-18	2.941	Apr18-Oct18	2.826
Apr-18	2.787	Nov18-Mar19	3.013
May-18	2.783	Apr19-Oct19	2.685
Jun-18	2.819	Nov19-Mar20	2.910
Jul-18	2.858	Feb18-Jan19 (1-year)	2.910
Aug-18	2.854	Calendar 2019	2.799
Sep-18	2.830	Calendar 2020	2.797
Oct-18	2.848	Calendar 2021	2.835
Nov-18	2.896	Calendar 2022	2.867
Dec-18	3.023	Calendar 2023	2.890
Jan-19	3.101	Calendar 2024	2.925

**ICE BASIS FUTURES PRICES:**

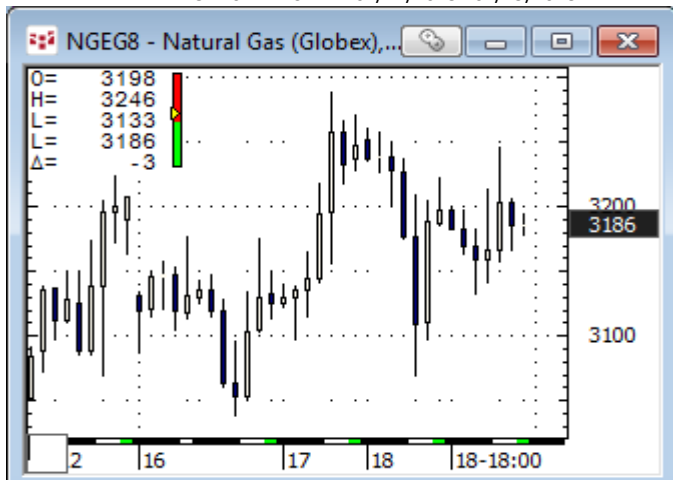
Tetco M2 Basis	1/19/2018	Dominion-South Basis	
Feb-18	-0.4525	Feb-18	-0.5425
Mar-18	-0.4775	Mar-18	-0.5000
Apr-18	-0.5200	Apr-18	-0.4900
Apr18-Oct18	-0.7075	Apr18-Oct18	-0.6746
Nov18-Mar19	-0.5020	Nov18-Mar19	-0.5250
Apr19-Oct19	-0.7057	Apr19-Oct19	-0.6739
Feb18-Jan19	-0.6254	Feb18-Jan19	-0.6202
Calendar 2019	-0.6269	Calendar 2019	-0.6108
Calendar 2020	-0.6654	Calendar 2020	-0.6344
Calendar 2021	-0.6963	Calendar 2021	-0.6610

**TODAY'S GAS DAILY CASH MARKET PRICES (for GD19):**

TRAN Z6 NY	4.445	Henry Hub	3.375	Dom-South	2.825
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**Market Commentary:** This week has been an interesting one for the natural gas market, as recent shifts in the shape of the forward curve have been the dominant theme, with the dueling influences of storage and weather duking it out in terms of impact on price. The impact of weather on the market is limited in time at this point, but storage inventories have been worked down meaningfully for the season-to-date and left the market vulnerable to the potential for prices to spike should major cold weather emerge between now and the end of March. Beyond that point buying interest has been limited, however, as growing NG production volumes are expected to prevail over the summer months and help to refill storage facilities. After topping out at a new record above 77 Bcf/day in December, extreme cold yielded freeze-offs that saw output drop several Bcf briefly, and we have since recovered back to ~76 Bcf/day over the past few weeks, but the EIA is projecting that average dry-gas production for 2018 will top 80 Bcf/day, and next year should see additional incremental gains that are expected to yield a new all-time record level of dry-gas production. With supply concerns currently limited to the few months we will still

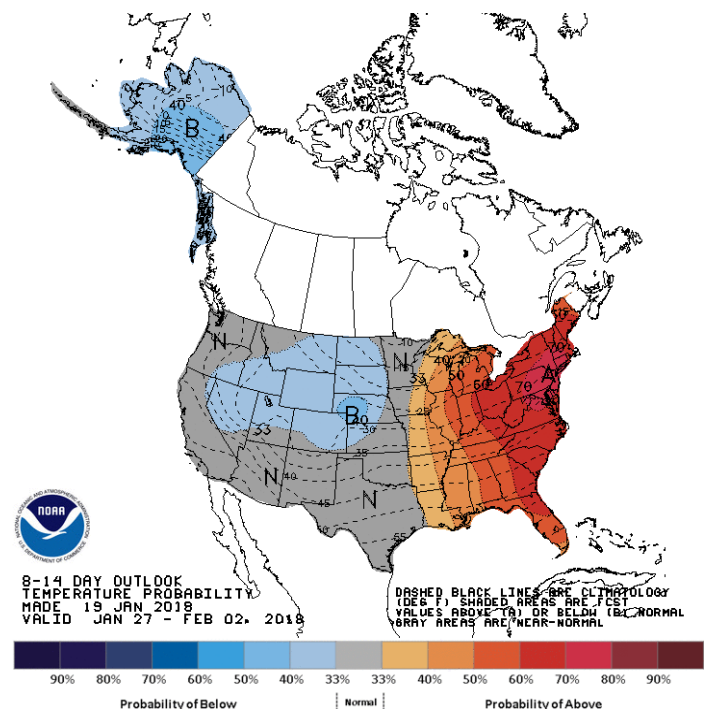
NYMEX NG 240-MIN CHART 01/12/2018 - 01/19/2018



CQG Inc. © 2018 01/19/2018 16:33:13, CQG 18.12.8039 Alpha

As of Week Ending:	1/12/2018	Build/(Draw)
Current Storage	2,584 Bcf	(183) Bcf
		Surplus/(Deficit)
Last Year Storage	2,952 Bcf	(368) Bcf
5-Year Average	2,946 Bcf	(362) Bcf

be counting on storage to meet potential demand, the Feb and Mar contracts have held up against the rest of the curve, and despite some push and pull by bulls and bears alike, we are finishing up the week very little changed from one week ago, although the Feb/Mar spread has moved out a little and Mar/Apr has come in a little, but Feb/Apr is roughly flat week-over-week at approximately +40 cents, and Cal19 forward prices have seen little in the way of fluctuations on the week either. Moderate conditions over the coming weeks (8 to 14 day outlook from NOAA is below) are not yielding selling pressure right now as the market is deeming that the storage situation is tight enough that the potential for cold to emerge in February or March and drive prices higher cannot be ruled out as yet, and so traders are somewhat hesitant to sell. If conditions do return to the record-cold we had seen a few weeks ago, prices could still take off on a tear higher, and depending on how low storage were to get that has the potential to spill over into strength for Apr18 forward as well, but for now the market appears to be in "wait and see" mode.



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