



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](http://www.snyderbrothersinc.com)

Month	Settle	3/27/2018	Strip Avg.
Apr-18	2.691	May18-Oct18	2.800
May-18	2.714	Nov18-Mar19	2.993
Jun-18	2.766	Apr19-Oct19	2.677
Jul-18	2.822	Nov19-Mar20	2.909
Aug-18	2.838	Apr20-Oct20	2.670
Sep-18	2.823	May18-Apr19 (1-yr)	2.869
Oct-18	2.836	Calendar 2019	2.791
Nov-18	2.880	Calendar 2020	2.771
Dec-18	3.001	Calendar 2021	2.811
Jan-19	3.085	Calendar 2022	2.858
Feb-19	3.048	Calendar 2023	2.909
Mar-19	2.949	Calendar 2024	2.960

**ICE BASIS FUTURES PRICES:**

Tetco M2 Basis	3/27/2018	Dominion-South Basis	
May-18	-0.6050	May-18	-0.5800
Jun-18	-0.6775	Jun-18	-0.6450
May18-Oct18	-0.7313	May18-Oct18	-0.7017
Nov18-Mar19	-0.4750	Nov18-Mar19	-0.5190
Apr19-Oct19	-0.6782	Apr19-Oct19	-0.6454
May18-Apr19 (1-yr)	-0.6056	May18-Apr19 (1-yr)	-0.6063
Calendar 2019	-0.5950	Calendar 2019	-0.5921
Calendar 2020	-0.6071	Calendar 2020	-0.6010
Calendar 2021	-0.6515	Calendar 2021	-0.6271
Calendar 2022	-0.6721	Calendar 2022	-0.6271
Calendar 2023	-0.6625	Calendar 2023	-0.6223

**TODAY'S GAS DAILY CASH MARKET PRICES (for GD27):**

TRAN Z6 NY	2.675	Henry Hub	2.580	Dom-South	2.300
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**Market Commentary:** Last week was generally bearish for natural gas prices, with the market attempting to regain the 2.70 level early on in the week, which was ultimately thwarted, and prices took a nosedive on Wednesday and never looked back. The April contract had initially found support around 2.65 last Monday, which gave way to a slow grind back up toward 2.70 over the next two days, and after briefly poking above there on Wednesday, sellers pounced again and knocked the market back below 2.65 in short order. From there we spent the overnight hours consolidating in that area, and a brief spike up to 2.66 ahead of storage on Thursday morning once again saw sellers get aggressive (if a 4-cent drop can be considered "aggressive selling") and knock prices down to fresh lows for the week, and we then ground lower over the rest of Thursday and into Friday which finished up with a whimper and fresh lows in the high 2.50's were seen. This week saw a quieter open in that same vicinity, but things started their way back up yesterday with a push back up toward the mid-2.60's, and today saw a strong finish for the Apr18 Nymex contract which closed just below overhead resistance with a 2.691 settle for the month. May will

NYMEX NG 240-MIN CHART 03/16/2018 - 03/27/2018



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As of Week Ending:	3/16/2018	Build/(Draw)
Current Storage	1,446 Bcf	(86) Bcf
		Surplus/(Deficit)
Last Year Storage	2,113 Bcf	(667) Bcf
5-Year Average	1,775 Bcf	(329) Bcf

now assume prompt status, and it has bumped up against the 200-day moving average for the contract (in blue below), and is also below prior failed rally attempts from earlier in the month around 2.735. A breach of that level opens the path back up for a return to the low 2.80's, and if that doesn't cap things we are looking at the mid-2.90's as the next major area of resistance, and then 3.00 is always a critical psychological level whether it holds specific technical significance or not—in this case it is significant, because that was the high print for the May18 contract hit last October, and remains the high print for the contract going back as far as the summer of 2015. Weather conditions look increasingly favorable for demand, with cold temperatures expected to persist into the middle part of April across the Great Plains, Midwest, and Northeast regions, which should keep overnight heating demand elevated. That has less of an impact in April than during the height of winter, but it is still incremental demand for a market with an already tight storage balance as spring utility maintenance sparks higher NG demand from the power stack, and as growing LNG export volumes continue to underpin the market, both from Sabine Pass and now Cove Point. Production has hit 78 Bcf/day in recent weeks, a new record high, but demand remains strong and is expected to be elevated this year as coal-fired generation continues to make its way out of the US power grid, with notable losses in the ERCOT power market in Texas expected to result in fireworks for that market this summer.



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