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Month	Settle	5/14/2018	Strip Avg,
Jun-18	2.842	Jun18-Oct18	2.856
Jul-18	2.859	Nov18-Mar19	2.987
Aug-18	2.869	Apr19-Oct19	2.593
Sep-18	2.851	Nov19-Mar20	2.829
Oct-18	2.859	Apr20-Oct20	2.566
Nov-18	2.897	Jun18-May19 (1-yr)	2.862
Dec-18	2.997	Calendar 2019	2.725
Jan-19	3.077	Calendar 2020	2.672
Feb-19	3.038	Calendar 2021	2.675
Mar-19	2.926	Calendar 2022	2.713
Apr-19	2.581	Calendar 2023	2.780
May-19	2.547	Calendar 2024	2.856

ICE BASIS FUTURES PRICES:

Tetco M2 Basis	5/14/2018	Dominion-South Basis	
Jun-18	-0.5900	Jun-18	-0.5775
Jul-18	-0.5650	Jul-18	-0.5475
Jun18-Oct18	-0.6025	Jun18-Oct18	-0.5770
Nov18-Mar19	-0.4040	Nov18-Mar19	-0.4435
Apr19-Oct19	-0.6079	Apr19-Oct19	-0.5725
Jun18-May19 (1-yr)	-0.5015	Jun18-May19 (1-yr)	-0.5010
Calendar 2019	-0.5350	Calendar 2019	-0.5300
Calendar 2020	-0.5952	Calendar 2020	-0.5850
Calendar 2021	-0.6981	Calendar 2021	-0.6763
Calendar 2022	-0.7098	Calendar 2022	-0.6844

TODAY'S GAS DAILY CASH MARKET PRICES (for GD12-14):

TRAN Z6 NY	2.505	Henry Hub	2.755	Dom-South	2.150
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Market Commentary: The natural gas market has found a reason to rally in recent days, as supportive weather conditions stoke demand and provide NG bulls with a talking point. The ascent has still unfolded rather quietly and in very orderly fashion, with only last Thursday's storage-induced rally standing out on the 4-hour candlestick chart below. Production has also backed off a tad over the past week but remains within striking distance of the 78 Bcf/day high water mark threshold, but weather conditions are cooperating with the bulls and producing some demand for the market. Current expectations continue to suggest that the storage outlook is likely to remain bullish through the beginning of the injection season, as traders wait for a sign that the refill rate will be sufficient going in to next winter, but for now storage remains more than 500 Bcf below the 5-year average and nearly 900 Bcf below where things stood at the same point one year ago. After struggling to overcome the 2.75 level early last week, the storage report on Thursday created the upside catalyst that bulls had been waiting on, and futures took off on a tear higher and have not yet really looked back (they have not actually moved much in either direction, admittedly, but have tacked on another few cents since.)

NYMEX NG 240-MIN CHART 04/27/2018 - 05/07/2018



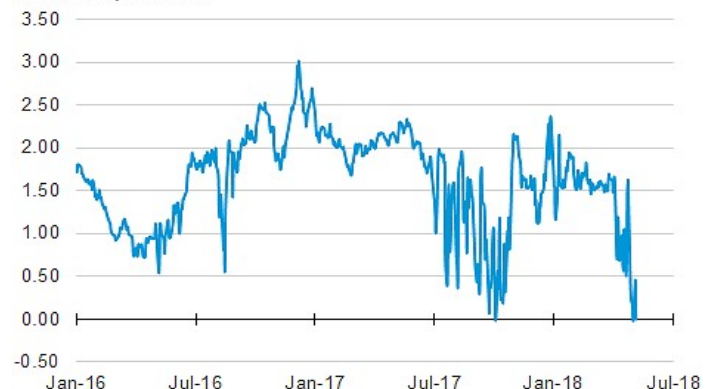
CQG Inc. © 2018 05/14/2018 17:45:22, CQG 19.4.8009 Alpha

As of Week Ending:	5/4/2018	Build/(Draw)
Current Storage	1,432 Bcf	+89 Bcf
		Surplus/(Deficit)
Last Year Storage	2,295 Bcf	(863) Bcf
5-Year Average	1,952 Bcf	(520) Bcf

There have been a few downside probes, but no selling momentum below 2.80, and the upside momentum has also been lacking with a move up toward 2.85 failing to print (by a few ticks), and a subsequent re-test this afternoon fizzled out at the very same 2.847 level. Weather conditions have generally been cooperating and have been somewhat supportive, with widespread colder than normal temperatures persisting into late April, while widespread above-normal temperatures have been the theme thus far for May. A few years back there was plenty of talk about the possibility for the US natural gas market to trade negative prices as pipeline constraints could potentially have led to producers paying to have gas taken off of their hands (to avoid penalties), but those concerns never came to pass and were generally chalked up to hysteria (like the \$300 crude headlines that a certain hedge fund manager helped to resurface last week), but in Western Canada those fears have been realized in recent months, as AECO C prices have traded to 0 on several occasions and even into negative territory a few times. The record low price for AECO C natural gas was (\$0.29) from last September, but the average price that day was higher. On 10/06/2017 the average price for the day came in at \$0.00, and 11 days ago (on May 3rd), there were a series of transactions below the 0 threshold, but the average price for the day was still \$0.14, but then the next day we saw a daily average price of (\$0.01) for AECO C. While it seems unlikely that we would see such a scenario unfold in the Lower 48 anytime soon, it serves as a reminder about what is possible.

Natural gas spot prices at AECO C

U.S. dollars per MMBtu



Sources: Natural Gas Intelligence, Bloomberg

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