



## NATURAL GAS MARKET UPDATE

August 9, 2019

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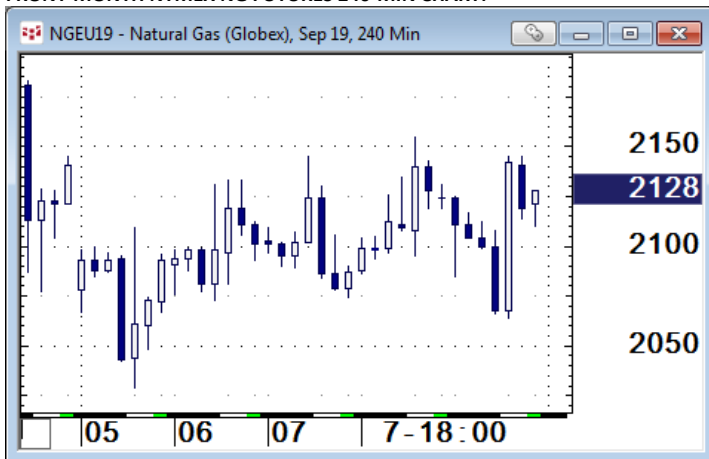
### NYMEX HENRY HUB SETTLEMENT PRICES:

8/9/19	Settle	Season		Year	
Sep19	2.119	Sep19-Oct19	2.126	Cal 20	2.395
Oct19	2.133	Nov19-Mar20	2.420	Cal 21	2.479
Nov19	2.214	Apr20-Oct20	2.320	Cal 22	2.542
Dec19	2.406	Nov20-Mar21	2.599	Cal 23	2.627
Jan20	2.530	Apr21-Oct21	2.377	Cal 24	2.698
Feb20	2.506	Nov21-Mar22	2.666	Cal 25	2.800
Mar20	2.445	Apr22-Oct22	2.439	Cal 26	2.924
Apr20	2.277	Nov22-Mar23	2.718	Cal 27	3.075
May20	2.263	Apr23-Oct23	2.530	Cal 28	3.198

### DOMINION-SOUTH FIXED-PRICE MARKETS (NYMEX/HENRY+ ICE DOM-SOUTH BASIS):

Month	Price	Season	Price
Sep-19	1.6215	Sep19-Oct19	1.6085
Oct-19	1.5955	Nov19-Mar20	2.1032
Nov-19	1.8140	Apr20-Oct20	1.8966
Dec-19	2.0810	Nov20-Mar21	2.2320
Jan-20	2.2400	Apr21-Oct21	1.8946
Feb-20	2.2210	Nov21-Mar22	2.2701
Mar-20	2.1600	Sep19-Aug20 (1-Year)	1.9493
Apr-20	1.9845	Calendar 2020	2.0106
May-20	1.8955	Calendar 2021	2.0432
Jun-20	1.9035	Calendar 2022	2.0538
Jul-20	1.9405	Calendar 2023	2.1017
Aug-20	1.9340	Calendar 2024	2.1630

### FRONT-MONTH NYMEX NG FUTURES 240-MIN CHART:

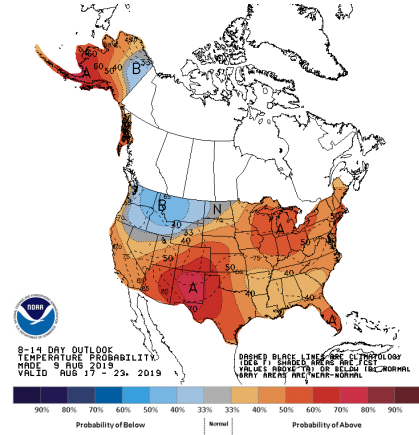


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### DAILY CASH MARKET PRICES (for GD9):

Columbia Gas Transmission (TCO)	1.905
Dominion South Point	1.760
Henry Hub	2.100
Sumas	1.810
Socal, citygate	2.750
Tetco M3	1.830
Transco Zone 5 South	2.230
Waha	0.170

### NOAA 8 TO 14 DAY TEMPERATURE ANOMALY FORECAST:



### WORKING NATURAL GAS IN STORAGE, LOWER 48 STATES:

As of Week Ending:	8/2/2019	Build/(Draw)
Current Storage	2,689 Bcf	+55 Bcf
		Surplus/(Deficit)
Last Year Storage	2,346 Bcf	343 Bcf
5-Year Average	2,800 Bcf	(111) Bcf
<b>ICE Traded Markets:</b>		ICE Settle:
Weekly Storage Inventory Number (08/15/2019)		+60 Bcf
End of Injection Season Storage (11/14/2019)		3,791 Bcf

**Market Commentary:** The week began with a slight gap lower on the charts, opening up below 2.10 and staying below that threshold overnight into Monday morning, with a dive down to a fresh 38-month low of 2.029 for the front-month before prices bounced. We got back above 2.10 very briefly, then dipped back below it and stayed there until early Tuesday AM when prices rallied another few cents and got barely into the teens, but those were also rejected and back below 2.10 we went and then consolidated around that level overnight into Wednesday. Ahead of the Weds AM open futures regained the teens and got as high as 2.145 before tumbling back below 2.075 on the close, then started a slow and steady ascent that got prices back above 2.10 early yesterday AM, before pulling back in the lead-up to the weekly storage report. The EIA reported that storage operators injected +55 Bcf for the week, which was less than consensus and did yield a knee-jerk reaction higher, but the rally fizzled out by midday with a high print of 2.155 and then started a steady descent from there that endured until this morning's 9 AM open when prices launched from the 2.064 session low and had regained 2.12 within 12 minutes, and we have remained within a couple of pennies of that level since then. Dry-gas output has been booming and has seen several days above 90 Bcf/day, and since the outset of the month production has averaged just shy of that threshold as well. Anemic demand held down by mild weather has meant that EOS expectations for peak storage levels in November have been on the rise, with the market currently pricing in ~3.8 Tcf in the ground for winter, which would be ~550 Bcf above where we finished up last year. The 8 to 14 day outlook from NOAA shows above normal temperatures covering most of the Lower 48 (the hydro-heavy Pacific Northwest notwithstanding) as we move into late August, which should help create some support for prices in the short run, but the trend lately has been for bad news to be seized upon and good news to be ignored. Feedgas demand for LNG liquefaction has come off as Cheniere undergoes planned maintenance for Trains 3 & 4 at Sabine Pass, falling ~1.5 Bcf/day from last week to roughly 4 Bcf/day from a peak above 6 Bcf day seen last month. The Gulf Coast Express (GCX) pipeline is nearing completion as well, with flows expected to begin next month on the 2 Bcf/day pipeline that will deliver Permian gas to the Gulf Coast and help alleviate some of the bottleneck in West Texas that saw negative prices on and off over the course of the summer at Waha and other area hubs.

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