NATURAL GAS MARKET UPDATE

December 13, 2019

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

NYMEX HENRY HUB SETTLEMENT PRICES:

12/13/19	Settle	Season		Year	
Jan20	2.296	Jan20-Mar20	2.269	Cal 20	2.294
Feb20	2.282	Apr20-Oct20	2.254	Cal 21	2.444
Mar20	2.228	Nov20-Mar21	2.560	Cal 22	2.449
Apr20	2.170	Apr21-Oct21	2.343	Cal 23	2.474
May20	2.187	Nov21-Mar22	2.617	Cal 24	2.524
Jun20	2.236	Apr22-Oct22	2.333	Cal 25	2.567
Jul20	2.286	Nov22-Mar23	2.615	Cal 26	2.608
Aug20	2.298	Apr23-Oct23	2.361	Cal 27	2.690
Sep20	2.285	Nov23-Mar24	2.675	Cal 28	2.754

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

Jan-20	1.9135	Jan20-Mar20	1.8970
Feb-20	1.9145	Apr20-Oct20	1.7842
Mar-20	1.8630	Nov20-Mar21	2.1525
Apr-20	1.8175	Apr21-Oct21	1.8454
May-20	1.7820	Nov21-Mar22	2.2022
Jun-20	1.8310	Apr22-Oct22	1.7879
Jul-20	1.8860	Calendar 2020	1.8516
Aug-20	1.8530	Calendar 2021	1.9851
Sep-20	1.6575	Calendar 2022	1.9484
Oct-20	1.6625	Calendar 2023	1.8940
Nov-20	1.8770	Calendar 2024	1.9168
Dec-20	2.1615	Calendar 2025	1.9699

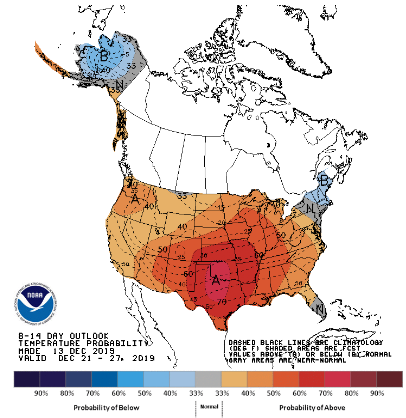
FRONT-MONTH NYMEX NG FUTURES 240-MIN CHART:

CQG Inc. © 2019 NGEF20,240 | 12/13/2019 17:21:30, CQG 20.9.8043

DAILY CASH MARKET PRICES (for GD13):

Columbia Gas Transmission (TCO)	1.930
Dominion South Point	1.820
Henry Hub	2.260
Socal, citygate	4.760
Sumas	2.975
Tennessee Gas Pipeline Zone 6 North	2.425
Transco Zone 5 South	2.350
Waha	1.470

NOAA 8 TO 14 DAY TEMPERATURE ANOMALY FORECAST:



WORKING NATURAL GAS IN STORAGE, LOWER 48 STATES:

As of Week Ending:	12/6/2019	Build/(Draw)
Current Storage	3,518 Bcf	(73) Bcf
		Surplus/(Deficit)
Last Year Storage	2,925 Bcf	593 Bcf
5-Year Average	3,532 Bcf	(14) Bcf
ICE Traded Markets:		ICE Settle:
Weekly Storage Inventory Number (12/19/2019)		(102) Bcf
End of Injection Season Storage (04/09/2020)		1,720 Bcf

Market Commentary: Last week's finish would probably not be termed "strong" by many, with prices finishing up near 2.35 which was closer to the weekly low than it was to the weekly high, and came on the heels of some late-week selling pressure. Last weekend saw the disagreement between the two primary weather models resolve in favor of the milder European model's outlook, and last Sunday saw a sharp gap down on the charts, with an exceptionally weak open around 2.20 and a spike down into the mid-teens before support was found. Prices firmed back up into the low 2.20's overnight and then consolidated above 2.20 on Monday before moving up into the mid-2.20's later in the day. From there we saw a slow grind up toward 2.30, which capped the market's attempt to move higher on multiple occasions mid-week before yesterday's storage report helped propel us back to a 2.30-handle, and Jan futures got as high as the mid-2.30's late yesterday before pulling the rug out from under it overnight last night. The resulting dive sent the market almost, but not quite, a dime lower than yesterday's afternoon highs, but support emerged ahead of the official 9AM open and prices moved back up to regain 2.30 once more, and then spent most of the day consolidating around the 2.30 level with minimal intraday volatility. It's December and it is supposed to be cold, and while it has been in some areas month-to-date, there have been other areas with less supportive conditions, and the 8 to 14 day outlook from NOAA is not what you want to see during one of the peak demand months, and one that tends to set the tone for the market for the next few months. Cold in January can still turn the tide on prices, but the 8 to 14 day outlook gets us into late December when we should be seeing blues and purples on the maps, and instead we are seeing the oranges and reds that market bulls would prefer to see in the summer. Robust production has started to weigh on sentiment well out the forward curve, with Cal20 Nymex down almost 30 cents since early November, and Cal21 and beyond have come down as well, though not quite to the same extent. The market is looking for producers to show some discipline and stop flooding pipelines and LNG cargoes with cheap supply, and until such time as that starts to take shape, the only other catalyst we have to propel the market higher is demand-inducing weather, but the ability of that to move the needle is fairly short-term in nature, and when rallies do emerge they seem to only offer more favorable prices for producers to bring on more supply. Cold weather could still save the market for the next few contract months, but once summer arrives if S&D balances remain this loose, it could be an unusually bearish injection season.