NATURAL GAS MARKET UPDATE

March 6, 2020

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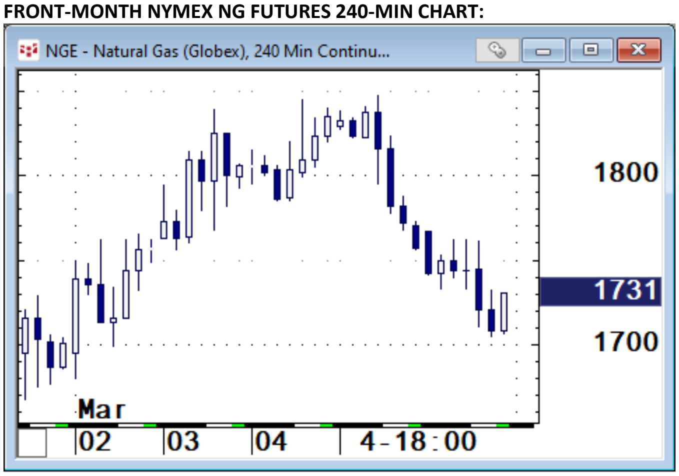
NYMEX HENRY HUB SETTLEMENT PRICES:

3/6/20	Settle	Season		Year	
Apr20	1.708	Apr20-Oct20	1.928	Cal 21	2.272
May20	1.748	Nov20-Mar21	2.346	Cal 22	2.346
Jun20	1.816	Apr21-Oct21	2.204	Cal 23	2.418
Jul20	1.902	Nov21-Mar22	2.445	Cal 24	2.479
Aug20	1.942	Apr22-Oct22	2.265	Cal 25	2.523
Sep20	1.952	Nov22-Mar23	2.521	Cal 26	2.579
Oct20	1.996	Apr23-Oct23	2.336	Cal 27	2.648
Nov20	2.138	Nov23-Mar24	2.593	Cal 28	2.686
Dec20	2.359	Apr24-Oct24	2.394	Cal 29	2.708

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

Apr-20	1.3855	Apr20-Oct20	1.4163
May-20	1.3755	Nov20-Mar21	1.9727
Jun-20	1.4285	Apr21-Oct21	1.7394
Jul-20	1.4970	Nov21-Mar22	2.0999
Aug-20	1.5120	Apr22-Oct22	1.7925
Sep-20	1.3495	Nov22-Mar23	2.1661
Oct-20	1.3660	Apr20-Mar21 (1-year)	1.6481
Nov-20	1.6830	Calendar 2021	1.8613
Dec-20	1.9890	Calendar 2022	1.9311
Jan-21	2.1035	Calendar 2023	1.9660
Feb-21	2.0920	Calendar 2024	1.9978
Mar-21	1.9960	Calendar 2025	2.0355

FRONT-MONTH NYMEX NG FUTURES 240-MIN CHART:



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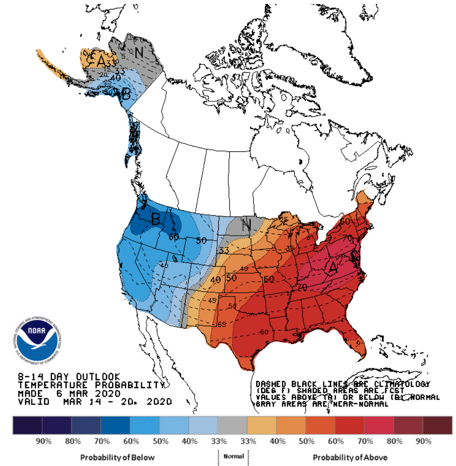
DAILY CASH MARKET PRICES (for GD6):

Columbia Gas Transmission (TCO)	1.595
Dominion South Point	1.540
Henry Hub	1.820
Socal, citygate	2.100
Sumas	1.555
Tetco M3	1.635
Transco Zone 5 South	1.880
Waha	0.365

NOAA 8 TO 14 DAY TEMPERATURE ANOMALY FORECAST:



WORKING NATURAL GAS IN STORAGE, LOWER 48 STATES:

As of Week Ending:	2/28/2020	Build/(Draw)
Current Storage	2,091 Bcf	(109) Bcf
		Surplus/(Deficit)
Last Year Storage	1,411 Bcf	680 Bcf
5-Year Average	1,915 Bcf	176 Bcf
ICE Traded Markets:		ICE Settle:
Weekly Storage Inventory Number (03/12/2020)		(56) Bcf
End of Injection Season Storage (04/09/2020)		1,985 Bcf

Market Commentary: Markets went into last weekend jittery to say the least, and this week began on less than solid footing to start things off. Natural gas started higher this past Sunday, albeit from extreme weakness to finish out last week, with the market regaining the 1.84 level by the middle of this week as price action suggested that perhaps the enthusiasm in selling NG down last week was overdone. After last week finished up on the lows in the stock market and new highs in bond prices (and new lows in yields), there were expectations that central bank intervention to try to prop things up was likely, and markets seemed to stage a short-term reversal, which continued after the Fed's surprise 50 basis point interest rate cut on Tuesday provided another jolt of fuel for markets. Natural gas appeared to follow along, but when yesterday's storage report came out, that provided the catalyst needed to send prices back down. Selling pressure has continued today as well, with April Nymex trading near 1.72, down another nickel for the day, but still a couple of cents above where we finished up one week ago. Oil prices have taken a severe beating to finish out the week, with domestic WTI down close to 10% to just above $41/bbl., and the global Brent market is down about 9% and is now sporting a mid 45-handle. Oil-focused stocks have taken a severe beating this week, as oil prices have been clobbered, while most gas-focused names have appeared more stable, but they had already taken severe punishment in recent weeks and months. A few major gas producers now appear to be teetering on the brink of failure, and at minimum may be forced to take measures to avoid being de-listed by the stock exchanges they trade on (which generally require a company to maintain a share price above $1.00). Ironically, the extreme weakness in the oil patch this week may end up being good news for the natural gas sector, if lower prices result in a reduction in drilling by oil E&P companies, which would in turn reduce the volume of expected "associated gas" produced by oil producers (which tends to be viewed as a by-product of oil production and not tied to the economics of the gas market), so a weaker outlook for oil could actually end up being somewhat of a boon for natural gas. The inability of OPEC+ to come to an agreement on production cuts in response to the Coronavirus outbreak suggests that Russia is more concerned with market share than oil prices (the Saudis had been pushing for production cuts to prop up prices), and that may spell trouble for US E&P names who have invested heavily in shale and accumulated significant debt in the process. The same script has driven the US natural gas industry to the brink of survival, but it may be oil's turn in the penalty box that ends up providing some relief for natural gas in the short-term.