

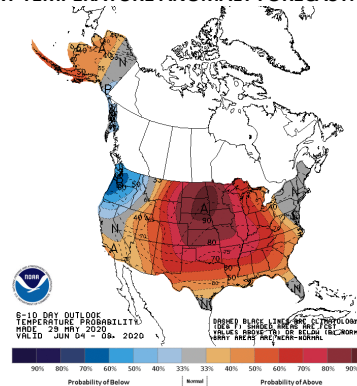


## NATURAL GAS MARKET UPDATE

May 29, 2020

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)

## NOAA 6 TO 10 DAY TEMPERATURE ANOMALY FORECAST:



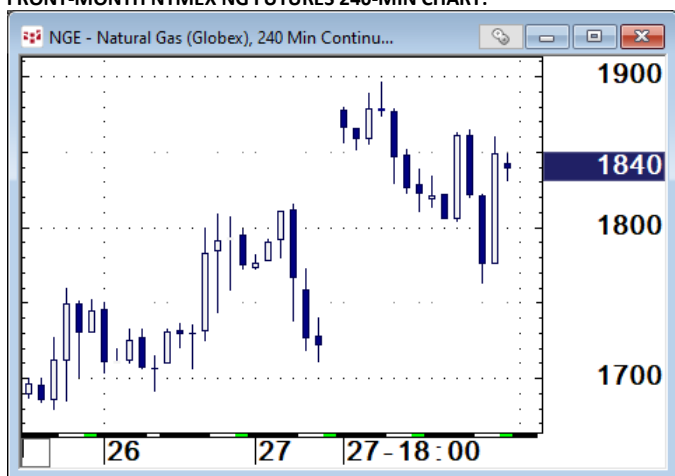
### NYMEX HENRY HUB SETTLEMENT PRICES:

5/29/20	Settle	Season		Year	
Jul20	1.849	Jun20-Oct20	2.047	Cal 21	2.652
Aug20	1.940	Nov20-Mar21	2.799	Cal 22	2.483
Sep20	1.988	Apr21-Oct21	2.558	Cal 23	2.429
Oct20	2.068	Nov21-Mar22	2.680	Cal 24	2.423
Nov20	2.389	Apr22-Oct22	2.363	Cal 25	2.418
Dec20	2.811	Nov22-Mar23	2.590	Cal 26	2.421
Jan21	2.955	Apr23-Oct23	2.320	Cal 27	2.399
Feb21	2.919	Nov23-Mar24	2.565	Cal 28	2.430
Mar21	2.798	Apr24-Oct24	2.324	Cal 29	2.491

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

Month	Price	Season	Price
Jul-20	1.4415	Jul20-Oct20	1.3706
Aug-20	1.4600	Nov20-Mar21	2.3374
Sep-20	1.2680	Apr21-Oct21	2.0077
Oct-20	1.3130	Nov21-Mar22	2.3421
Nov-20	1.8590	Apr22-Oct22	1.8544
Dec-20	2.3960	Nov22-Mar23	2.2439
Jan-21	2.5275	Jul20-Jun21 (1-year)	1.9430
Feb-21	2.5140	Calendar 2021	2.1638
Mar-21	2.3905	Calendar 2022	2.0371
Apr-21	2.1045	Calendar 2023	1.9795
May-21	2.0140	Calendar 2024	1.9360
Jun-21	2.0285	Calendar 2025	1.9075

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



COG Inc. © 2020 NGE, 240C | 05/29/2020 17:14:49, COG 20.12.8070

### DAILY CASH MARKET PRICES (for GD29-GD31):

Columbia Gas Transmission (TCO)	1.465
Dominion South Point	1.355
Henry Hub	1.690
Leidy Line receipts (Transco)	1.300
Tetco M3	1.365
Transco Station 85 (Zone 4)	1.720
Transco Zone 5 South	1.730
Waha	1.545

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

As of Week Ending:	5/22/2020	Build/(Draw)
Current Storage	2,612 Bcf	+109 Bcf
		Surplus/(Deficit)
Last Year Storage	1,834 Bcf	778 Bcf
5-Year Average	2,189 Bcf	423 Bcf
<b>ICE Traded Markets:</b>	ICE Settle:	
Weekly Storage Inventory Number (06/04/2020)		+105 Bcf
End of Natural Gas Storage Swap (11/12/2020)		3,925 Bcf

**Market Commentary:** The natural gas market continued to fluctuate between roughly 1.70 and 1.90 this week, opening up near the low end of that range and then touching the weekly high of 1.896 for the new front-month Jul20 Nymex contract early yesterday morning. Monday was a holiday so there was a shortened Globex session and no daily settlement prices due to the holiday, but the action was bearish in what little did trade, before bouncing a dime from those lows on Tuesday AM as the then-prompt Jun20 Nymex poked up above 1.80. Not much momentum was built above there though, and prices consolidated around the 1.80 level before sellers stepped back in and knocked the market back down for the monthly contract settlement on Wednesday afternoon. Jul20 Nymex assumed front-month status from there, and the wide contango between those two contracts is evident on the continuation chart. The weekly storage report yesterday showed a larger than expected injection, which yielded an initial decline, and that decline picked up steam as July broke lower and printed new all-time contract lows below 1.80, with a new low of 1.763 for that contract hit today (though it is still higher than the early week lows for the June contract, as is apparent on the continuation chart), before prices bounced into today's close and raced back up to 1.86 this afternoon. Global LNG prices continue to trade at historic lows as the world deals with a glut of LNG supply amid a lack of major demand in the short-run, but US production declines of roughly 3 Bcf/day from late last month have helped tighten domestic Supply/Demand balances with the market now looking tighter here at home. That has helped US gas prices hold well above Europe and the economics to export to Asian markets do not look favorable at current prices for the next several months. The weather outlook is a bit more supportive, however, with the 6 to 10 day outlook from NOAA above showing widespread above-normal temperatures, and cooling demand should start to tick higher, which should provide some support. Another factor to keep in mind is that hurricane season officially kicks off on Monday, and we have already seen two named storms in the month of May, with Tropical Storm Arthur forming on May 12<sup>th</sup>, and TS Bertha following on May 25<sup>th</sup>. Hurricanes are generally viewed as net bearish events to natural gas markets nowadays, with demand destruction and potential curbing of LNG export capabilities, but they do have the ability to create some production shut-ins as well, and can have a greater impact on oil markets, given that a much greater share of US oil production comes out of the Gulf of Mexico these days than does natural gas.

*This information is provided as a courtesy to our customers and should not be construed as advice regarding the purchase or sale of exchange-traded futures or options contracts or any other instruments. This report is based upon factual information obtained from sources believed to be reliable, but their accuracy is not guaranteed. Reliance upon this information for decisions is at the sole risk of the reader. This communication is not intended to forecast or predict future events. Past performance is not a guarantee or indication of future results. Prices are historical and/or indicative and do not represent firm quotes as to either price or size.*