

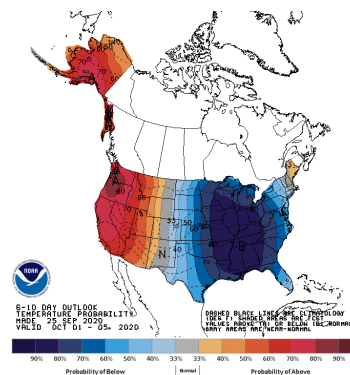


NATURAL GAS MARKET UPDATE

September 25, 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

NOAA 6 TO 10 DAY TEMPERATURE ANOMALY FORECAST:



NYMEX HENRY HUB SETTLEMENT PRICES:

9/25/20	Settle	Season	Year	Year	Year
Oct20	2.139	Nov20-Mar21	3.206	Cal 21	2.972
Nov20	2.807	Apr21-Oct21	2.825	Cal 22	2.646
Dec20	3.277	Nov21-Mar22	3.028	Cal 23	2.508
Jan21	3.398	Apr22-Oct22	2.468	Cal 24	2.501
Feb21	3.348	Nov22-Mar23	2.742	Cal 25	2.532
Mar21	3.200	Apr23-Oct23	2.364	Cal 26	2.539
Apr21	2.834	Nov23-Mar24	2.680	Cal 27	2.571
May21	2.777	Apr24-Oct24	2.367	Cal 28	2.618
Jun21	2.801	Nov24-Mar25	2.711	Cal 29	2.677

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

Oct-20	1.0315	Nov20-Mar21	2.7010
Nov-20	2.0345	Apr21-Oct21	2.2182
Dec-20	2.8195	Nov21-Mar22	2.5936
Jan-21	2.9480	Apr22-Oct22	1.8824
Feb-21	2.9130	Nov22-Mar23	2.2920
Mar-21	2.7900	Apr23-Oct23	1.7789
Apr-21	2.4115	Oct20-Sep21 (1-year)	2.3282
May-21	2.2545	Calendar 2021	2.4331
Jun-21	2.2435	Calendar 2022	2.1219
Jul-21	2.2440	Calendar 2023	1.9797
Aug-21	2.2070	Calendar 2024	1.9773
Sep-21	2.0415	Calendar 2025	2.0023

FRONT-MONTH NYMEX NG FUTURES 240-MIN CHART:



CQG Inc. © 2020 NGEV20,240 | 09/25/2020 17:35:13, CQG 21.9.8011 Alpha

DAILY CASH MARKET PRICES (for GD25):

Columbia Gas Transmission (TCO)	1.345
Dominion South Point	1.340
Henry Hub	1.935
Tetco M2 (receipts)	0.260
Tetco M3	1.195
Transco Station 85 (Zone 4)	1.930
Transco Zone 5 South	1.960
Waha	1.385

WORKING NATURAL GAS IN STORAGE, LOWER 48 STATES:

As of Week Ending:	9/18/2020	Build/(Draw)
Current Storage	3,680 Bcf	+66 Bcf
		Surplus/(Deficit)
Last Year Storage	3,176 Bcf	504 Bcf
5-Year Average	3,273 Bcf	407 Bcf
ICE Traded Markets:	ICE Settle:	
Weekly Storage Inventory Number (10/01/2020)		+75 Bcf
End of Natural Gas Storage Swap (11/12/2020)		3,985 Bcf

Market Commentary: The selloff that we finished up last week with turned out to be a precursor of what was to come, as this week we opened up slightly below 2.00 on Sunday night and attempted to trade back up to 2.05 without success. Selling pressure mounted overnight before the Oct contract shed 20 cents Monday AM in just a couple of hours, before finding support just below 1.80. The bounce was somewhat weak and failed to hold over the 1.90 level for more than a brief moment though, and on Tuesday we were still chopping in the 1.80's with a lack of a sense of direction. Early Weds AM buyers started to nibble, and once we broke above 1.90 it was off to the races, with the market jumping from 1.90 before 8:00 AM to an intraday high of almost 2.21 by late afternoon. Overnight into Thursday we jumped again, touching a high of 2.320 just after midnight, which proved to be the weekly high. Ahead of yesterday's storage report, the Oct contract had pared gains and was 15 cents off of its highs, but the report from the EIA showed that storage was only +66 Bcf for the week, much less than consensus and good for a bounce, though Oct failed to regain the 2.30 level. Activity has shifted to November futures at this point, and the Oct/Nov calendar spread has been quite active and extremely volatile this week, with a trading range of 32 cents for the spread itself. The winter contracts have held up much better as Oct Nymex has seen wild swings in both directions, with storage set to peak near its record high just above 4.0 Tcf. That generated some concerns that we may have ended up running out of space, but as the likelihood of that possibility has ebbed and flowed, NG has seen risk premium priced into and back out of the Oct contract, and to a lesser extent the Nov contract, while Dec20 forward have retained their premium ahead of the possibility for a very cold winter heating season, with production now 10% below where it had been in late 2019. LNG feedgas demand has been all over the place, dropping from 8 Bcf last Friday to a low of less than 4 Bcf on Tuesday, before recovering back to roughly 6 Bcf/day the past two days. While Cameron LNG remains offline without power, prospects for robust exports moving forward have helped buoy prices ahead of the winter. As always, winter heating demand is of huge importance, but with LNG exports now representing such a large slice of the US natural gas supply/demand balances, global temperatures will play a larger role in US pricing trends. As in prior years, an early shot of Arctic air would have the largest impact on prices, as that would force the market to price in the possibility that extreme cold prevailed for the entire season, but now that holds true for European and Asian weather also.

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.