

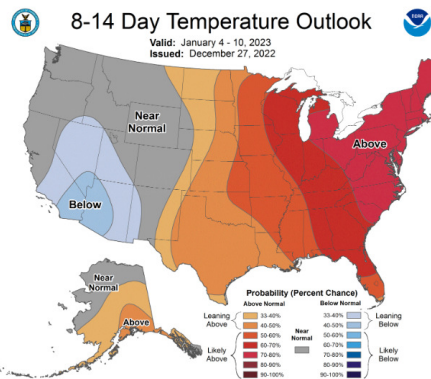


NATURAL GAS MARKET UPDATE
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NOAA 8 TO 14 DAY TEMPERATURE ANOMALY OUTLOOK:



NATURAL GAS FUTURES SETTLEMENT PRICES:

12/27/22	NYMEX NATURAL GAS				
Jan23	5.282	Jan23-Mar23	4.961	Cal 23	4.573
Feb23	5.118	Apr23-Oct23	4.319	Cal 24	4.355
Mar23	4.482	Nov23-Mar24	4.947	Cal 25	4.507
Apr23	4.191	Apr24-Oct24	3.981	Cal 26	4.545
May23	4.187	Nov24-Mar25	4.882	Cal 27	4.584
Jun23	4.295	Apr25-Oct25	4.187	Cal 28	4.652
TTF - HOLLAND		NBP - UNITED KINGDOM		JKM - ASIA	
Jan-23	\$25.043	Jan-23	\$24.075	Jan-23	N/A
Feb-23	\$25.677	Feb-23	\$25.412	Feb-23	\$28.185
Mar-23	\$26.229	Mar-23	\$25.570	Mar-23	\$25.770
Apr-23	\$26.525	Apr-23	\$26.671	Apr-23	\$24.875
May-23	\$26.663	May-23	\$26.769	May-23	\$25.140
EASTERN GAS SOUTH FIXED-PRICE SETTLES (NYMEX + BASIS):					
Jan-23	4.1695	Jan23-Mar23	4.0715		
Feb-23	4.2555	Apr23-Oct23	3.2404		
Mar-23	3.7895	Nov23-Mar24	4.1413		
Apr-23	3.5285	Apr24-Oct24	2.8059		
May-23	3.3345	Nov24-Mar25	4.1076		
Jun-23	3.4450	Apr25-Oct25	2.9623		
Jul-23	3.5035	Calendar 2023	3.5532		
Aug-23	3.4420	Calendar 2024	3.3440		
Sep-23	2.7890	Calendar 2025	3.4696		
Oct-23	2.6400	Calendar 2026	3.5008		

WORKING NATURAL GAS IN STORAGE, LOWER 48 STATES:

As of Week Ending:	12/16/2022	Build/(Draw)
Current Storage	3,325 Bcf	(87) Bcf
Last Year Storage	3,370 Bcf	(45) Bcf
5-Year Average	3,303 Bcf	22 Bcf
End of NG Storage Withdrawals 04/06/2023		1,600 Bcf

Market Commentary: Natural gas bulls are on the defensive at this point, with weather conditions failing to deliver sufficient additional widespread cold when it matters most, and prices have come down sharply over this year's holiday season. The cold forecast that created a large price spike to kick off the week two Sundays ago failed to be sustained, and as milder expectations have been priced into the futures curve, NG bears have flexed and sent natural gas prices into a tailspin that has seen front-month Jan23 Nymex drop over \$2.50 from the 7.105 highs on Tuesday 12/13 to this morning's intraday low of 4.588. Freeport LNG has issued another press release regarding the ongoing outage at that export facility, with the company commenting on their "notable progress on its path toward restart" but pointing out that regulatory approval is still pending and that the company does not expect to resume operations until the second half of January, though given how things have gone to-date it would not be a huge surprise if additional delays were to be encountered. Both LNG feedgas demand as well as dry-gas production have been hit by recent extreme weather conditions, with production slipping to a 7-day average of just 86.4 Bcf/day, down more than 10 Bcf/day from the prior weekly average, as freeze-offs reduced flows. Those conditions also limited ship traffic and impacted deliveries to export facilities, with LNG feedgas demand seeing a 7-day average of 10.8 Bcf/day, down 2 Bcf/day from the prior week, with 12/23 and 12/24 seeing the lowest figures either side of 9 Bcf/day, before some recovery in the subsequent days back to around 11 Bcf/day. Markets are forward looking and the cold air that curbed production is expected to give way to much milder conditions, particularly across the population-heavy Eastern half of the country, with the 8 to 14 day outlook above reflecting current expectations for that pattern to prevail well into January, and the 6 to 10 day outlook has even darker reds reflecting still warmer temperature expectations. Cash prices have come under pressure as well for most of the country, though the West Coast continues to pay the highest prices in the country, with SoCal city-gate pricing for today's delivery in the upper \$20's still, though in today's cash trade for tomorrow's delivery prices were down into the lower \$20's. Selling pressure has been the theme in foreign markets as well, with TTF and NBP moving down into the mid-\$20's for Jan23 delivery into Europe, while prompt JKM futures in Asia for Feb23 delivery were still in the upper \$20's as of yesterday's close, marking the highest priced molecules of the major trading hubs for the remaining winter. Jan23 Nymex will be settling for the month in the next 45 minutes and while it remains down sharply from yesterday, it has rallied back almost 25 cents from this morning's lows.

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FRONT-MONTH NYMEX NG FUTURES CHART:



CQG Inc. © 2022 NGE,920C | 12/28/2022 13:44:57, CQG 23.12.8007 Alpha

DAILY CASH MARKET PRICES (for GD28):

Columbia Gas Transmission (TCO)	4.535
Eastern Gas South (formerly Dominion South)	4.710
Enable Gas, East	3.270
Henry Hub	4.895
SoCal city-gate	28.555
Tetco M3	6.670
Transco Zone 5 South	6.580
Waha	1.150