

January 3, 2020

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Physical Spot Prices – January 02, 2020

	Price	Change	Natural Gas Equivalent
Natural Gas – H. Hub	\$2.122/MMBtu	-\$0.172	\$2.12
Propane – Mont Belvieu	\$0.453/gal	-\$0.017	\$4.95
Crude Oil – WTI Cush	\$61.180/bl	-\$0.500	\$10.55
No.2 Heating Oil – NYH	\$80.080/bl	-\$0.650	\$13.75
No.6 Resid. – G. Coast	\$44.260/bl	+\$2.450	\$7.04
Cent App Coal (prev. day)	\$45.500/ton	+\$0.350	\$1.82

Change is from previous week

U.S. Gas Rotary Rig Count for:

Week ending 12-27-19	
This Week	125
Last Week	125
Last Year	198

Market Update is a weekly publication of Encore Energy Services, Inc. and is designed to provide industrial and commercial customers with the latest "Market News" in the natural gas industry. The information contained herein is intended as general business information. This publication contains forward-looking material and is not intended for a specific business situation. If you would like copies of previous reports, please visit our website or contact your Sales Manager.

Futures Pricing

At the close of business Thursday, January 02, 2020 the future strip prices were as follows:

	This Week 01/02/2020	Last Week 12/26/2019	Change	Last Month 12/02/2019	Change	Last Year 01/02/2019	Change
NYMEX near month	\$2.122	\$2.294	-\$0.172	\$2.329	-\$0.207	\$2.958	-\$0.836
NYMEX 12-month strip	\$2.290	\$2.342	-\$0.052	\$2.323	-\$0.033	\$2.613	-\$0.323
NYMEX Winter strip	\$2.577	\$2.572	+\$0.005	\$2.564	+\$0.013	\$2.740	-\$0.163
NYMEX Summer strip	\$2.225	\$2.275	-\$0.050	\$2.242	-\$0.017	\$2.494	-\$0.269

Near month range for the week = \$2.116 - \$2.286

Current near month is Feb '20

12-month strip is Feb '20 – Jan '21

Summer strip is Apr '20 – Oct '20

Winter strip is Nov '20 – Mar '21

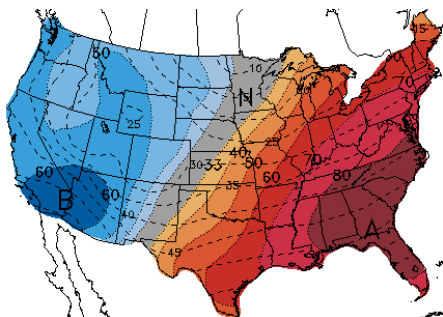
Near-Month Natural Gas

Futures Prices (NYMEX) through Jan 02



Temperature Forecast

Jan 10 through Jan 16, 2020



For more information on anything addressed in this report, please contact your Sales Manager.

Sources: NOAA, EIA, NYMEX and Baker Hughes

Storage Report

For the week ending December 27, 2019, natural gas storage reported by the Energy Information Administration (EIA) was (in Bcf):

This Week	Last Week	Last Year	5 Yr. Ave.
3,192	3,250	2,708	3,230

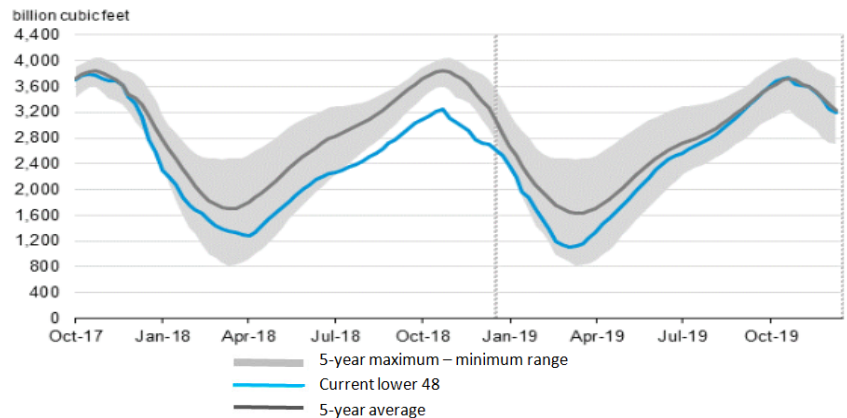
Change this week: -58 Bcf

Change for the same week last year: -24 Bcf

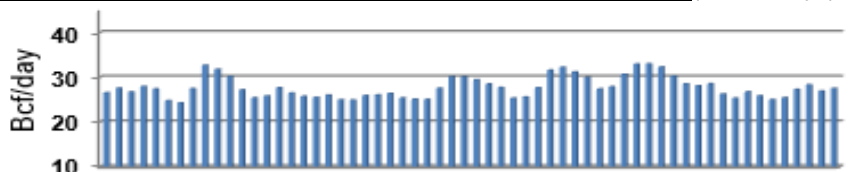
Inventory vs. 1 Year ago: +17.9%

Inventory vs. 5-Yr. Ave: -1.2%

Working Gas in Storage Compared to 5-Year Range



Daily Nat Gas Use For U.S. Power Production (last 60 days)



Last 52 week Average = 30.6 Bcf/day

Last 30 day Average = 28.5 Bcf/day

% of U.S. Demand = 35%

% of U.S. Demand = 28%