

January 24, 2020

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Physical Spot Prices – January 23, 2020

		<u>Change</u>	<u>Natural Gas Equivalent</u>
Natural Gas – H. Hub	\$1.926/MMBtu	-\$0.151	\$1.93
Propane – Mont Belvieu	\$0.401/gal	-\$0.026	\$4.39
Crude Oil – WTI Cush	\$55.500/bl	-\$3.020	\$9.57
No.2 Heating Oil – NYH	\$70.310/bl	-\$2.875	\$12.07
No.6 Resid. – G. Coast	\$46.250/bl	+\$3.720	\$7.36
Cent App Coal (prev. day)	\$45.500/ton	\$0.000	\$1.82

Change is from previous week

U.S. Gas Rotary Rig Count for:

Week ending 01-17-20	
This Week	120
Last Week	119
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 23, 2020 the future strip prices were as follows:

	<u>This Week</u>	<u>Last Week</u>	<u>Change</u>	<u>Last Month</u>	<u>Change</u>	<u>Last Year</u>	<u>Change</u>
	01/23/2020	01/16/2020		12/23/2019		01/23/2019	
NYMEX near month	\$1.926	\$2.077	-\$0.151	\$2.214	-\$0.288	\$2.980	-\$1.054
NYMEX 12-month strip	\$2.161	\$2.269	-\$0.108	\$2.305	-\$0.144	\$2.725	-\$0.564
NYMEX Winter strip	\$2.494	\$2.571	-\$0.077	\$2.551	-\$0.057	\$2.824	-\$0.330
NYMEX Summer strip	\$2.097	\$2.207	-\$0.110	\$2.239	-\$0.142	\$2.596	-\$0.499

Near month range for the week = \$1.830 - \$2.078

Current near month is Feb '20

12-month strip is Feb '20 – Jan '21

Summer strip is Apr '20 – Oct '20

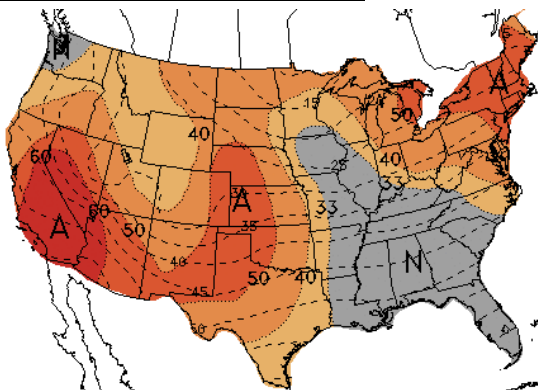
Winter strip is Nov '20 – Mar '21

Near-Month Natural Gas

Futures Prices (NYMEX) through Jan 23



Temperature Forecast Jan 31 through Feb 06, 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 January 17, 2020, natural gas storage reported by the Energy Information Administration (EIA) was (in Bcf):

<u>This Week</u>	<u>Last Week</u>	<u>Last Year</u>	<u>5 Yr. Ave.</u>
2,947	3,039	2,393	2,696

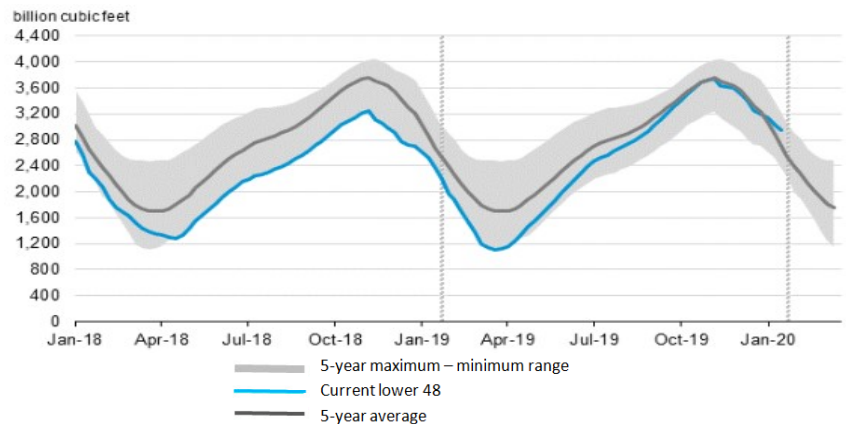
Change this week: -92 Bcf

Change for the same week last year: -152 Bcf

Inventory vs. 1 Year ago: +23.2%

Inventory vs. 5-Yr. Ave: +9.3%

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 = 31.1 Bcf/day

Last 30 day Average = 28.7 Bcf/day

% of U.S. Demand = 36%

% of U.S. Demand = 27%