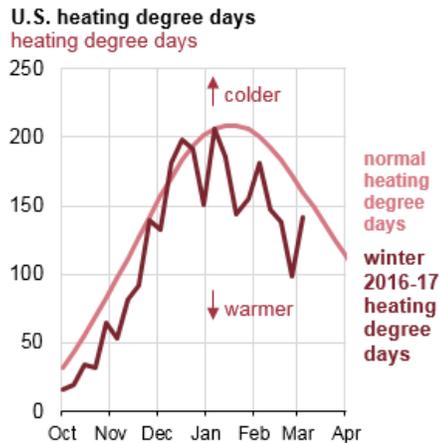


Subject: FW: MEP Weekly Gas Update 3-9-2017

Natural gas is currently trading at \$2.974 per Dth

The US Government or rather the Energy Information Agency confirmed this week that my memory is still pretty good. Last week's reported injection of +7 BCF into storage was indeed the first time that that has occurred since the Government began keeping records. They also confirmed what all of us already knew which is that Summer in February was the main culprit. U.S. heating degree days for the week ending February 24th this year were only 98 compared to a normal of 172. In other words, the weather in mid-February was akin to mid-April.

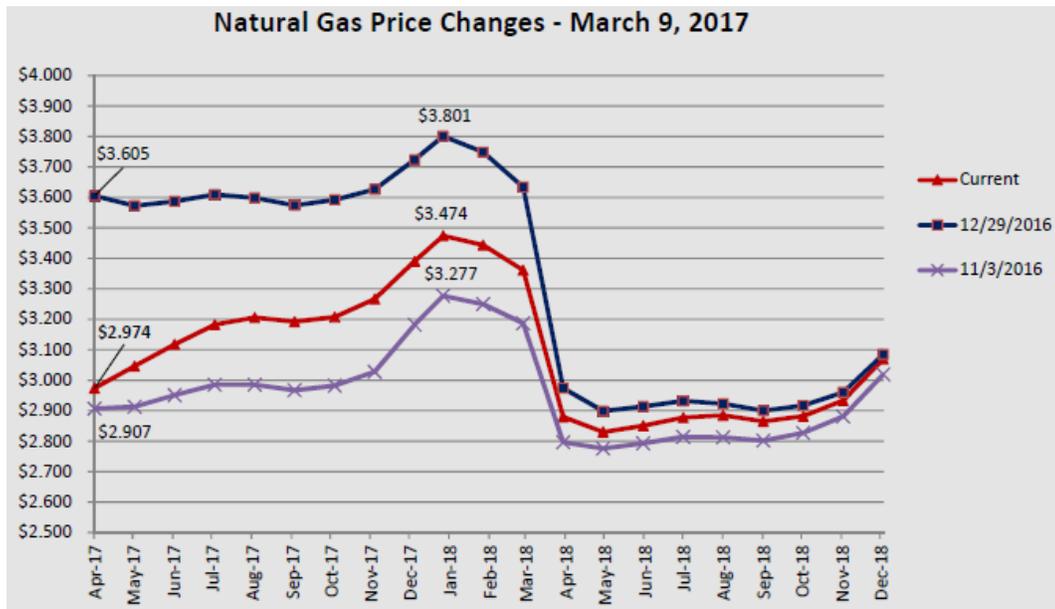


Source: U.S. Energy Information Administration, [Weekly Administration](#), [Climate Prediction Center](#)

As you can see from above chart the weather rebounded after that early heat wave and gas prices have followed in the same direction. Forecasts for some additional cold weather were reinforced by today's storage inventory report that showed a -68 BCF withdrawal which was slightly ahead of the expectation of -61 BCF. With this withdrawal, we have already come close to the total withdrawals from storage for all of last March. As a result gas traded up again today to close at \$2.974 /Dth gaining another 7.3 cents. The April contract has thus added nearly 35 cents since the March contract closed at \$2.627 /Dth.



Most of this week's pricing action has been to the front of the price curve. The 2017 Summer strip moved up 10.4 cents this week to \$3.132 /Dth while the 2017/18 Winter strip added 5.2 cents to \$3.387 /Dth week-on-week. Meanwhile, the 2018 Calendar strip added 1.9 cents this week to finish today at \$3.029 /Dth.



Have a great weekend.

Past copies are available on our website at <http://mepsolutions.org/monthly-market-updates/>

We are also available on **Twitter** at **@MEPNatGas** with updates on natural gas prices as well as national & Wisconsin gas industry news.

Blake



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