**Bullish**
Driving Prices Up

**Natural Gas Storage & Weather**

- The average temperature dropped by 7 degrees, thus causing a net withdrawal that was above expectations at 147 Bcf. Overall storage standing at 3,806 Bcf. This level is 1% over last year and 5% over the 5 year average.

**Natural Gas Drilling**

- Natural gas rig count increased by 6 to a total count of 125, according to Baker Hughes. This is 32.4% below last year's count.

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**Bearish**
Driving Prices Down

**NOTHING**

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* Source: NOAA National Weather Service
Long-Term Market Drivers

**Bullish**

**Driving Prices Up**

- **Natural Gas Consumption Grows**
  - EIA's forecast of U.S. total natural gas consumption averages 76.6 Bcf/d in 2016 and 77.8 Bcf/d in 2017, compared with 75.3 Bcf/d in 2015. Increases are predicted to come mostly from generation sector, but also increased industrial use and exporting.

- **Export Growth (See Chart—December 16')**

- Current pipeline exporting of natural gas stands at 7.3 Bcf/D. Deregulation of the energy market in Mexico has spurred 7 pipeline projects that will double exporting volume to over 14 Bcf/d.

- **US Economy**
  - ITR Economics (https://itreconomics.com/) predicts strong GDP growth of 3.7% in ‘17 from a relatively flat 2.1% growth in ‘16.

- **Government Regulations**
  - (Sept 7th) EPA issues final version of Cross-State news as it will go into effect in May of ‘17.

**Bearish**

**Driving Prices Down**

- **Capacity Auction Results (PJM)**
  - (PJM) June ‘19 to May ‘20 contract price dropped by 30% to 50% from previous year due to lower load forecasts & additional plants coming on line.

- **NE Pipeline Expansion**

- **Texas Gas Transmission OH-LA pipeline with capacity of 758 MMcf/d will help mitigate congestion on NE pipeline system**

- **Wind Generation**

- **Capacity to grow over 20% by ‘19.**