



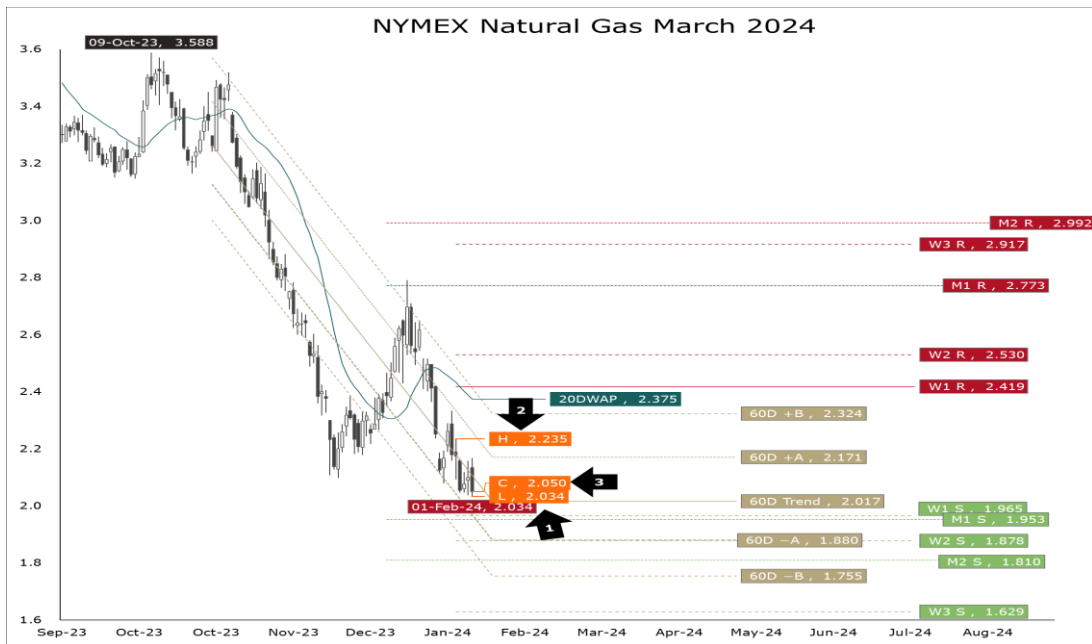
## Quite the Week for Gas Bears

Through the first four days of this week, spot natural gas futures on the NYMEX for March 2024 delivery posted four consecutive life-of-contract lows, starting on Monday at \$2.047, then \$2.046 on Tuesday, \$2.037 on Wednesday, and \$2.033 today. On January 23<sup>rd</sup>, the market posted a then life-of-contract low of \$2.079. So, over the past eight sessions, we have seen five record lows for the March 2024 contract!

As discussed in today's Market View, plunging prices have yet to rein in North American natural gas production. Perhaps producers have drawn the line at five consecutive lows.

At the end of last week, the contract peaked at \$2.235 (arrow 2), bottomed today at the new low of \$2.033 (arrow 2), and settled at \$2.050 (arrow 3). Our inner upper and lower limits are \$2.122 and \$1.890. Our outer limits are \$2.243 and \$1.789 respectively.

Additional resistance and support targets for this week are \$2.239, \$2.327, \$2.625, and \$3.609 for resistance and \$1.877, \$1.806, \$1.601, and \$1.164 for support. The respective targets for the new month are \$2.510, \$2.739, \$3.603, and \$7.435 and \$1.681, \$1.540, \$1.171, and \$0.567.



## L48 Storage...The EIA posts another solid delivery.

Today's EIA update on L48 underground inventories came in as expected. For the week ended January 26<sup>th</sup>, a total of 197 Bcf of natural gas was delivered. Over the past two reports, a total of 523 Bcf was withdrawn. The season-to-date delivery is now up to a respectable 1.177 Tcf. The typical withdrawal for next Thursday's update is 171 ± 43 Bcf, however the mean of the early consensus is a lowly ≈120 Bcf. Storage is on pace to finish this winter at ≈1.841 Tcf and there is a 46% probability (odds of 7:6) this season will finish above last winter's 1.830 Tcf ending balance.