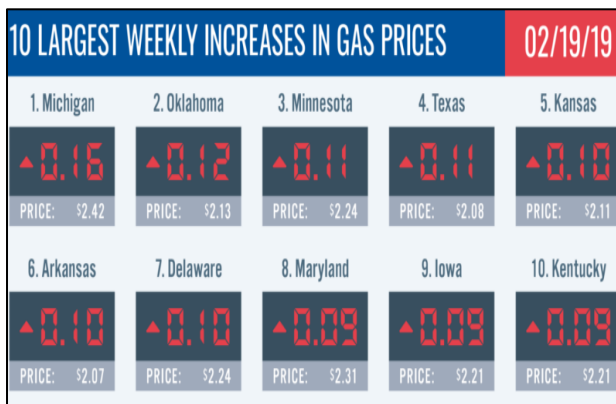
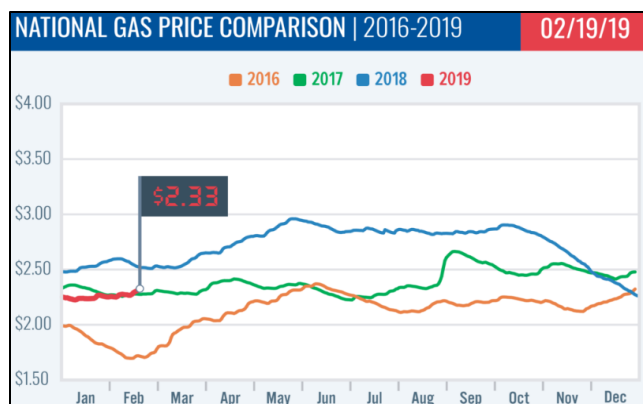


Gateway FS, Inc.

Energy Market Update February 20, 2019 NYMEX Prices

	Close	Wk. Change
March Crude Oil	\$56.92	+3.02
March Gasoline	\$1.5981	+.1330
March Heating Oil	\$2.0183	+.0795
March Natural Gas	\$2.636	+.0580

Market Comments: Oil prices rose more than one percent today, reaching new highs for 2019 and extending gains for a sixth consecutive session, helped by production cuts from OPEC as well as the U.S. sanctions on Iran and Venezuela. Prices had already been finding some support from growing optimism that the U.S. and China could reach a trade deal. Trade talks between the two countries resumed this week in Washington, and President Trump is hoping to strike a deal before March 1st.

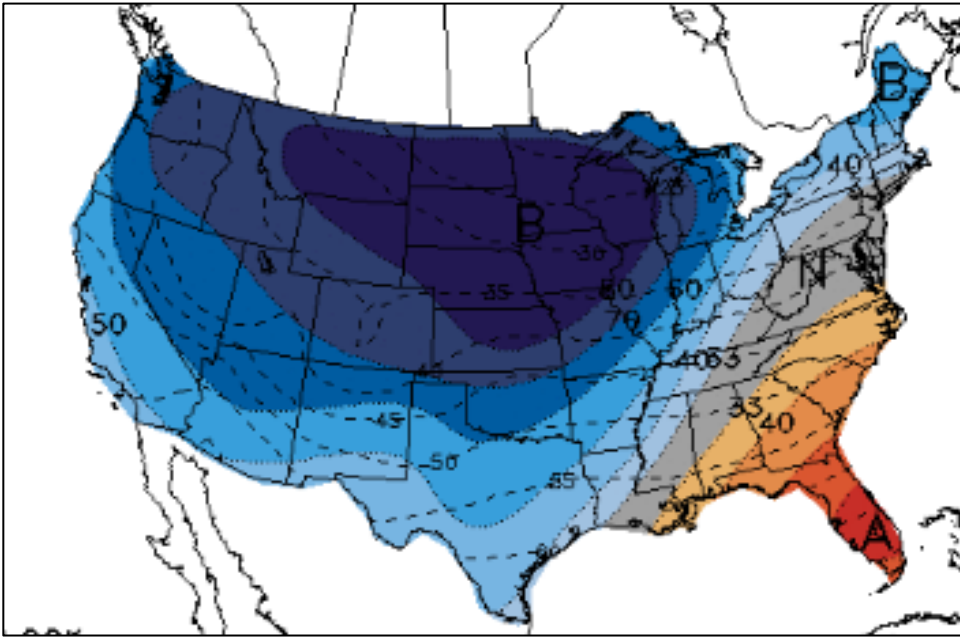


Multiple states saw gas price averages increase by at least 5 cents this week, pushing the national gas price average up about 6 cents to \$2.33. This is the largest one-week increase seen at the national level this year. Tuesday's average price was nine cents more expensive than last month, but 19 cents cheaper than a year ago. On the week, gas prices are 4 to 16 cents more expensive across the Great Lakes and Central States mostly due to ongoing refinery maintenance and inventories tightening.

Region	Oil production thousand barrels/day		
	February 2019	March 2019	change
Anadarko	587	587	-
Appalachia	138	141	3
Bakken	1,439	1,452	13
Eagle Ford	1,429	1,438	9
Haynesville	43	43	-
Niobrara	697	713	16
Permian	3,981	4,024	43
Total	8,314	8,398	84

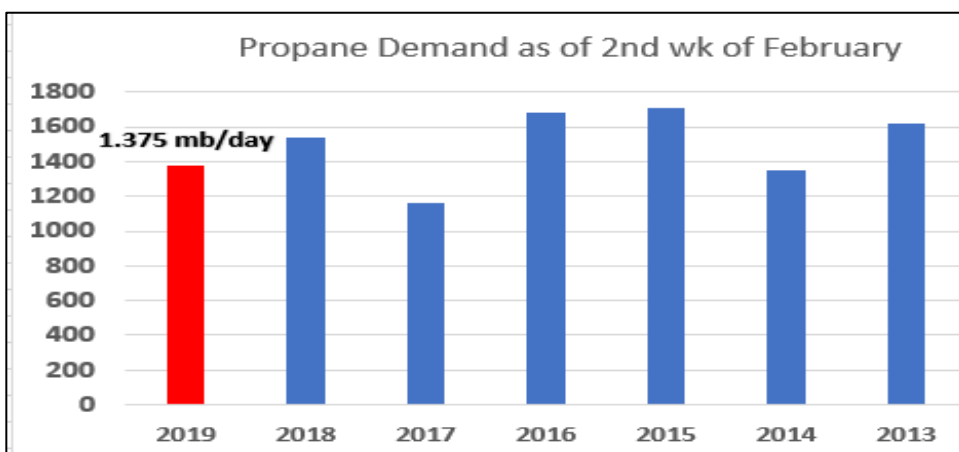
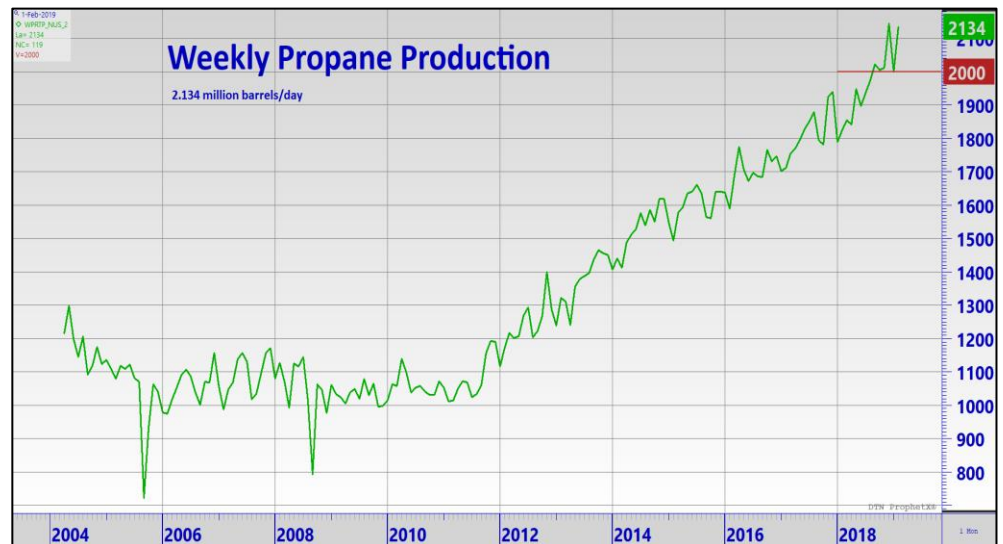
U.S shale oil output is expected to increase by 84,000 barrels per day in March to 8.398 million barrels a day, according to the EIA's forecast. Oil output from the Permian Basin is expected to see the largest increase among the big shale plays, with an increase of 43,000 barrels per day in March from February.

TransCanada Corp restarted a section of the Keystone oil Pipeline on Tuesday, following a leak in Missouri earlier this month. The line was shut from Steele City, Nebraska to Patoka, Illinois on February 6th after a 43-barrel leak was detected.



The current 8 to 14-day weather forecast, which is valid through March 3rd is calling for good propane weather, as temperatures throughout most of the U.S. is forecasted to be below normal. Only a small pocket in the southeast is forecasted to see above normal temperatures. Soon weather will be at the forefront, as spring fieldwork is just around the corner.

Propane production has been moving up steadily since the fourth quarter of 2011. It is notable that the U.S. is now producing 2 million barrels per day or more, and has been since September 1, 2018. With plentiful supply in most areas, propane prices have remained fairly reasonable this year.



Propane domestic demand is a little lighter this year than some, but not out of line when looking at the past six years. Propane exports have also been light the past few weeks, but that should correct when ships are able to leave the Gulf after the fog clears.