

Early Morning Update:

The Apr19 natural gas contract is trading down \$0.02 at \$2.86. The Apr19 crude oil contract is down \$0.51 at \$56.05.

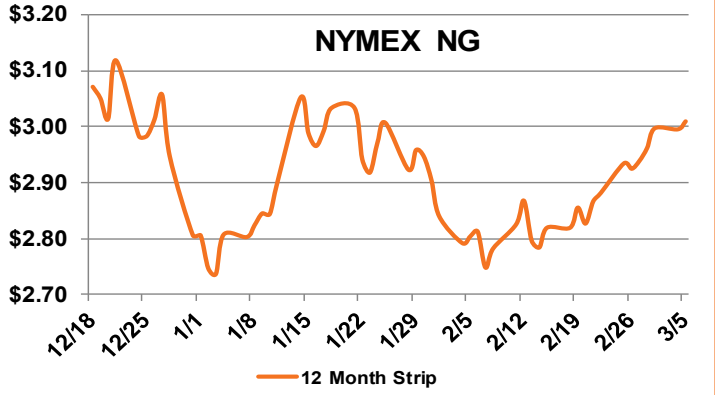
Summary: After trading on either side of the line in a range of \$2.841–\$2.892/MMBtu yesterday, the April NYMEX natural gas contract ultimately settled 2.7 cents higher than Monday's close at \$2.884/MMBtu, despite total U.S. demand sliding after Monday's high. After hitting a recent low of \$2.57 on February 7, the April contract has managed to gain 31.4 cents on the backs of flatlining production around 85 Bcf/d, bullish weather from the last breath of winter, and increased NG exports via additional LNG capacity. The shift in market fundamentals has depleted estimates for the end-of-withdrawal-season storage estimate to less than 1.1 Tcf, the lowest level since 2013/2014 winter, when the U.S. was left with just 842 Bcf of natural gas. A large draw of 146 Bcf is expected with tomorrow's report, which would bring stockpiles to 1.393 Tcf.

Bullish Factors

- High LNG exports
- Higher demand
- Low storage levels

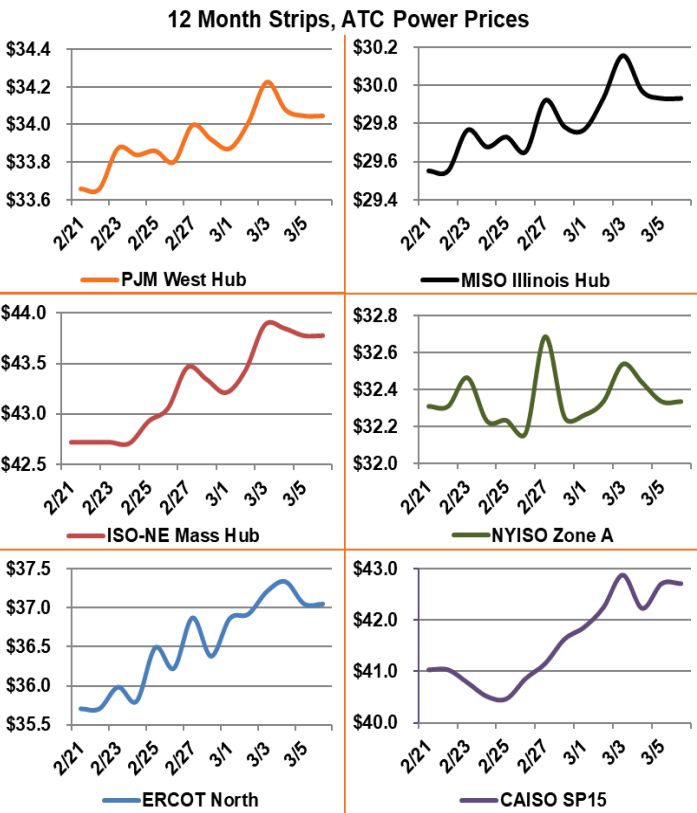
Bearish Factors

- Record NG production
- Higher associated gas production
- End of winter coming soon



Next Day On-Peak Power (traded for 3/6/2019)

ISO-NE Mass Hub \$76.29	MISO Indiana Hub \$43.89	NYISO Zone G \$59.53
PJM West Hub \$45.54	ERCOT North \$31.56	CAISO SP15 \$49.28
NYMEX NG	Close	Change
Apr-19	2.884	0.027
May-19	2.884	0.027
12 Month	3.009	0.014
Cal 20	2.637	0.001
Cal 21	2.638	-0.001



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,539	1,705	1,693	1,963
Diff v. Current		-166	-154	-424
% Diff			-9.1%	-21.6%

