

Early Morning Update:

The Apr19 natural gas contract is trading down \$0.08 at \$2.79. The Apr19 crude oil contract is up \$0.33 at \$56.40.

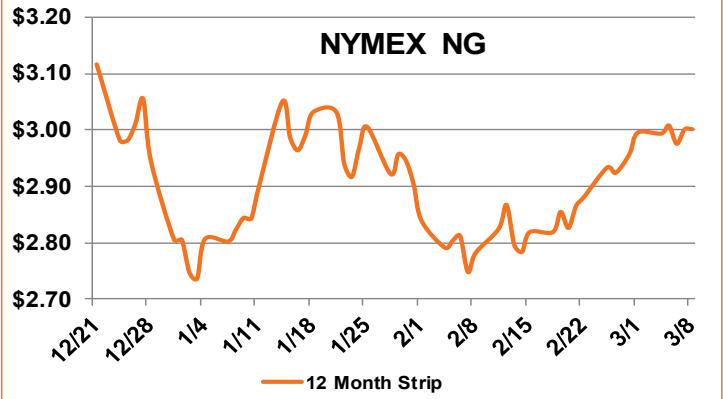
Summary: On Friday, the April 2019 NYMEX natural gas futures price followed the weeks trend of limited volatility, settling 0.1 cents lower on the day to settle at \$2.865/MMBtu. Not only was there lack of volatility for April this year, but it appears that the price trend follows the movements seen this time last year. The fundamentals heading into the summer are very similar to those seen last year: higher demand, increased exports, and inventory levels at a deficit to historical benchmarks. The EIA reported a withdrawal right in line with expectations at 149 Bcf, however, this was much higher than the 60 Bcf reported last year for the corresponding week and the 109 Bcf withdrawal over the past five years. Current estimates for the end-of-season storage inventory are at the lowest since 2014. Weather forecasts have moderated significantly in the 1-5 day forecast, with warmer-than-normal temperatures dominating the eastern half of the country, with some lingering cold on the West Coast. The warming temps for major demand center in the U.S. for natural gas could help to keep down the remaining storage withdrawals. U.S. LNG exports have remained steady, climbing to 5.5 Bcf/d on Friday, and exports to Mexico are close behind, at just above 5 Bcf/d. Both exports are forecasted to increase significantly this year. Total U.S. dry production has fallen slightly to 84 Bcf/d.

Bullish Factors

- High LNG exports
- Higher demand
- Low storage levels

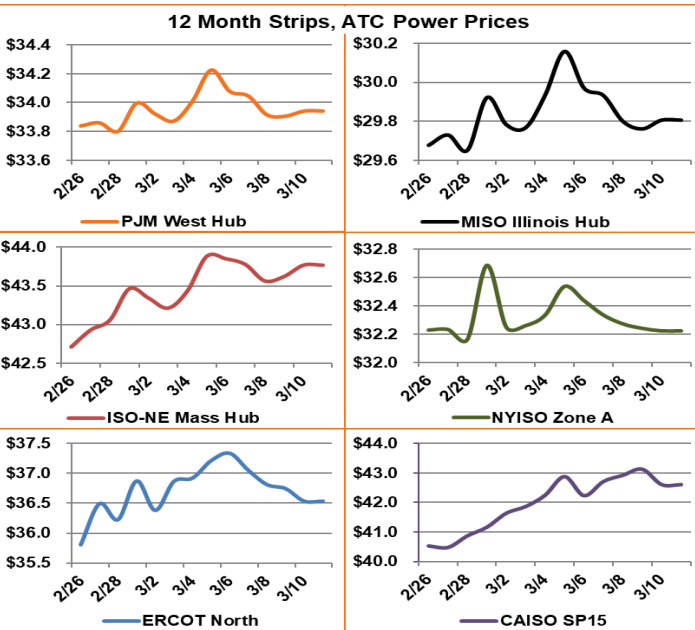
Bearish Factors

- Record NG production
- Higher associated gas production
- End of winter in sight



Next Day On-Peak Power (traded for 3/11/2019)

ISO-NE Mass Hub \$44.69	MISO Indiana Hub \$31.66	NYISO Zone G \$34.87
PJM West Hub \$31.21	ERCOT North \$25.50	CAISO SP15 \$43.00
NYMEX NG	Close	Change
Apr-19	2.865	-0.001
May-19	2.870	-0.002
12 Month	3.002	0.001
Cal 20	2.643	0.003
Cal 21	2.640	-0.003



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,390	1,539	1,633	1,854
Diff v. Current		-149	-243	-464
% Diff			-14.9%	-25.0%

