

Early Morning Update:

The Apr19 natural gas contract is trading down \$0.03 at \$2.84. The Apr19 crude oil contract is down \$0.43 at \$58.60.

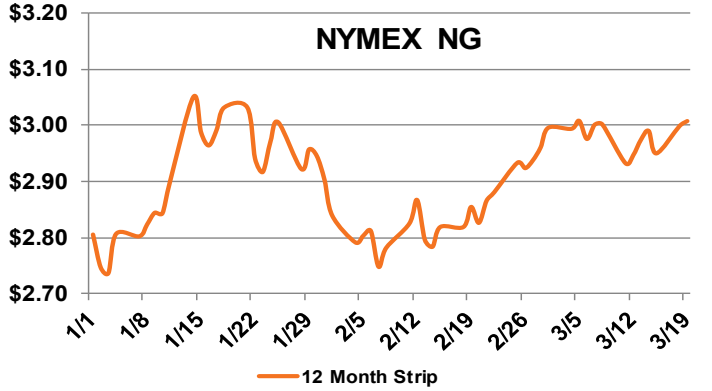
Summary: The Apr19 NYMEX natural gas futures contract continued its rise yesterday, gaining 2.4 cents upon settlement at \$2.874/MMBtu. U.S. demand has softened since the start of March, but Liquefied Natural Gas exports continue to grow, reaching an all-time high of 5.765 Bcf/d yesterday. Production remains steady at ~86 Bcf/d. We appear to be in a sideways market right now, with little to no fresh news to swing prices one way or the other. Tomorrow's storage report could be a market mover. Currently, estimates are centered around mid to low 40s Bcf draw, which is much lower than the 87 Bcf withdrawal reported this time last year, and less than the 56 Bcf 5-year average draw. Despite gaining some ground, storage levels exiting the titular withdrawal season will be ~20% lower than last year and ~30% lower than the 5-year average.

Bullish Factors

- High LNG exports
- Higher demand
- Low storage levels

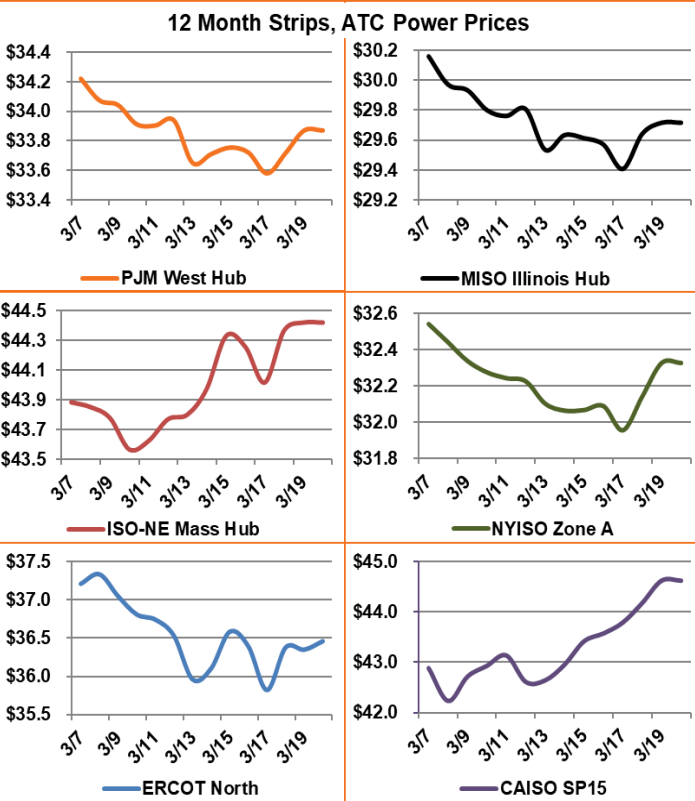
Bearish Factors

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



Next Day On-Peak Power (traded for 3/20/2019)

ISO-NE Mass Hub \$33.73	MISO Indiana Hub \$27.88	NYISO Zone G \$34.87
PJM West Hub \$30.67	ERCOT North \$38.00	CAISO SP15 \$36.05
NYMEX NG	Close	Change
Apr-19	2.874	0.024
May-19	2.872	0.016
12 Month	3.008	0.009
Cal 20	2.665	0.002
Cal 21	2.675	0.001



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,186	1,390	1,545	1,755
Diff v. Current		-204	-359	-569
% Diff			-23.2%	-32.4%

