

Early Morning Update:

The Apr19 natural gas contract is trading down \$0.03 at \$2.72. The May19 crude oil contract is down \$0.24 at \$58.80.

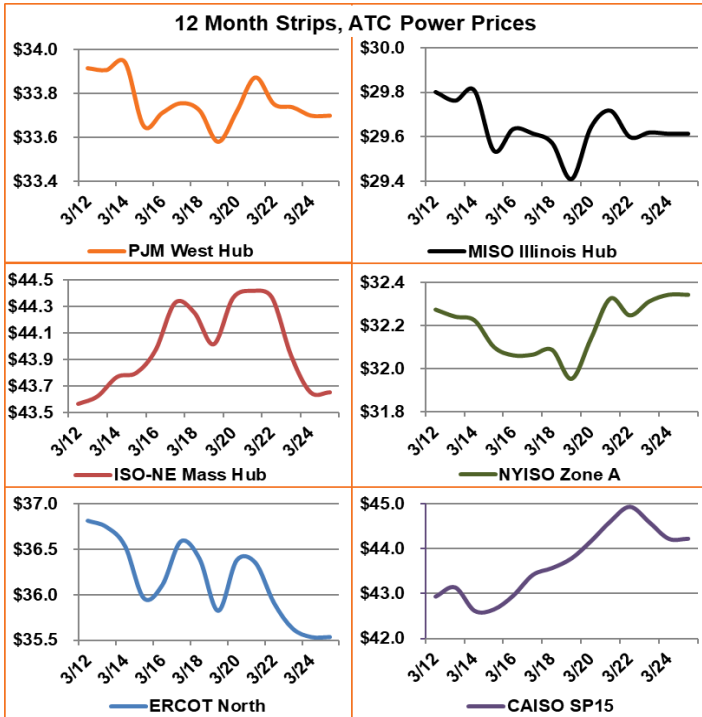
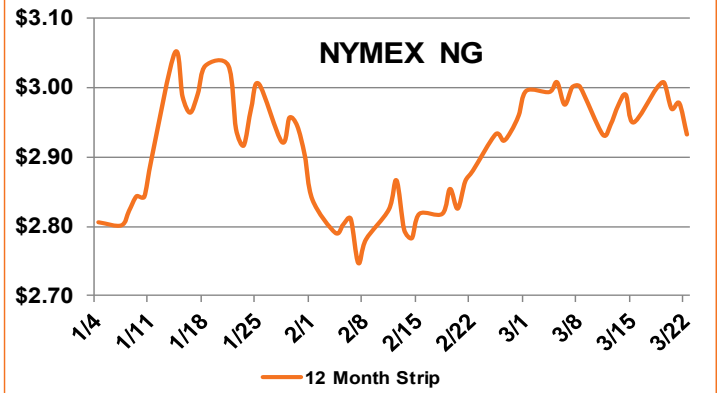
Summary: The Apr19 NYMEX natural gas contract fell almost seven cents on Friday, as weather outlooks show a warming trend throughout the country through the second week of April. The prompt month closed out the week at \$2.753/MMBtu, down 6.8 cents day-over-day. April expires as the prompt month on Wednesday, with May taking the front position on Thursday. Natural gas production also helped to relieve some of the price pressure that NYMEX gas has seen in recent weeks, with U.S. dry production inching up throughout the week, averaging 87.2 Bcf/d over the last six days, and reaching a fresh all-time high of 87.8 Bcf/d on Saturday. Demand has been declining with the change in seasons, too, and is projected to average 88.4 Bcf/d this week, down from a high of 135.7 Bcf/d seen just two weeks ago. Additionally, the latest storage projections show just one more small pull left in the withdrawal season before injections begin. The end-of-season estimate now stands at 1,115 Bcf, a 20% deficit to last year, and a 33% deficit to the five-year average.

Bullish Factors

- High LNG exports
- Low storage levels
- Attention turning to summer

Bearish Factors

- Record NG production
- Higher associated gas production
- Warmer temps, declining demand



Next Day On-Peak Power (traded for 3/25/2019)

ISO-NE Mass Hub \$35.50	MISO Indiana Hub \$28.55	NYISO Zone G \$37.93
PJM West Hub \$33.55	ERCOT North \$46.77	CAISO SP15 \$32.63
NYMEX NG		Change
Apr-19	2.753	-0.068
May-19	2.767	-0.060
12 Month	2.933	-0.045
Cal 20	2.659	-0.010
Cal 21	2.668	-0.010

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,143	1,190	1,458	1,699
Diff v. Current		-47	-315	-556
% Diff			-21.6%	-32.7%

