

Early Morning Update:

The May19 natural gas contract is flat at \$2.70. The May19 crude oil contract is up \$0.19 at \$61.78.

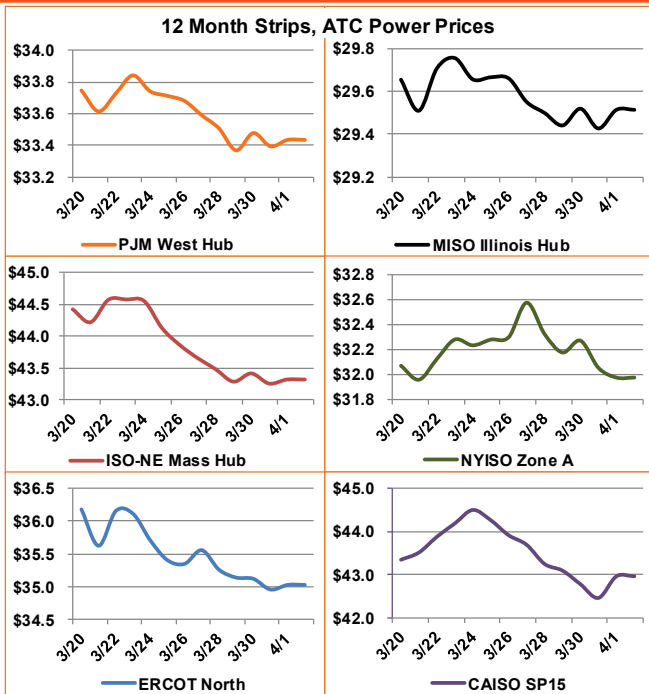
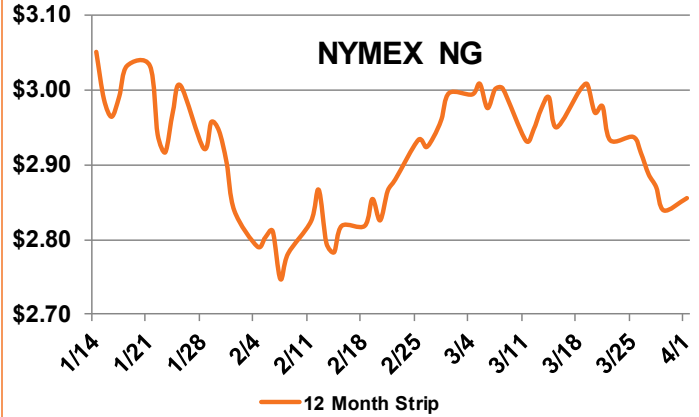
Summary: The May 2019 NYMEX contract gained about 5.0 cents during Monday's trading activity before closing at \$2.704/MMBtu. The June – November '19 gas contracts were mostly unchanged, neither gaining nor losing more than a penny throughout the day. The December '19 contract strengthened by two cents. Current prices for these contracts are now near their pre-February rally price. As weather has moderated, each of these contracts are down nearly 20cents from the beginning of the March. In March, the national average for heating degree days (HDDs) increased 4.3% year-over-year. Regionally, PJM and NYISO HDDs decreased about 5% from last year, while NEISO, MISO, and CAISO experienced moderate increases between 2% and 7%. ERCOT racked up the largest increase, up about 130% from March 2018. Despite the cold, the average monthly ATC day ahead prices for these markets fell about \$4 from \$34 in February to \$30 into March. CAISO and NEISO brought the average up, averaging at \$36 and \$38 respectively. Weather forecasts as of this morning continue to indicate a warming trend for the major load zones along the eastern, western, and gulf coasts through the third week of April.

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 4/2/2019)

ISO-NE Mass Hub \$29.75	MISO Indiana Hub \$37.72	NYISO Zone G \$42.41
PJM West Hub \$31.11	ERCOT North \$43.00	CAISO SP15 \$28.03
NYMEX NG		Change
Apr-19	2.708	0.046
May-19	2.749	0.036
12 Month	2.856	0.017
Cal 20	2.653	-0.001
Cal 21	2.662	-0.001

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,107	1,143	1,392	1,658
Diff v. Current		-36	-285	-551
% Diff			-20.5%	-33.2%

