

Early Morning Update:

The May19 natural gas contract is flat at \$2.67. The May19 crude oil contract is up \$0.01 at \$62.59.

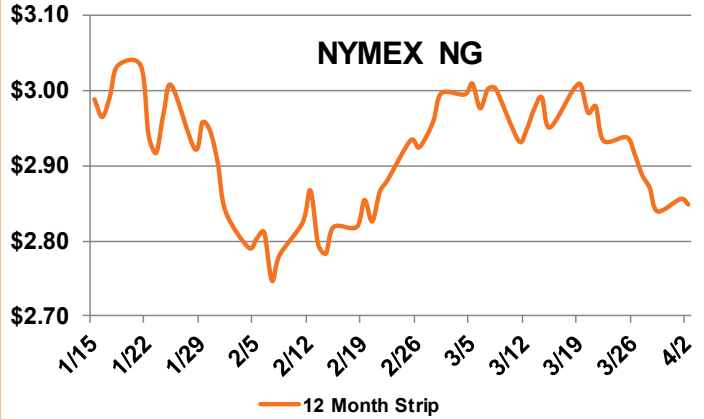
Summary: Another quiet day on the NYMEX as the May19 prompt month traded 2.4 cents lower than Monday's settlement ending the day at \$2.684/MMBtu. Despite exiting storage withdrawal season with only 1,107 Bcf of gas stockpiled, a near-record low level, the near-term outlook has moved cautiously bearish over the last week and a half. Last week, US dry natural gas production moved back to record setting levels, hitting 88.3 Bcf on Friday, and demand is forecast to wane due to warmer, seasonal temperatures. If weather outlooks change colder, prices could move the other direction, but for now, weather vendors are in agreement that the next two weeks days should bring low demand for natural gas across much of the country. Longer-term prices remained mostly unchanged yesterday. Cal strips 2020-2023 trading within ten cents of each other between \$2.65 and \$2.75.

Bullish Factors

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

Bearish Factors

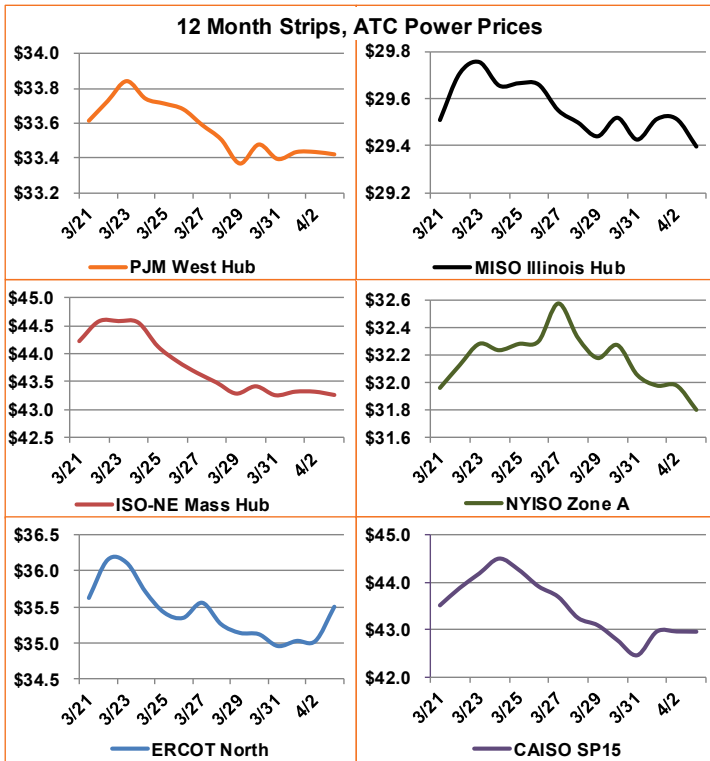
- Record NG production
- Higher associated gas production
- Warmer temps, declining demand



Next Day On-Peak Power (traded for 4/3/2019)

ISO-NE Mass Hub \$37.93	MISO Indiana Hub \$30.50	NYISO Zone G \$39.11
PJM West Hub \$28.35	ERCOT North \$17.99	CAISO SP15 \$30.71

NYMEX NG	Close	Change
May-19	2.684	-0.024
Jun-19	2.722	-0.027
12 Month	2.849	-0.007
Cal 20	2.664	0.011
Cal 21	2.670	0.008



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%

