

Early Morning Update:

The May19 natural gas contract is flat at \$2.64. The May19 crude oil contract is down \$0.08 at \$62.02.

Summary: The NYMEX prompt slid a further 3.4c yesterday with the contract settling at \$2.643. Fundamentals remain weak as NG production is strong, demand is much lower than this time last year and weather forecasts indicative little risk of extreme weather in the near-term. This time last year, much of the country was experiencing below-average temperatures, which caused draws from storage to continue well into April. This year, milder weather allowed injections to start 4 weeks earlier. This should allow the year-over-year storage deficit to close by the end of April. We're likely to remain at a deficit to the 5-year average for weeks to come, however.

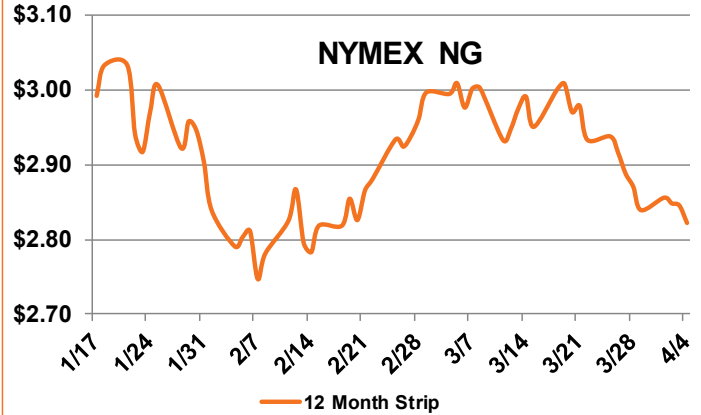
In addition to near-term weakness in the NYMEX, short-term power pricing has also been weak, with little volatility in the near-term. What could end this quiet period? Summer weather forecasts are due to be released in the next few weeks, potentially disrupting markets.

Bullish Factors

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

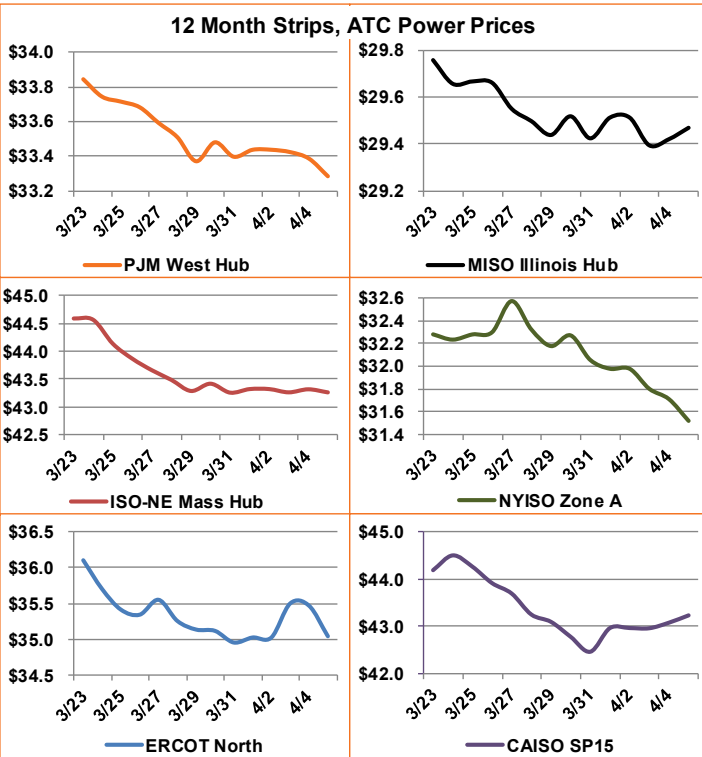
Bearish Factors

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



Next Day On-Peak Power (traded for 4/5/2019)

ISO-NE Mass Hub \$31.22	MISO Indiana Hub \$30.25	NYISO Zone G \$36.78
PJM West Hub \$31.28	ERCOT North \$44.87	CAISO SP15 \$24.17
NYMEX NG	Close	Change
May-19	2.643	-0.034
Jun-19	2.686	-0.029
12 Month	2.823	-0.023
Cal 20	2.668	-0.002
Cal 21	2.671	-0.005



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,130	1,107	1,358	1,635
Diff v. Current		23	-228	-505
% Diff			-16.8%	-30.9%

