

Early Morning Update:

The May18 natural gas contract is trading down \$0.02 at \$2.72. The May18 crude contract is up \$0.83 at \$69.30.

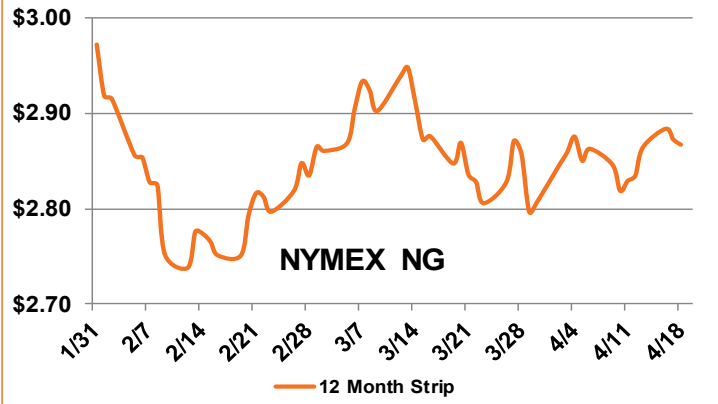
Summary: The market continued the sideways trading pattern on Wednesday, with the prompt month finishing down relatively unchanged at \$2.739/MMBtu. Weather forecasts are showing some moderation from recent cold over the next couple of weeks. Eastern portions of the country are expected to warm up next week and continue near normal into the early part of May. The gas market has seen very little volatility recently with the 12-month strip trading in a 10-cent range between \$2.80 and \$2.90 since mid-March. Trading for the upcoming winter (Nov '18-Mar '19) has seen a similar pattern and found resistance to the upside at \$3.00. Bentek Energy's Supply/Demand Report is projecting a 33 Bcf withdrawal from natural gas inventories when the U.S. Energy Information Administration releases their weekly storage report later this morning. Estimates for next week are near zero, meaning we could see either a small injection or, yet, another withdrawal.

Bullish Factors

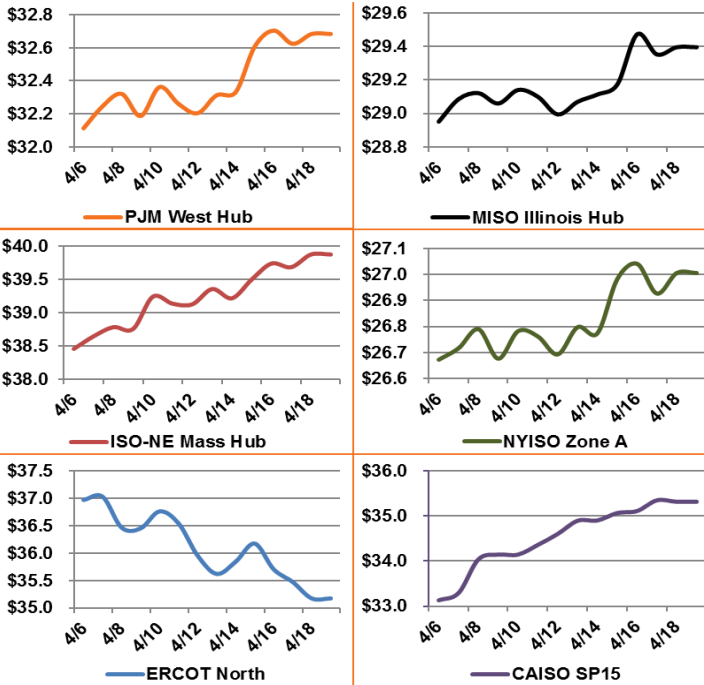
- Lingering cold weather
- LNG exports ramping up
- Exports to Mexico at all-time high

Bearish Factors

- NG production at record levels
- Growing renewable energy generation



12 Month Strips, ATC Power Prices



Next Day On-Peak Power (traded for 4/19/2018)

ISO-NE Mass Hub \$74.80	MISO Indiana Hub \$41.97	NYISO Zone G \$50.00
PJM West Hub \$40.18	ERCOT North \$24.37	CAISO SP15 \$20.92
NYMEX NG	Close	Change
Apr-18	2.739	0.001
May-18	2.768	-0.002
12 Month	2.867	-0.006
Cal 19	2.783	-0.013
Cal 20	2.745	-0.020

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,335	1,354	2,060	1,710
Diff v. Current		-19	-725	-375
% Diff			-35.2%	-21.9%

