

Early Morning Update:

The May19 natural gas contract is trading up \$0.03 at \$2.52. The May19 crude oil contract is up \$1.60 at \$65.60.

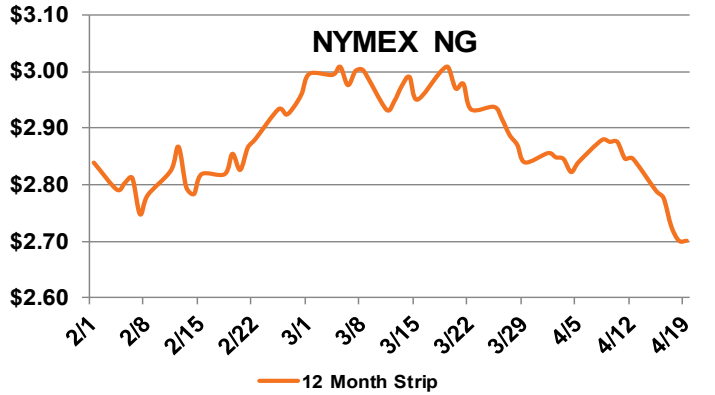
Summary: On Thursday, the May 2019 NYMEX natural gas futures price continued its downward trend, falling 2.7 cents on the day to settle at \$2.490/MMBtu, the lowest prompt month settle price since June 2016. Value was also seen in this upcoming summer's pricing, with all three of the months settling below \$2.70/MMBtu. Preliminary summer weather forecasts released last week are predicting a cooler summer than last year. Weather forecasts for the shoulder season remain extremely mild, with no significant temperatures suggesting higher demand. Another factor that should cause a decline in demand for natural gas in early May is the return of baseload nuclear units from their current outages in the Southeast and Northeast regions. Natural gas production remains high, allowing for injections into storage far greater than historical benchmarks, and bringing storage levels closer to last year's levels at a record pace. Total U.S. dry production has been averaging between 86-87 Bcf/d over the past week, just under the all-time high reached last November.

Bullish Factors

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

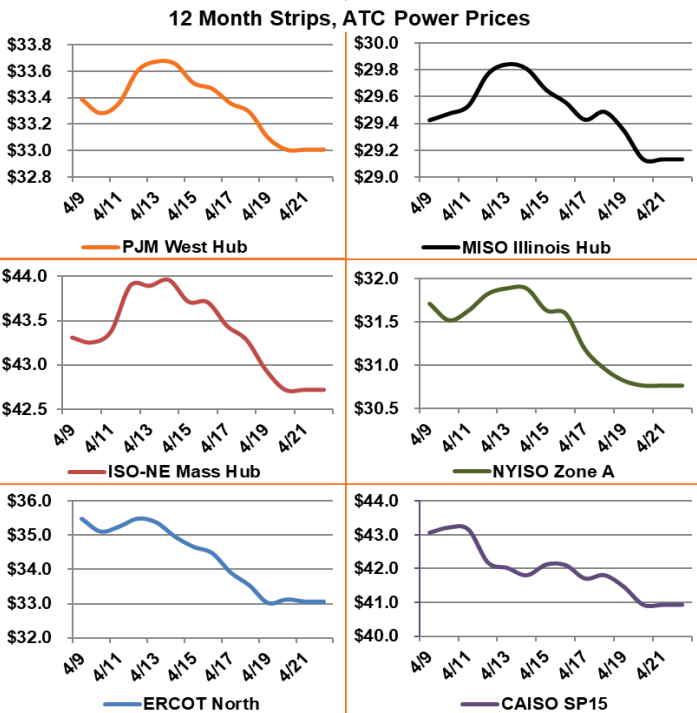
Bearish Factors

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



Next Day On-Peak Power (traded for 4/22/2019)

ISO-NE Mass Hub \$33.87	MISO Indiana Hub \$25.30	NYISO Zone G \$27.66
PJM West Hub \$24.31	ERCOT North \$25.29	CAISO SP15 \$38.36
NYMEX NG	Close	Change
May-19	2.490	-0.027
Jun-19	2.535	-0.024
12 Month	2.701	-0.025
Cal 20	2.684	-0.024
Cal 21	2.641	-0.017



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,247	1,155	1,304	1,661
Diff v. Current		92	-57	-414
% Diff			-4.4%	-24.9%

