

Early Morning Update:

The May19 natural gas contract is trading flat to yesterday's close at \$2.52. The Jun19 crude oil contract is up \$0.10 at \$65.65.

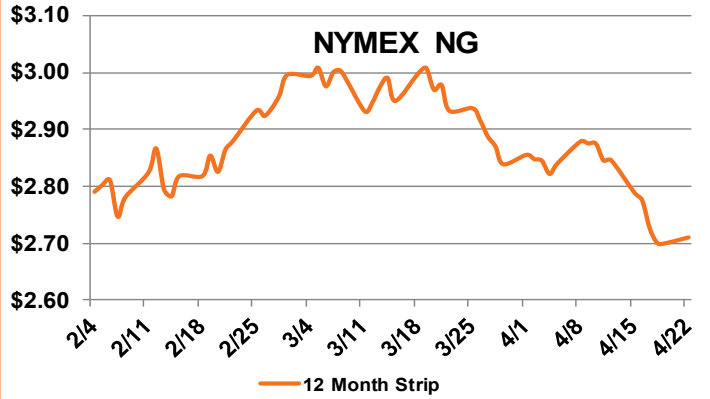
Summary: Demand-crushing mild weather and strong production have not only contributed to annual lows for near-term natural gas pricing, but power prices nationwide have also slid week-over-week with gas. Summer around-the-clock-pricing in MISO and Western PJM fell more than 70 cents from last week, while the eastern PJM markets weakened about 50 cents for the same term. New England's Mass Hub and ERCOT's Q3 around-the-clock prices in Houston are down nearly 60 cents, and Southern California followed suit with 25 cents of lost value, as well. Zone A in NY is the biggest summer loser week-over-week, falling nearly 90 cents around-the-clock. ERCOT and CAISO Q3 around-the-clock pricing is still the most expensive at nearly \$60, versus the rest of the country's upper-\$20s to low-\$30s. Q4s around the country are matching the summer week-over-week losses in most markets, with Zone A in NY losing more than \$1/MWh. Calendar pricing for 2020-2023 is a mixed bag of mostly losses, depending upon the market, weakening less severely than near-term pricing.

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 4/23/2019)

ISO-NE Mass Hub \$27.70	MISO Indiana Hub \$31.83	NYISO Zone G \$34.92
PJM West Hub \$28.89	ERCOT North \$27.24	CAISO SP15 \$26.23
NYMEX NG		Change
May-19	2.524	0.034
Jun-19	2.558	0.023
12 Month	2.711	0.010
Cal 20	2.676	-0.008
Cal 21	2.631	-0.010

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%

