

**Early Morning Update:**

The Jun18 natural gas contract is trading down \$0.03 at \$2.74. The Jun18 crude contract is down \$0.70 at \$67.40.

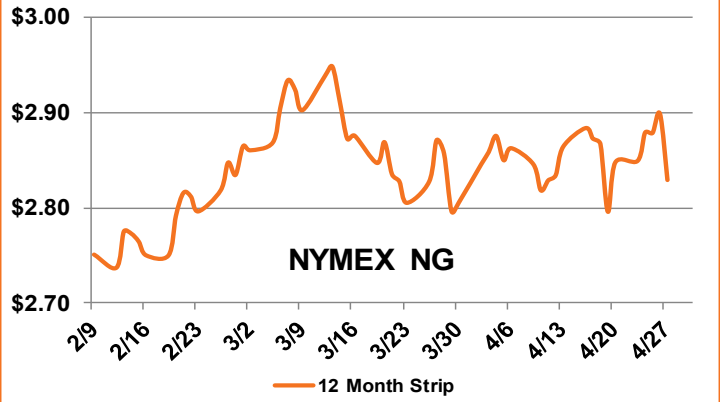
**Summary:** In its debut as the prompt month on Friday, the Jun18 NYMEX natural gas futures price fell by 6.8 cents on the day to settle at \$2.771/MMBtu. The 2021 calendar strip hit an all-time low on Friday of \$2.724/MMBtu. The larger-than-expected storage withdrawal trend continued last week for the third week in row, and has led to some concern in the market for the end-of-injection season levels going into next winter. Injections into storage are anticipated to begin with this upcoming week's report for the week ending April 27th. Overall U.S. demand for natural gas in April has remained preminent throughout this month, about 10 Bcf/d above last year's levels. Weather forecasts over the next couple of weeks moderate for the majority of the country, and demand for natural gas is expected to depress. As demand weakens, supply should remain robust. U.S. production remains at a healthy level, and is projected to average just over 78 Bcf/d.

**Bullish Factors**

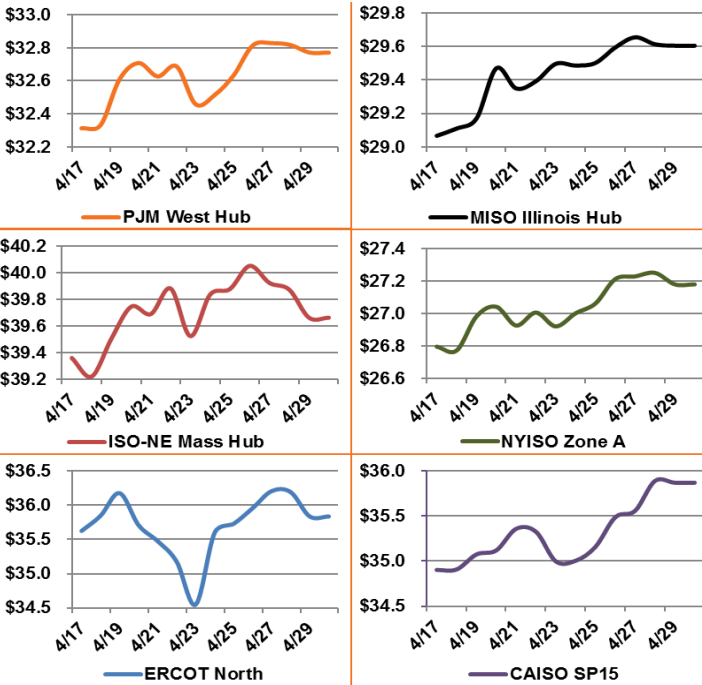
- Run-up to summer
- LNG exports ramping up
- Exports to Mexico at all-time high

**Bearish Factors**

- NG production at record levels
- Growing renewable energy generation



**12 Month Strips, ATC Power Prices**



**Next Day On-Peak Power (traded for 4/30/2018)**

<b>ISO-NE Mass Hub</b> \$26.49	<b>MISO Indiana Hub</b> \$34.50	<b>NYISO Zone G</b> \$29.95
<b>PJM West Hub</b> \$38.13	<b>ERCOT North</b> \$25.87	<b>CAISO SP15</b> \$23.00
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Jun-18	2.771	-0.068
Jul-18	2.811	-0.062
12 Month	2.829	-0.049
Cal 19	2.725	-0.031
Cal 20	2.698	-0.011

**EIA Natural Gas Storage**

<b>EIA Reported Storage (Bcf)</b>	<b>This Week</b>	<b>Last Week</b>	<b>Last Year</b>	<b>5-Year Avg.</b>
<b>Total</b>	1,281	1,299	2,178	1,808
<b>Diff v. Current</b>		-18	-897	-527
<b>% Diff</b>			-41.2%	-29.1%

