

Early Morning Update:

The Jun19 natural gas contract is trading flat to yesterday's close at \$2.59. The Jun19 crude oil contract is up \$0.90 at \$64.40.

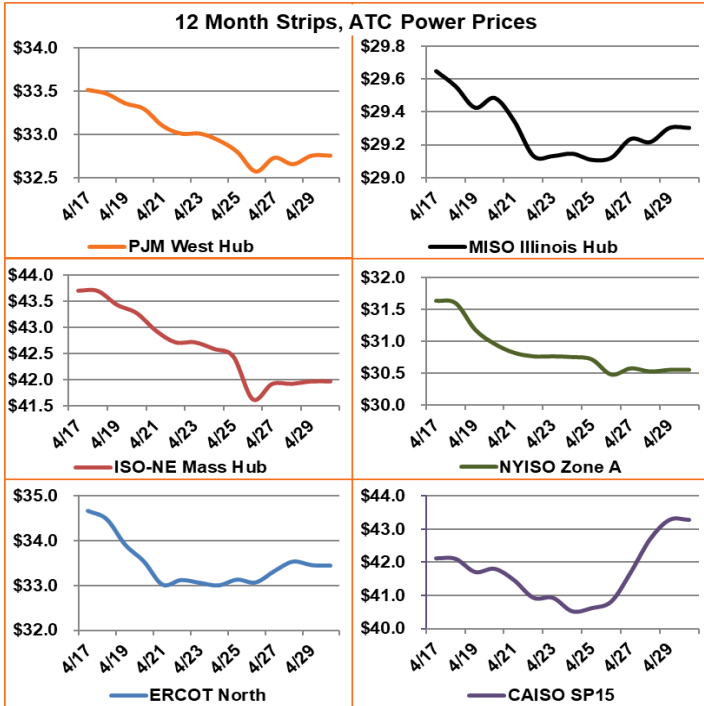
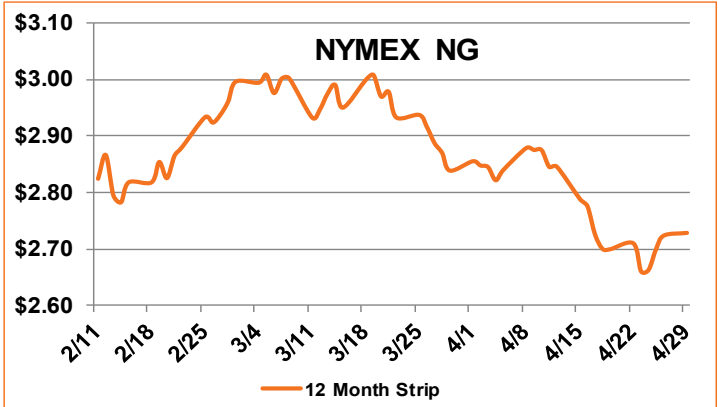
Summary: The June 2019 NYMEX contract strengthened slightly throughout yesterday's trading activity, settling just a penny higher from last Friday's close at \$2.593. Trading for this contract opened two cents higher this morning at \$2.61, which is 11 cents higher than the \$2.49 close that was hit just one week ago on April 23rd. The NYMEX contracts for the balance of this year are following this same upward trend. After coming within two cents of their February 2016 lows last week, the July 2019 through December 2019 NYMEX contracts have strengthened almost ten cents each. The monthly prices within calendar strips for '20, '21, and '22 are up three to five cents week-over-week, as well. Much of this upward movement can be attributed to the current heating demand, as cooler temperatures are expected to prevail in the Midwest and the Northeast for the next three weeks. Power prices in these colder-than-normal regions of the country have responded upwards week-over-week, too. Q3 around-the-clock pricing in western PJM and NY is up about ten cents since last week. MISO and CA are up more significantly since last week, rebounding 28 cents and almost \$5, respectively.

Bullish Factors

- High LNG exports
- Below-average 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 4/30/2019)

ISO-NE Mass Hub	\$28.63	MISO Indiana Hub	\$37.32	NYISO Zone G	\$33.57
PJM West Hub	\$32.84	ERCOT North	\$27.44	CAISO SP15	\$20.01
NYMEX NG		Close	Change		
Jun-19	2.593	2.593	0.013		
Jul-19	2.640	2.640	0.010		
12 Month	2.730	2.730	0.009		
Cal 20	2.689	2.689	0.011		
Cal 21	2.659	2.659	0.013		

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,339	1,247	1,284	1,708
Diff v. Current		92	55	-369
% Diff			4.3%	-21.6%

