

### Early Morning Update:

The Jun19 natural gas contract is trading up \$0.04 at \$2.58. The Jun19 crude oil contract is up \$0.25 at \$61.65.

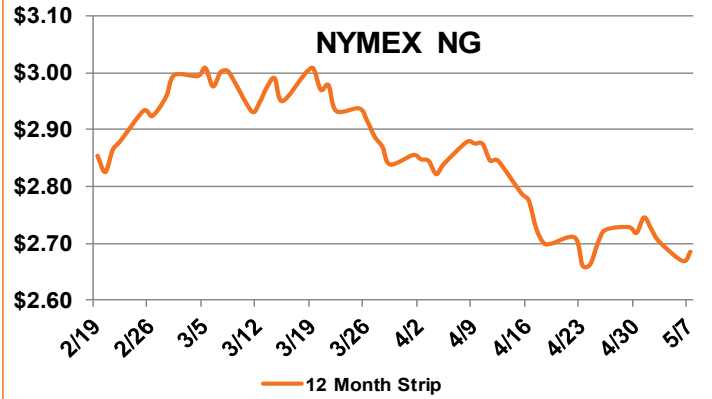
**Summary:** It was another quiet day in the market yesterday, after the prompt month gained a modest 1.3 cents, settling at \$2.537/MMBtu and putting an end to a 3-day losing streak. National weather, overall, continues to be mild this spring, attributing to soft demand and helping to suppress near-term natural gas prices. However, supply has faltered over the past few days, with U.S. dry natural gas production struggling just under 86 Bcf/d. Despite this, in their most recent "Short-Term Energy Outlook", the U.S. Energy Information Administration projects production growth through 2019 and 2020, averaging 90.3 Bcf/d and 92.2 Bcf/d, respectively. Other highlights in the report include a prediction that Henry Hub spot prices will average \$2.79/MMBtu this year and \$2.78/MMBtu in 2020, citing production growth as the cause for suppressed prices.

### 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 5/8/2019)

ISO-NE Mass Hub \$24.07	MISO Indiana Hub \$27.24	NYISO Zone G \$27.55
PJM West Hub \$26.10	ERCOT North \$24.20	CAISO SP15 \$25.39
NYMEX NG		Change
Jun-19	2.537	0.013
Jul-19	2.573	0.013
12 Month	2.687	0.016
Cal 20	2.683	0.016
Cal 21	2.640	0.005

EIA Natural Gas Storage				
EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,462	1,339	1,334	1,778
Diff v. Current		123	128	-316
% Diff			9.6%	-17.8%

