

Early Morning Update:

The Jun19 natural gas contract is trading down \$0.05 at \$2.55. The Jul19 crude oil contract is up \$0.42 at \$59.05.

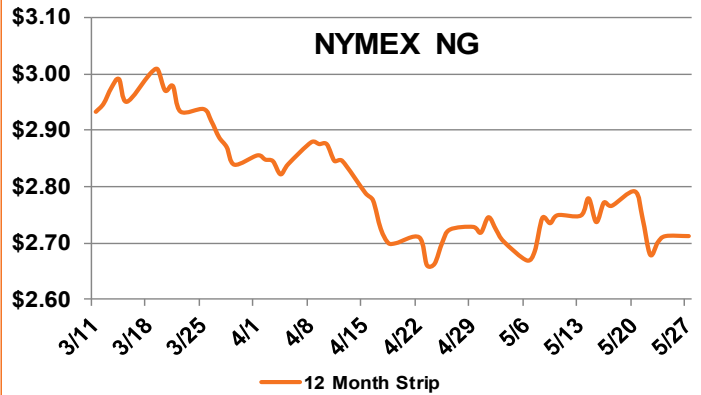
Summary: The natural gas market strengthened slightly during last Friday's trading activity. Throughout the day, most of the monthly contracts within the 12-month strip settled about a penny higher than the settlement prices from the previous day. The June contract closed out the week at \$2.598/MMBtu, which is flat week-over-week and up four cents month-over-month. However, the weather outlook for this week is showing cooler-than-normal temperatures for, both, the Northeast and the Southwest, and, thus, the prompt month, Q3-19, and balance of 2019 have all opened up the week down between five and ten cents. Q3-19 is currently \$2.55, while the balance of the year is at \$2.613. Longer term gas strips have changed little week-over-week. Much like the gas market, power pricing nationwide has weakened since last week, as well. Q3-19 on-peak in PJM, MISO, ERCOT, and NEPOOL all fell nearly a dollar in each market. CAISO was the only exception, moving in the opposite direction.

Bullish Factors

- High LNG exports
- Below-average storage levels
- Attention turning to summer

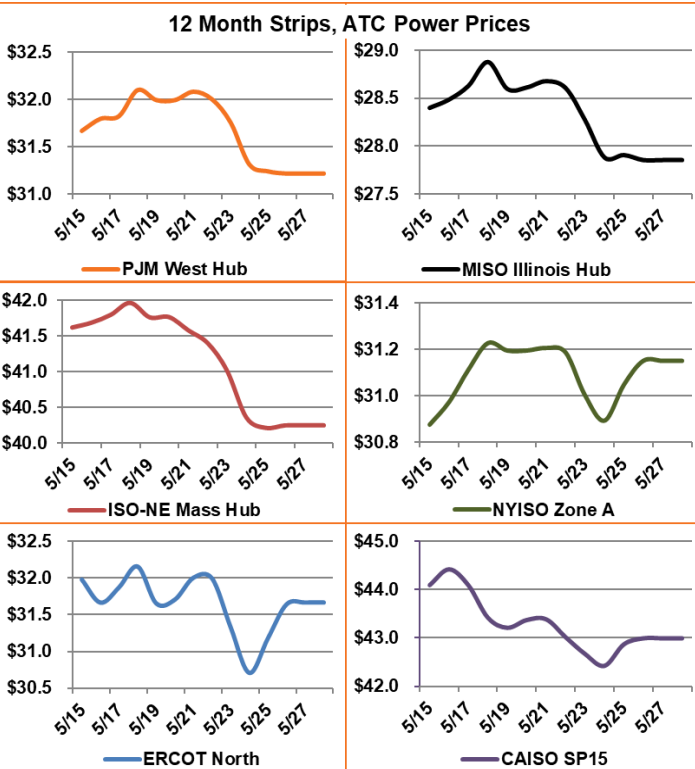
Bearish Factors

- Record NG production
- Higher associated gas production
- Mild temps



Next Day On-Peak Power (traded for 5/28/2019)

ISO-NE Mass Hub \$30.25	MISO Indiana Hub \$35.58	NYISO Zone G \$28.45
PJM West Hub \$39.61	ERCOT North \$20.00	CAISO SP15 \$17.21
NYMEX NG	Close	Change
Jun-19	2.598	0.020
Jul-19	2.611	0.019
12 Month	2.714	0.011
Cal 20	2.699	0.000
Cal 21	2.663	0.008



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,753	1,653	1,616	2,027
Diff v. Current		100	137	-274
% Diff			8.5%	-13.5%

