

**Early Morning Update:**

The Jul19 natural gas contract is trading down \$0.03 at \$2.59. The Jul19 crude oil contract is up \$0.14 at \$58.95.

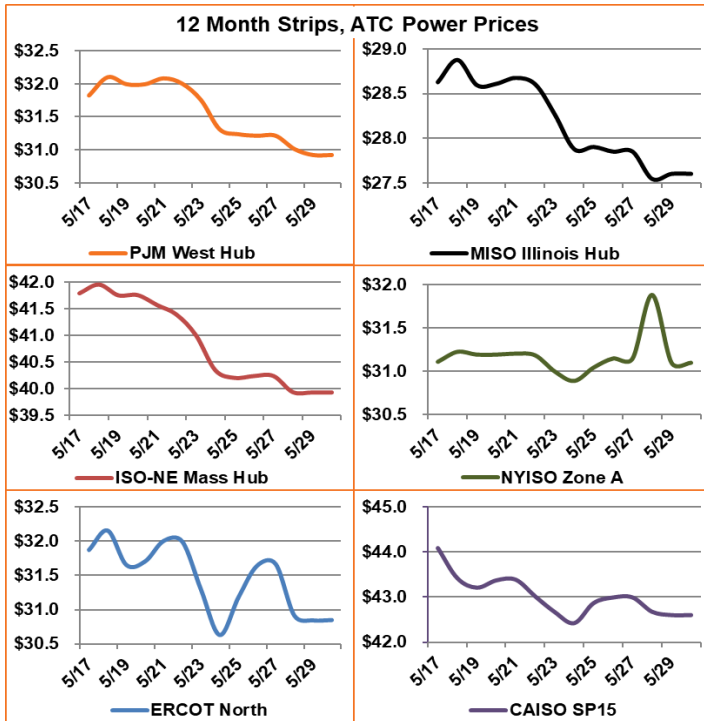
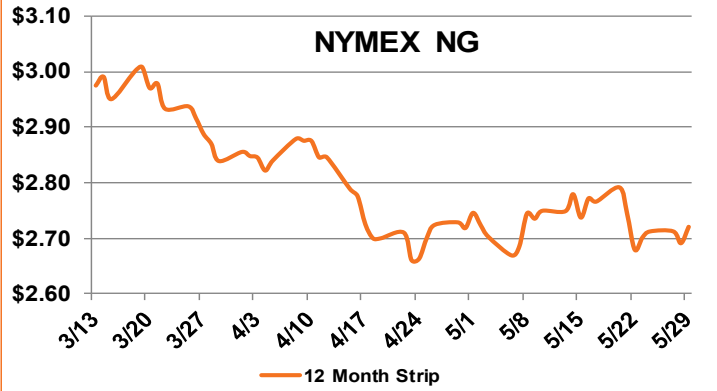
**Summary:** After gaining more than five cents in its final day of trading, the Jun19 prompt month contract expired yesterday at \$2.633/MMBtu, practically a quarter lower than the Jun18 contract settlement and 60 cents lower than the Jun17 contract expiration at \$2.875 and \$3.236, respectively. The 2020-2024 forward calendar strips experienced very little movement, neither gaining nor losing more than two cents. Near-term weather forecasts continue to show a warm-up on the southeast coast over the next few days. However this heat dissipates leading into June, where normal conditions roll in, with only a slight warm-up focused on the West Coast. This newest weather forecast is predicted to be cooler than the previous 10-year average. Currently at an 8.5% surplus to last year, the mild weather conditions have allowed healthy injections into storage due to lower cooling demand. The market is expecting the U.S. Energy Information Administration to report a 95 Bcf injection into storage facilities for the week to May 24 this morning, which is in line with historical averages.

**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 5/30/2019)**

ISO-NE Mass Hub \$27.23	MISO Indiana Hub \$30.00	NYISO Zone G \$28.34
PJM West Hub \$32.47	ERCOT North \$22.90	CAISO SP15 \$20.76
NYMEX NG	Close	Change
Jun-19	2.633	0.051
Jul-19	2.624	0.040
12 Month	2.722	0.029
Cal 20	2.695	0.008
Cal 21	2.653	-0.012

**EIA Natural Gas Storage**

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

