

**Early Morning Update:**

The May19 natural gas contract is trading down \$0.03 at \$2.67. The May19 crude oil contract is down \$0.51 at \$64.10.

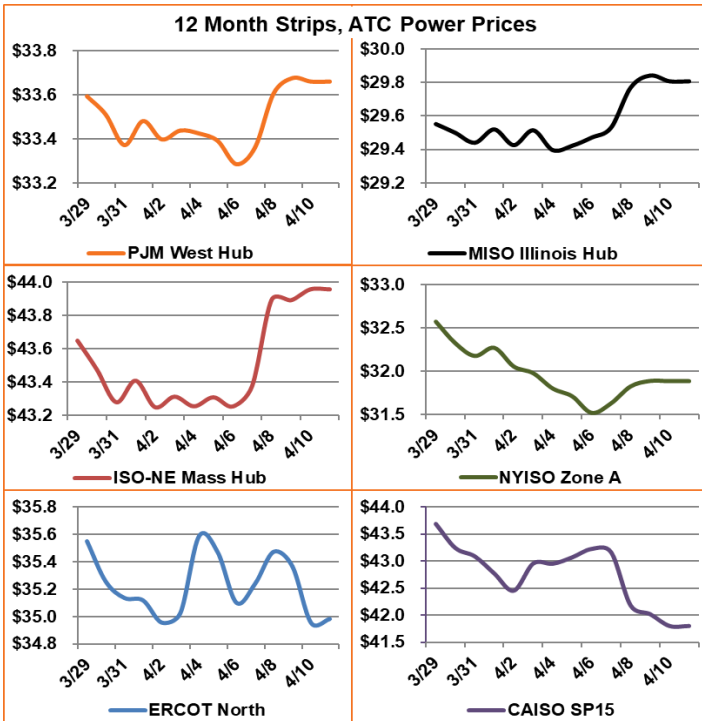
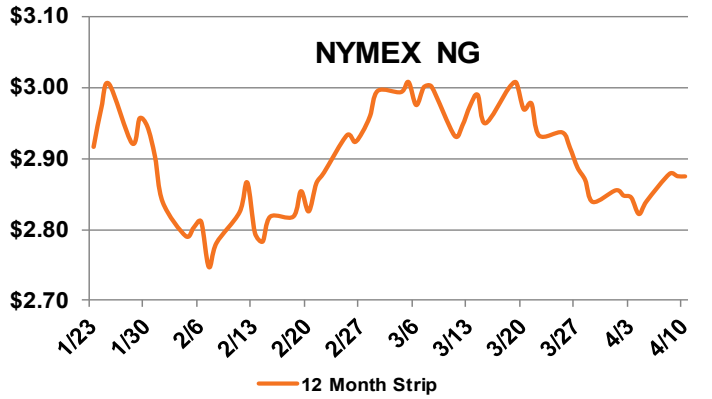
**Summary:** With dry production relatively flat and demand for natural gas up just slightly day-over-day, the NYMEX futures contract for May barely budged, up just a tenth of a cent, settling at \$2.70/MMBtu on Wednesday. Calendar strips for 2020-2022 were all down less than a penny on a trading day rife with stagnation. Res-comm demand is expected to increase by 0.5 Bcf/d today, while power burn should drop by 1.3 Bcf/d, with overall total demand remaining flat. This should keep a lid on prompt month pricing for the immediate future. For the week ending April 5, mild weather kept res-comm demand to a six-month low. This is expected to have resulted in a storage injection for the week much greater than historical averages. Market analysts are anticipating that natural gas inventories grew by 33 Bcf for the reporting week, which compares bearishly to both the 20 Bcf withdrawal seen last year for the corresponding week, as well as the 5 Bcf five-year average injection. This would be the second injection of the year, with the deficits to both last year and the five-year average rapidly shrinking.

**Bullish Factors**

- High LNG exports
- Low storage levels
- Attention turning to summer

**Bearish Factors**

- Record NG production
- Higher associated gas production
- Warmer temps, declining demand



**Next Day On-Peak Power (traded for 4/11/2019)**

ISO-NE Mass Hub \$32.81	MISO Indiana Hub \$30.85	NYISO Zone G \$42.31
PJM West Hub \$27.91	ERCOT North \$31.75	CAISO SP15 \$23.06
NYMEX NG		Change
May-19	2.700	0.001
Jun-19	2.742	0.003
12 Month	2.876	0.000
Cal 20	2.682	-0.004
Cal 21	2.677	-0.008

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,130	1,107	1,358	1,635
Diff v. Current		23	-228	-505
% Diff			-16.8%	-30.9%

