

Early Morning Update:

The Jul19 natural gas contract is trading down \$0.02 at \$2.36. The Jul19 crude oil contract is up \$1.56 at \$52.70.

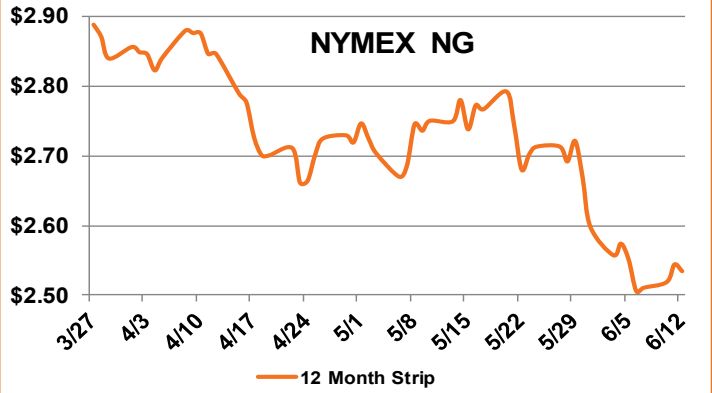
Summary: The West coast can't seem to beat the heat over the next five days, with temperatures up to eight degrees warmer than the 30-day normal. The West Coast warm-up is short lived, though, as that heat shifts down towards Texas over the next 6-20 days. Conversely, the majority of the U.S. is forecasted to experience normal to only slightly-above-normal temperatures to finish out the month. Power burns are currently 0.18 Bcf/d lower year-over-year due to the generally mild weather conditions. However, if we continue to see regional warm-ups, increased cooling demand will be a factor that could add strength to the bearish market. The U.S. Energy Information Administration will be releasing their weekly storage report this morning, as well, where we will discover whether the most recent storage injection will prove to be the 13th consecutive injection greater than the 5-year average benchmark. The consensus of market estimates is a 108 Bcf build, with predictions ranging from 100 to 121 Bcf. For the corresponding week last year, we saw storage inventories increase by 95 Bcf, while the five-year average injection is 92 Bcf.

Bullish Factors

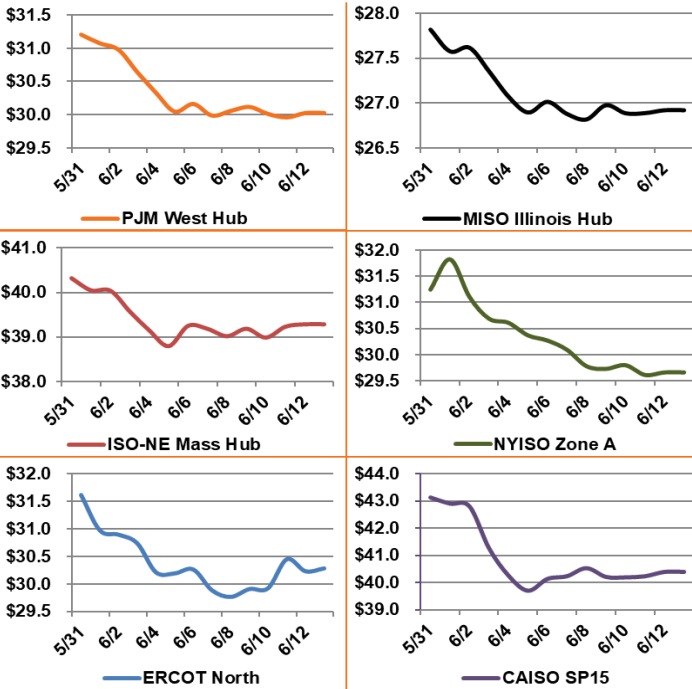
- High LNG exports
- Below-average storage levels
- Attention turning to summer

Bearish Factors

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



12 Month Strips, ATC Power Prices



Next Day On-Peak Power (traded for 6/13/2019)

ISO-NE Mass Hub \$24.25	MISO Indiana Hub \$23.75	NYISO Zone G \$21.56
PJM West Hub \$21.62	ERCOT North \$28.77	CAISO SP15 \$33.46
NYMEX NG	Close	Change
Jul-19	2.386	-0.013
Aug-19	2.381	-0.012
12 Month	2.535	-0.010
Cal 20	2.613	-0.002
Cal 21	2.626	-0.005

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,986	1,867	1,804	2,226
Diff v. Current		119	182	-240
% Diff			10.1%	-10.8%

