

Early Morning Update:

The Jul19 natural gas contract is trading up \$0.01 at \$2.33. The Jul19 crude oil contract is down \$0.23 at \$52.05.

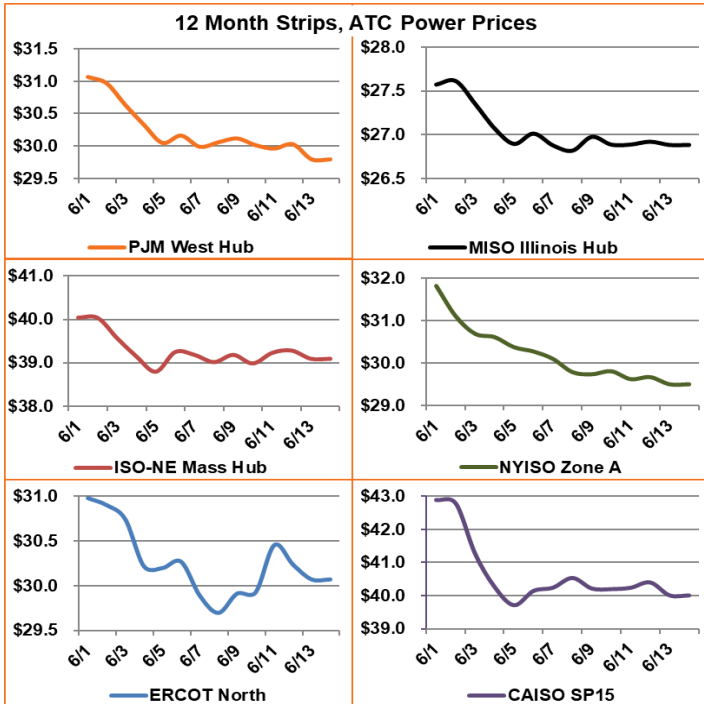
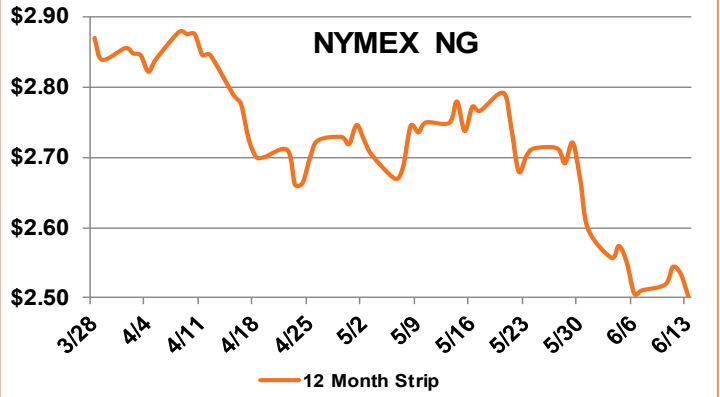
Summary: Yesterday, the U.S. Energy Information Administration reported a 102 Bcf increase in storage stockpiles in the first week of June. Although this was less than the 109 Bcf consensus of market estimates, it did top last year's 95 Bcf injection for the corresponding week, and extended the streak of above-average storage builds seen so far this year, beating the five-year average injection by 10 Bcf. Storage inventories stand at 2.088 Tcf as of June 7, 10% above last year at this time, yet still lagging the five-year average benchmark by 9.9%. Despite the weekly storage report coming in below expectations, the market finished the day much lower than it started. The prompt month slid 6.1 cents, eventually settling at \$2.325/MMBtu, while the 12-mo strip dropped \$0.03 to \$2.503. Bearish fundamentals seem to be keeping a lid on natural gas prices, with near-term weather conditions offering no sign of significant demand increases, and natural gas production remaining robust. Production has averaged 86.4 Bcf/d so far this year, an increase of 7.2 Bcf/d over last year. The current bearish sentiment could very well lead to even lower prices, which have not been at these levels in over three years.

Bullish Factors

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

Bearish Factors

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

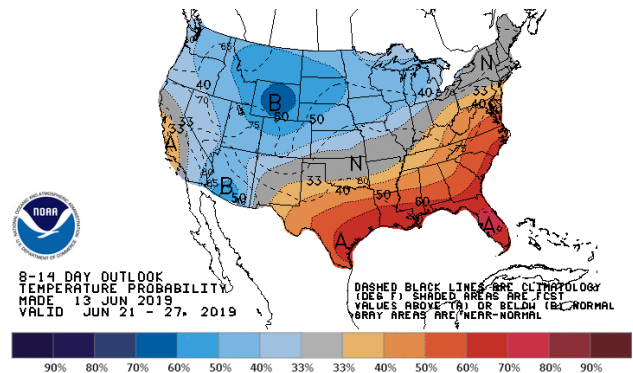
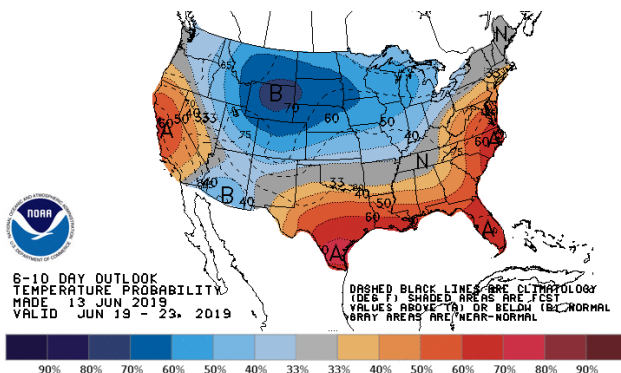


Next Day On-Peak Power (traded for 6/14/2019)

ISO-NE Mass Hub \$22.86	MISO Indiana Hub \$26.08	NYISO Zone G \$20.44
PJM West Hub \$20.92	ERCOT North \$20.00	CAISO SP15 \$19.35
NYMEX NG		
	Close	Change
Jul-19	2.325	-0.061
Aug-19	2.322	-0.059
12 Month	2.503	-0.032
Cal 20	2.606	-0.008
Cal 21	2.627	0.001

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,088	1,986	1,899	2,318
Diff v. Current		102	189	-230
% Diff			10.0%	-9.9%



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