

Early Morning Update:

The Jul19 natural gas contract is trading down \$0.02 at \$2.37. The Jul19 crude oil contract is up \$0.67 at \$52.60.

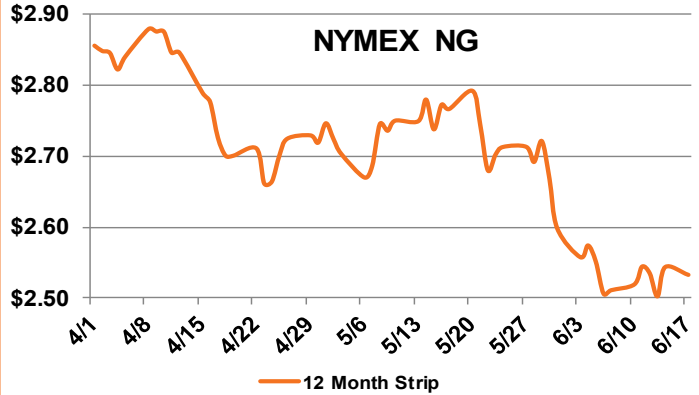
Summary: With June's mild temperatures expected to continue, the demand for power generation is still lacking. Coupled with strong gas production, the recent low gas prices remain steady, as the NYMEX natural gas prompt month price settled yesterday at \$2.386/MMBtu. This price is only 0.1 cent lower than Friday's close, but 57.8 cents lower than the prompt month last year at this time. The Q4'19 NYMEX strip was down 1.2 cents at \$2.515/MMBtu, while the 2020-2025 forward calendar strips all experienced minimal change, varying only a couple cents in gain and loss. Near term weather forecasts show the Northeast and Mid-Atlantic to experience cooler-than-normal temperatures for the rest of the week, while the West Coast and Texas are heating up for the same term.

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 6/18/2019)

ISO-NE Mass Hub \$24.90	MISO Indiana Hub \$31.50	NYISO Zone G \$27.46
PJM West Hub \$27.86	ERCOT North \$27.85	CAISO SP15 \$28.30
NYMEX NG	Close	Change
Jul-19	2.386	-0.001
Aug-19	2.373	-0.008
12 Month	2.533	-0.011
Cal 20	2.617	-0.009
Cal 21	2.635	0.002

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%

