

Early Morning Update

The Apr20 natural gas contract is trading down \$0.02 at \$1.81. The Apr20 crude oil contract is down \$0.18 at \$46.60.

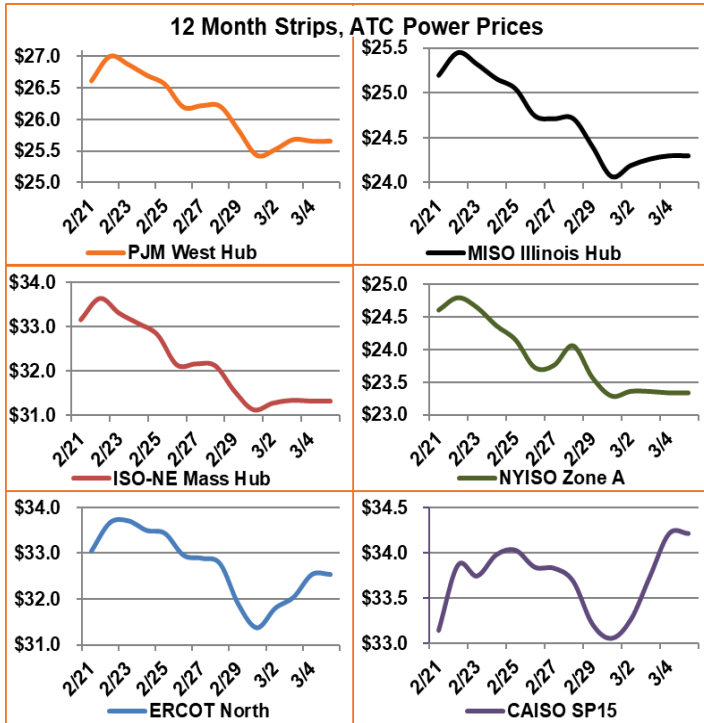
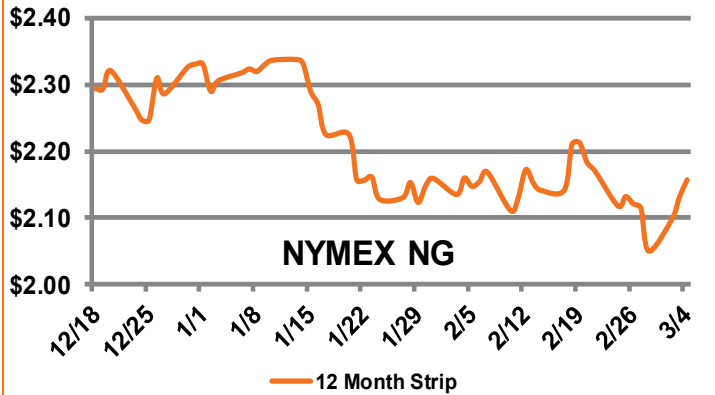
Summary: Weather forecasts continue to be extremely bearish, as most of the country for the next 20 days is forecast to be well above normal for this time of year. Despite the very mild temperatures, we did see the prompt month gain 2.7 cents yesterday, and close out at \$1.827/MMBtu. While we saw a slight gain in the prompt month, keep in mind that at this time last year, the prompt month was at \$2.857/MMBtu, over one dollar higher than where April '20 is today. It's hard to believe that this low-price environment is still in effect, but with dampened heating demand, healthy storage levels, mild temperatures, and steady production, the market can't find a reason to rally at this point. Speaking of healthy storage levels, the U.S. Energy Information Administration will release their weekly storage report later this morning. Market participants are expecting to see a withdrawal in the neighborhood of 100 Bcf, which would be 52 Bcf lower than last year, and 6 Bcf lower than the 5 year-average benchmark.

Bullish Factors

- Record LNG exports
- Growing NG exports to Mexico
- Dry production stalling

Bearish Factors

- Above-average temperatures
- Higher associated gas production
- Healthy storage levels



Next Day On-Peak Power (traded for 3/5/2020)

ISO-NE Mass Hub \$17.78	MISO Indiana Hub \$22.95	NYISO Zone G \$17.75
PJM West Hub \$20.38	ERCOT North \$17.75	CAISO SP15 \$29.73
NYMEX NG		
Apr-20	Close 1.827	Change 0.027
May-20	Close 1.865	Change 0.027
12 Month	Close 2.157	Change 0.026
Cal 21	Close 2.317	Change 0.009
Cal 22	Close 2.390	Change 0.000

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,200	2,343	1,563	2,021
Diff v. Current		-143	637	179
% Diff			40.8%	8.9%

