

**Early Morning Update**

The Apr20 natural gas contract is down \$0.08 at \$1.65. The Apr20 crude oil contract is down another \$2.75 at \$24.20!

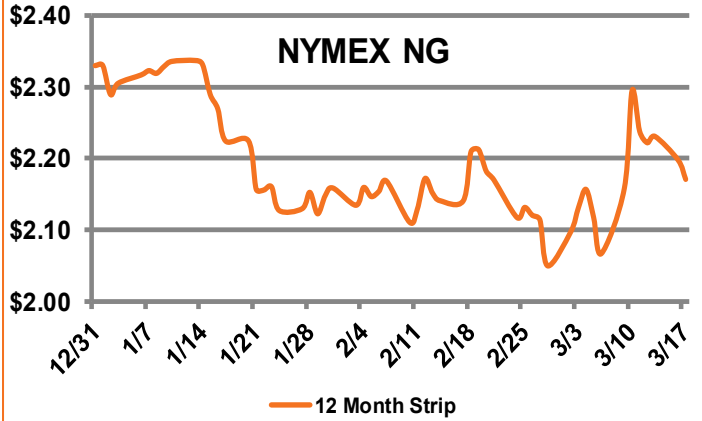
**Summary:** Near-term NYMEX natural gas prices continued their downward trend during yesterday's trading session, as the prompt month lost 8.6 cents to close at \$1.729/MMBtu. All of the downward momentum was confined to the front eight months, with the 12-month strip closing at \$2.17, down just under three cents. The forward calendar strips all moved up around 1.5 to 3.0 cents, but all still remain near their all-time lows that had been set recently. Crude oil also continued down for the day, losing \$1.85 to close at \$26.82. U.S. demand is down again for today on mild weather, as the ResComm sector leads the way, down 1.4 Bcf/d at 29.3 Bcf/d. The effects from the economic slowdown due to the coronavirus have not really impacted the supply/demand equation as of yet, and colder temperatures this weekend are expected to drive demand higher. The U.S. Energy Information Administration's weekly natural gas storage report to be released tomorrow has the potential to show an early injection, with estimates projecting a withdrawal of just 5 Bcf.

**Bullish Factors**

- Near-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 3/18/2020)**

<b>ISO-NE Mass Hub</b> \$18.29	<b>MISO Indiana Hub</b> \$24.38	<b>NYISO Zone G</b> \$18.39
<b>PJM West Hub</b> \$22.44	<b>ERCOT North</b> \$26.24	<b>CAISO SP15</b> \$32.50

<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Apr-20	1.729	-0.086
May-20	1.769	-0.084
12 Month	2.171	-0.027
Cal 21	2.381	0.031
Cal 22	2.357	0.019

**EIA Natural Gas Storage**

<b>EIA Reported Storage (Bcf)</b>	<b>This Week</b>	<b>Last Week</b>	<b>Last Year</b>	<b>5-Year Avg.</b>
<b>Total</b>	2,043	2,091	1,247	1,816
<b>Diff v. Current</b>		-48	796	227
<b>% Diff</b>			63.8%	12.5%

