

**Early Morning Update**

The Apr20 natural gas contract is trading up \$0.02 at \$1.67. The May20 crude oil contract is down \$0.41 at \$23.60.

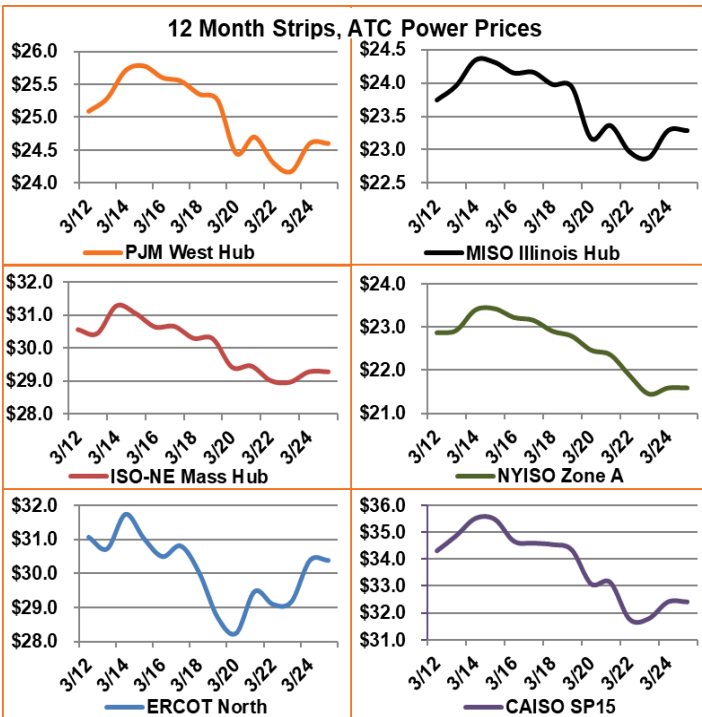
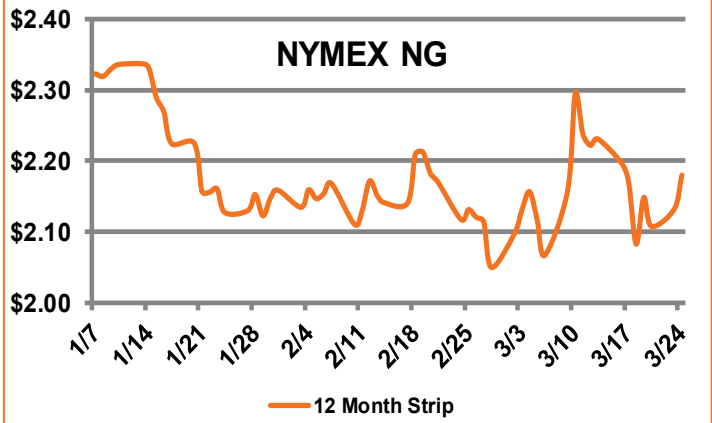
**Summary:** The NYMEX natural gas prompt month continued to gain strength yesterday, rising \$0.051/MMBtu, opening the trading day at \$1.602/MMBtu and closing at \$1.653/MMBtu. This may be attributed to a slow down in production this week, which had been steadily averaging 92.2 Bcf/Day for the month of March, but, in the past two days, forecasts show a drop down to 91.1 Bcf/day for March 25th. Nearly all of the production loss has been in the Permian shale region in West Texas, as daily cash prices for the fuel took a nose dive, trading at just \$0.05/MMBtu at the Waha Hub. In general, natural gas production remains higher year-over-year, averaging 4.3 Bcf/day higher so far this year. Demand remains rather sluggish for this time of year, particularly in residential/commercial heating-related demand, which is down 9.5 Bcf/day vs. last year. Looking ahead, the U.S. Energy Information Administration's weekly storage report to be released tomorrow is expected to report a withdrawal that is lower than the 5-year average, somewhere in the neighborhood of 24 Bcf. The 5YA is -40 Bcf.

**Bullish Factors**

- Slowing production
- Eventual growth in exports
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**Bearish Factors**

- Coronavirus impacts
- Mild temperatures
- Healthy storage levels



**Next Day On-Peak Power (traded for 3/25/2020)**

ISO-NE Mass Hub \$20.10	MISO Indiana Hub \$21.56	NYISO Zone G \$17.50
PJM West Hub \$23.96	ERCOT North \$60.28	CAISO SP15 \$21.62
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Apr-20	1.653	0.051
May-20	1.729	0.056
12 Month	2.180	0.048
Cal 21	2.437	0.035
Cal 22	2.369	0.009

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	2,034	2,043	1,156	1,753
<b>Diff v. Current</b>		-9	878	281
<b>% Diff</b>			76.0%	16.0%

