

Early Morning Update

The May20 natural gas contract is trading down \$0.02 at \$1.65. The May20 crude oil contract is down \$1.26 at \$20.25.

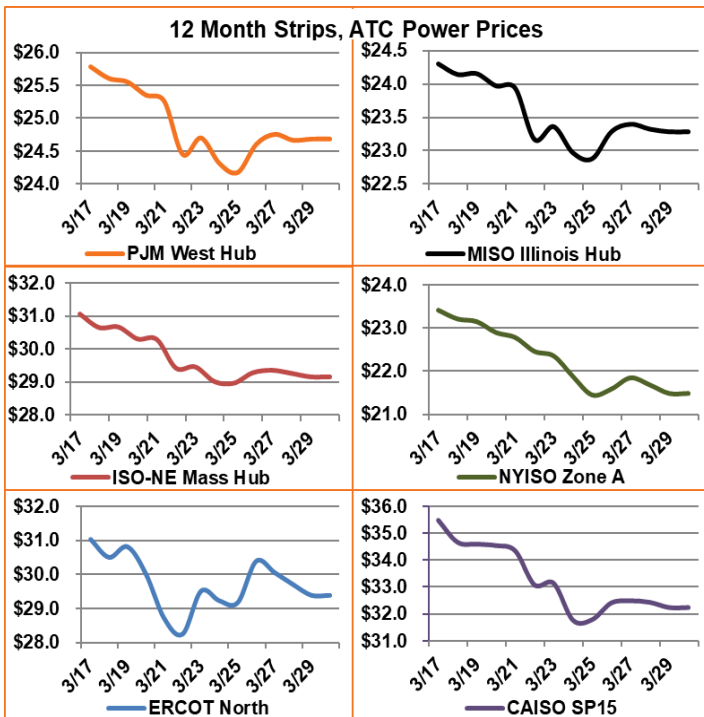
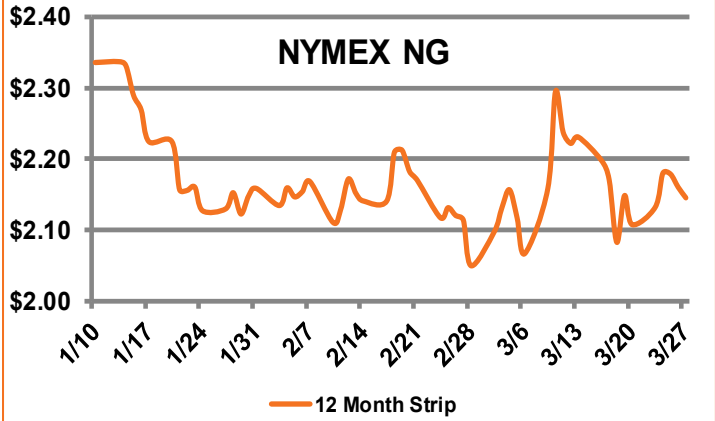
Summary: On Friday, the April 2020 NYMEX natural gas futures contract expired, falling 0.3 cent and ultimately settling at \$1.634/MMBtu. This is the lowest the prompt month has expired in about 25 years, with the last record set in July 1995. As we continue to see record-setting lows, it is hard to see an end right now to the bearish fundamentals in the market, which could remain weak, as Trump announced the extension of the nationwide quarantine due to COVID-19 through April 30th. We are starting to see the effects to demand, as non-essential businesses have closed and weather forecasts remain warmer-than-normal for this time of the year. Supply remains high, despite the low price environment, with U.S. dry production averaging just over 92.0 Bcf/d, down just slightly from the record highs set at the end of 2019. Storage inventories remain at a significant surplus to the five-year average, up about 17%, and almost 80% higher than where they were this time last year. This week, the U.S. Energy Information Administration is expected to report the last storage withdrawal of the winter season, and end-of-season estimates have reached just over 2.0 Tcf, very healthy levels as we head into summer.

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 3/30/2020)

ISO-NE Mass Hub \$18.25	MISO Indiana Hub \$20.97	NYISO Zone G \$16.42
PJM West Hub \$18.78	ERCOT North \$19.16	CAISO SP15 \$17.09
NYMEX NG	Close	Change
Apr-20	1.634	-0.003
May-20	1.671	-0.018
12 Month	2.146	-0.015
Cal 21	2.452	0.016
Cal 22	2.389	0.035

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,005	2,034	1,117	1,713
Diff v. Current		-29	888	292
% Diff			79.5%	17.0%

