

**Early Morning Update**

The May20 natural gas contract is trading up \$0.01 at \$1.86. The May20 crude oil contract is up \$0.87 at \$24.50.

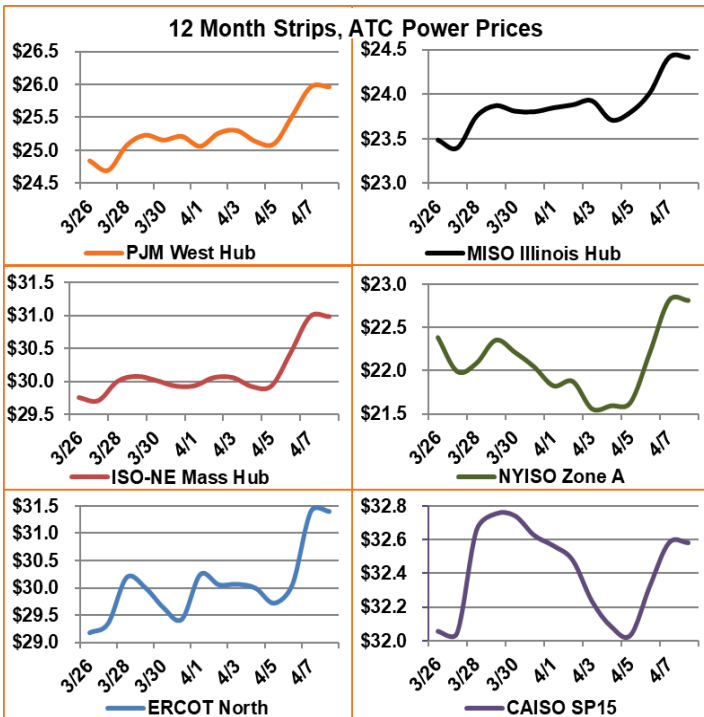
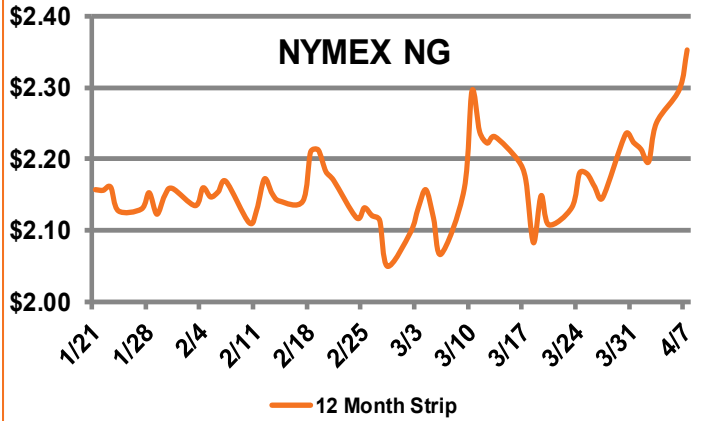
**Summary:** The NYMEX natural gas prompt month continued its third straight day of gains yesterday, rallying 7% for a gain of \$0.121/MMBtu, opening the trading day at \$1.731/MMBtu and closing at \$1.852/MMBtu. The recent rally can likely be attributed in part to colder weather forecasts across much of the Mid-Con and East Coast regions, as well as longer-term production concerns in associated natural gas, a by-product of oil drilling. The colder weather in the forecast, if materialized, will drive a pop in late season heating related demand, limiting injections into natural gas storage. Production of natural gas remains relatively strong, up 2.8 Bcf/day vs. last year. However, analysts remained concerned that continued low prices will push production down in order to drive the market towards equilibrium. Looking ahead, tomorrow's EIA storage report is expected to report an injection that is higher than the 5-year average.

**Bullish Factors**

- Eventual growth in exports
- Widespread below-normal temps
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**Bearish Factors**

- Coronavirus impacts
- Healthy storage levels
- Steady production



**Next Day On-Peak Power (traded for 4/8/2020)**

ISO-NE Mass Hub \$21.84	MISO Indiana Hub \$22.00	NYISO Zone G \$15.13
PJM West Hub \$18.67	ERCOT North \$94.09	CAISO SP15 \$26.95
NYMEX NG	Close	Change
May-20	1.852	0.121
Jun-20	1.949	0.105
12 Month	2.352	0.055
Cal 21	2.547	0.013
Cal 22	2.405	-0.001

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,986	2,005	1,123	1,694
Diff v. Current		-19	863	292
% Diff			76.8%	17.2%

