

**Early Morning Update**

The May20 natural gas contract is trading up \$.05 to yesterday's close at \$1.73. The May20 crude oil contract is down \$1.98 at \$17.85.

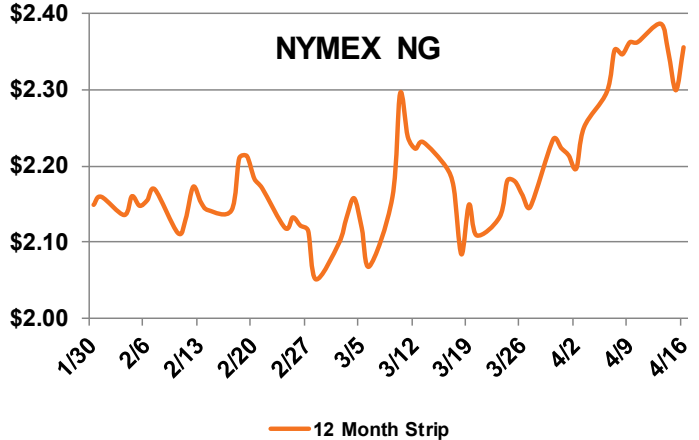
**Summary:** As a tribute to uncertainty plaguing the market, after spending most of the day in the red, the NYMEX HH prompt month contract rallied yesterday afternoon, settling at \$1.587/MMBtu, 8.8 cents higher on the day. Gains were limited to near-term, 2020 contracts, as 2021 and beyond were mostly unchanged yesterday and were recorded regardless of a strong, 73 Bcf storage injection report from the EIA in the morning. Despite near-term prices moving higher during yesterday's trading session, demand is estimated to drop ~14% in the next 8-14 days. In the coming months, however, most reports call for lower natural gas production levels, turning the supply/demand curve more bullish. Today, supply remains steady, dry US natural gas production has averaged 92.5 Bcf/d over the last seven days, but rig counts continue to diminish. Most expenditure cuts so far have been in more oil heavy plays, with crude still priced in the mid to low \$20s/barrel.

**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 4/17/2020)**

ISO-NE Mass Hub \$17.44	MISO Indiana Hub \$20.85	NYISO Zone G \$15.51
PJM West Hub \$20.17	ERCOT North \$20.50	CAISO SP15 \$14.75
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
May-20	1.686	0.088
Jun-20	1.845	0.097
12 Month	2.356	0.056
Cal 21	2.604	0.012
Cal 22	2.454	-0.001

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	2,097	2,024	1,221	1,727
<b>Diff v. Current</b>		73	876	370
<b>% Diff</b>			71.7%	21.4%

