

Early Morning Update

The Jun20 natural gas contract is trading down \$0.05 at \$1.84. The Jun20 crude oil contract is up \$0.63 at \$24.18.

Summary: The prompt NG contract continued its move down from the recent high set on Tuesday, closing yesterday at \$1.894, down \$.05 on the day. After breaching \$2.00 on Tuesday, the market has been unable to sustain the bull run. The EIA yesterday reported a build into storage of 109 Bcf, in-line with estimates. Storage levels are sharply higher than this time last year and also 25% above the 5-year average.

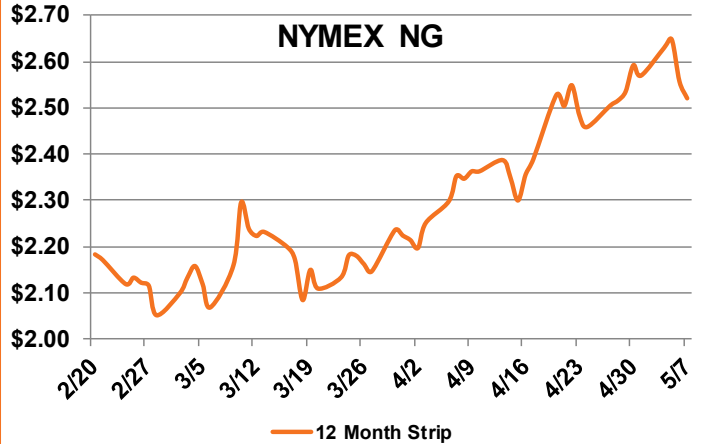
Index markets remain very weak with low demand for both gas and power across much of the country, especially the east coast. Forecasts for the next week continue to show cooler than average temps along the east coast but a warm-up looks to be on the way. A warm-up, along with a tentative opening of the economy could cause demand to start to creep higher. Demand levels for power and NG are very low right now, which has crushed index pricing. Increases in temperature and economic activity would be a welcome sign for the sluggish index markets

Bullish Factors

- Eventual growth in exports
- Northeast below-normal temps
- Possible production curtailments

Bearish Factors

- Coronavirus impacts
- Healthy storage levels
- Warmer normal temperatures



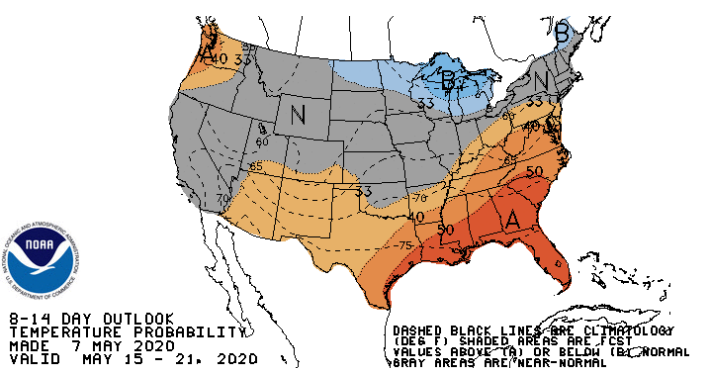
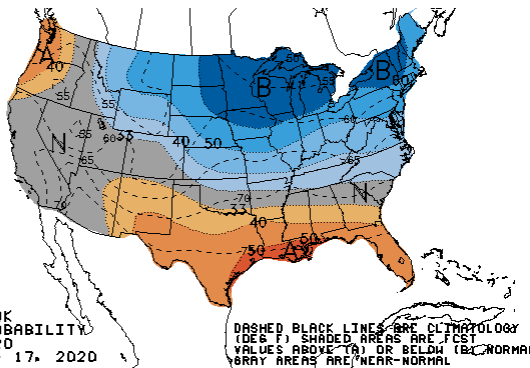
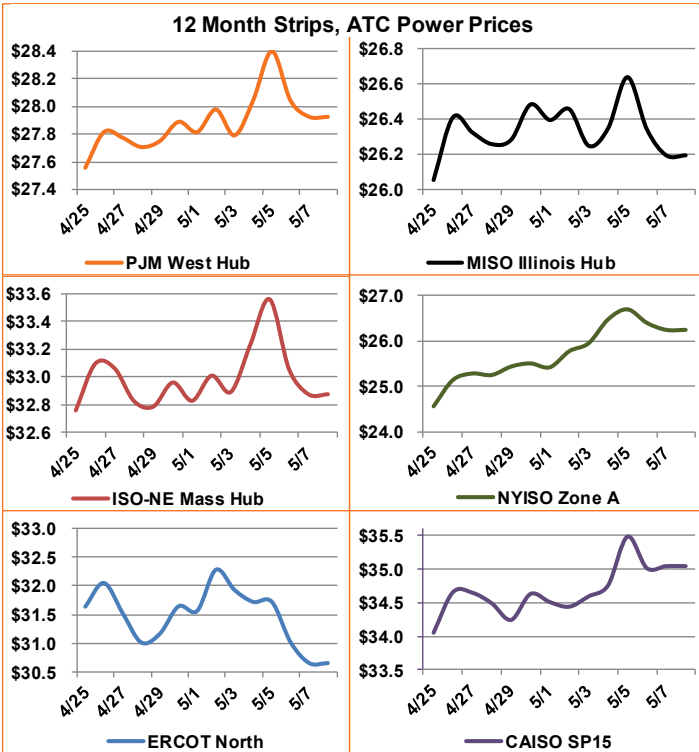
Next Day On-Peak Power (traded for 5/8/2020)

ISO-NE Mass Hub \$17.69	MISO Indiana Hub \$21.98	NYISO Zone G \$16.50
PJM West Hub \$20.62	ERCOT North \$17.00	CAISO SP15 \$23.16

NYMEX NG	Close	Change
Jun-20	1.894	-0.050
Jul-20	2.127	-0.044
12 Month	2.521	-0.037
Cal 21	2.700	-0.018
Cal 22	2.496	-0.009

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,319	2,210	1,523	1,924
Diff v. Current		109	796	395
% Diff			52.3%	20.5%



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 7 MAY 2020
VALID MAY 13 - 17, 2020

DASHED BLACK LINES ARE CLIMATOLOGY
(DEB F) SHADED AREAS ARE PROB
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE NEAR-NORMAL



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 7 MAY 2020
VALID MAY 15 - 21, 2020

DASHED BLACK LINES ARE CLIMATOLOGY
(DEB F) SHADED AREAS ARE PROB
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE NEAR-NORMAL

