

**Early Morning Update**

The Jun20 natural gas contract is trading down \$0.03 at \$1.79. The Jun20 crude oil contract is up \$1.21 at \$25.35.

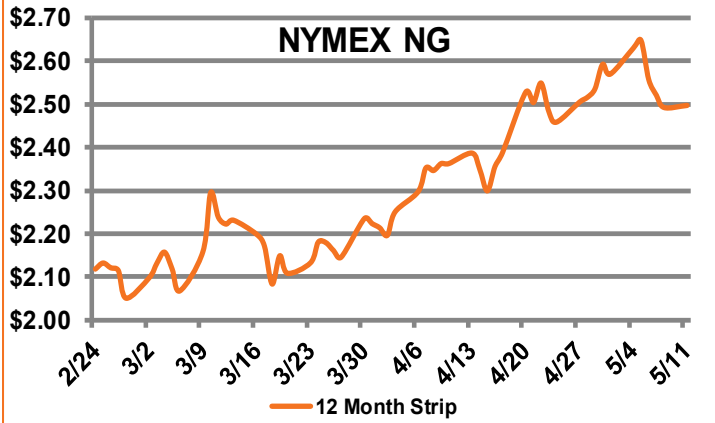
**Summary:** Yesterday, June '20 natural gas settled at \$1.826, relatively flat to Friday's settle. June '20 crude also settle lower at \$24.14, down \$0.76 from yesterday morning. However, it's already up about \$1.40 since yesterday's settle. The Middle East, especially Saudi Arabia, has announced additional production cuts through June, even more than the original OPEC agreement, which is most likely the cause of higher crude prices this morning. As for natural gas, we've seen a 0.5 Bcf/d increase in U.S. demand day-over-day to 70.3 Bcf/d. Res/Comm demand and power burn are down slightly due to lingering heating demand from cooler-than-normal temperatures across the Northeast. Natural gas production is down 1.3 Bcf/d day-over-day to 89.3 Bcf/d. Weather forecasts show cooler-than-normal temperatures across the northern border and into the Northeast dissipating over the next five days. However, warmer temperatures are on the horizon for the majority of the country in the 6-20 day outlook. There's been little movement in the long-term natural gas strips, with Cal '23 and Cal '24 moving a little lower yesterday. We are still in a backwardated market, with Cal '21 as the most expensive at \$2.70, and Cal '24 the least expensive at \$2.40.

**Bullish Factors**

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

**Bearish Factors**

- Coronavirus impacts
- Healthy storage levels
- Warmer normal temperatures

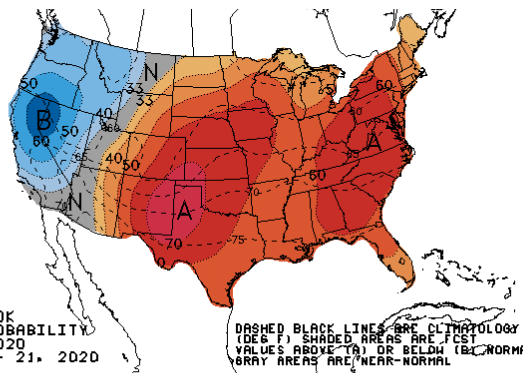
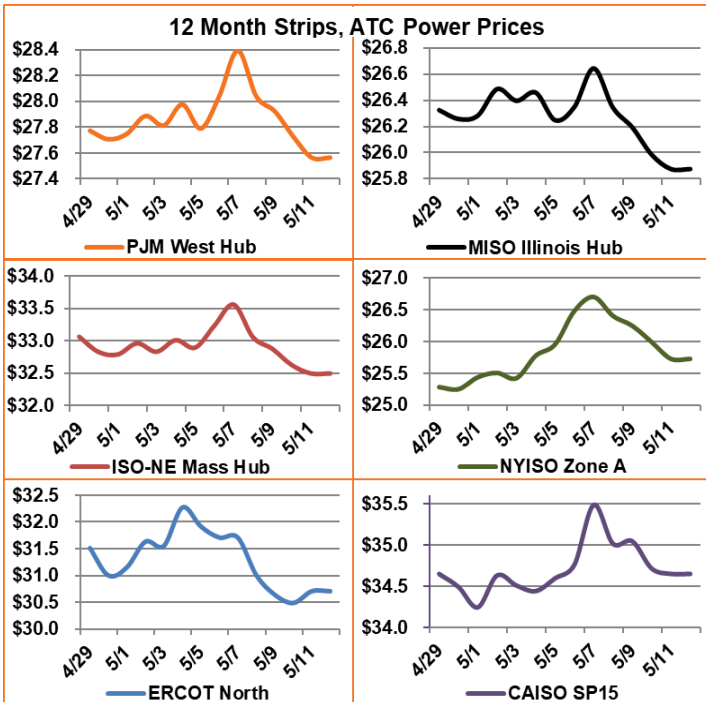


**Next Day On-Peak Power (traded for 5/12/2020)**

ISO-NE Mass Hub \$17.50	MISO Indiana Hub \$22.88	NYISO Zone G \$17.00
PJM West Hub \$19.71	ERCOT North \$19.10	CAISO SP15 \$14.45
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Jun-20	1.826	0.003
Jul-20	2.085	0.008
12 Month	2.497	0.005
Cal 21	2.703	0.006
Cal 22	2.499	-0.006

**EIA Natural Gas Storage**

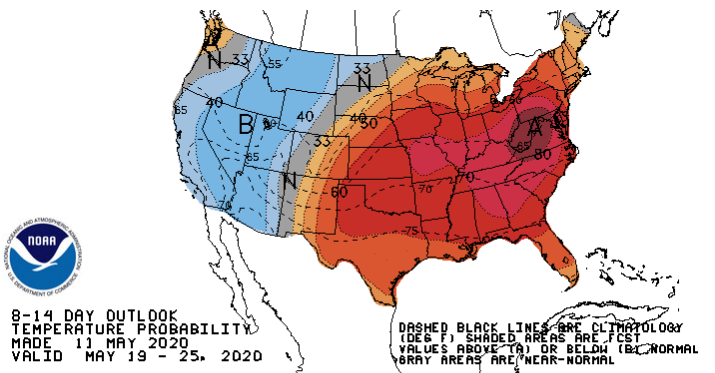
EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	2,319	2,210	1,523	1,924
<b>Diff v. Current</b>		109	796	395
<b>% Diff</b>			52.3%	20.5%



6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 11 MAY 2020  
VALID MAY 17 - 21, 2020

DASHED BLACK LINES ARE CLIMATOLOGY  
(DEG F) SHADED AREAS ARE FCST  
VALUES ABOVE (A) OR BELDH (B) NORMAL  
GRAY AREAS ARE NEAR-NORMAL

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%



8-14 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 11 MAY 2020  
VALID MAY 19 - 25, 2020

DASHED BLACK LINES ARE CLIMATOLOGY  
(DEG F) SHADED AREAS ARE FCST  
VALUES ABOVE (A) OR BELDH (B) NORMAL  
GRAY AREAS ARE NEAR-NORMAL

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%