

**Early Morning Update**

The Jun20 natural gas contract is trading up \$0.05 at \$1.83. The Jun20 crude oil contract is up \$0.88 at \$32.70.

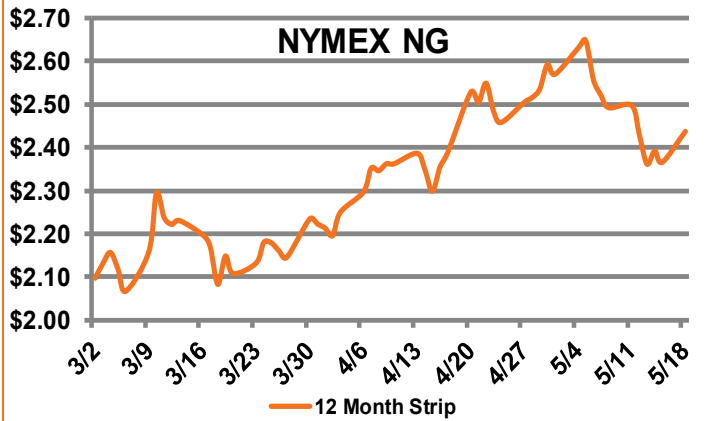
**Summary:** Yesterday, the June prompt gained 13.7 cents from Friday's settle, closing at \$1.783/MMBtu, and climbing higher this morning. Weather-wise, we're seeing above-normal temperatures, especially in the Northeast and the upper Midwest through the 20-day forecast, while heat in the west picks up in the 6-15 day outlook. After the colder-than-normal temperatures over the last couple of weeks, winter might finally be over. On the supply side, rig counts continue to fall, with shale rigs (horizontal rigs) at their lowest level since 2016. Total production has fallen, as well, hitting a year-to-date low of 85.5 Bcf/d. Demand is showing a moderate increase, as coronavirus restrictions continue to ease across many parts of the country. Will production pick up again, or is this finally the much-anticipated production slowdown that is needed to strengthen prices and bolster investment?

**Bullish Factors**

- Managed Money buying spree
- Declining production
- Eventual growth in exports

**Bearish Factors**

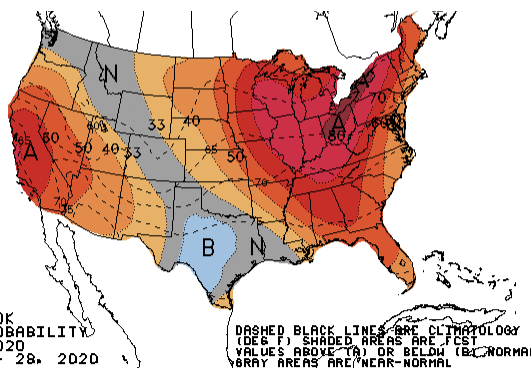
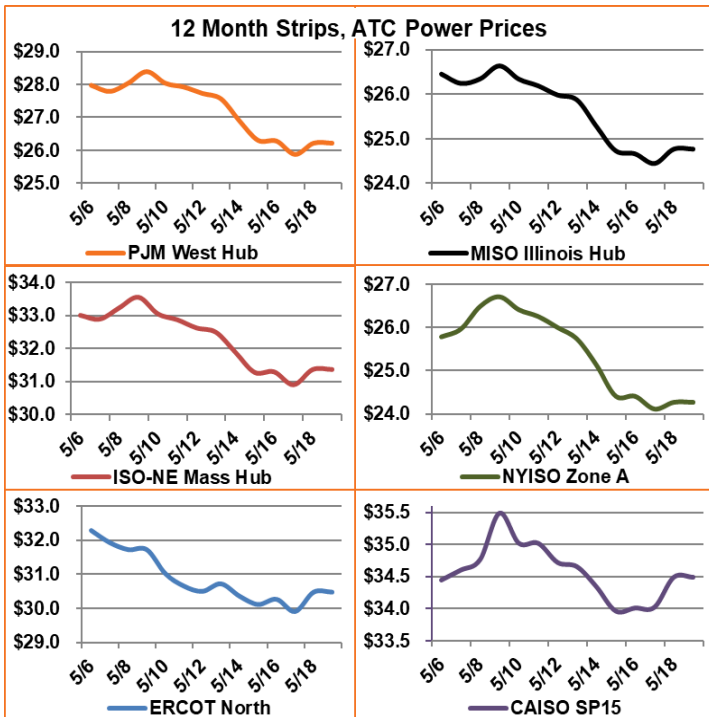
- Coronavirus impacts
- Healthy storage levels
- Warmer normal temperatures



**Next Day On-Peak Power (traded for 5/19/2020)**

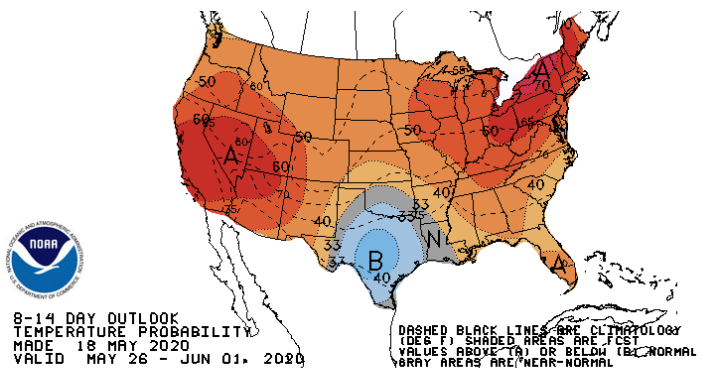
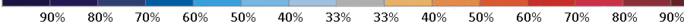
ISO-NE Mass Hub \$17.69	MISO Indiana Hub \$21.28	NYISO Zone G \$13.69
PJM West Hub \$16.20	ERCOT North \$37.05	CAISO SP15 \$9.46
NYMEX NG		Change
Jun-20	1.783	0.137
Jul-20	1.959	0.126
12 Month	2.437	0.071
Cal 21	2.682	0.019
Cal 22	2.498	0.009

EIA Natural Gas Storage				
EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,422	2,319	1,623	2,009
Diff v. Current		103	799	413
% Diff			49.2%	20.6%



6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 18 MAY 2020  
VALID MAY 24 - 28, 2020

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



8-14 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 18 MAY 2020  
VALID MAY 26 - JUN 01, 2020

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

