

Early Morning Update

The Jun20 natural gas contract is trading down \$0.04 at \$1.73. The Jul20 crude oil contract is up \$1.11 at \$34.60.

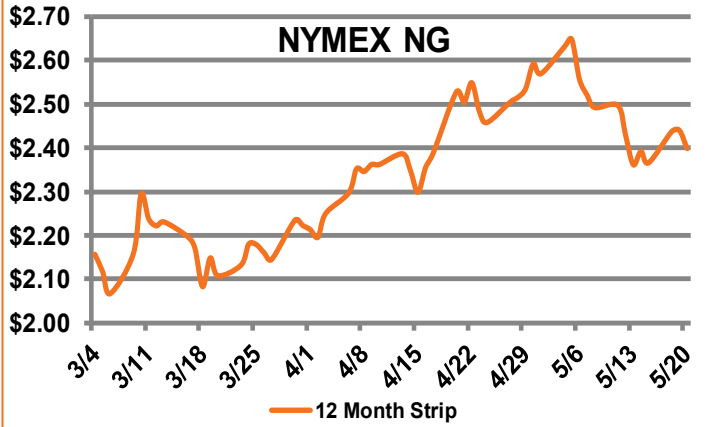
Summary: The trend of the NYMEX June contract reversed once again yesterday, sliding \$0.059/MMBtu and settling at \$1.771/MMBtu. Yesterday's weakness bucked the three-day, \$0.23/MMBtu rally that began Monday. The strength was initiated upon reports of supply curtailments, largely from EQT. However, the recent supply reduction has been outmatched by the expected demand destruction coming over the next few weeks. Weather forecasts have indicated temperatures in most of the major US demand centers will be above normal into early June, which is a bearish indicator for residential and commercial gas demand. Speculations of a healthy storage report today may have also contributed towards the downward pressure on gas prices. The expected range of a 76-91 Bcf injection for today's storage report is in line with the five-year average 87 Bcf. Current natural gas storage levels are already 120% of the five-year average level, and 150% above working stockpiles from last year.

Bullish Factors

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

Bearish Factors

- Coronavirus impacts
- Healthy storage levels
- Warmer normal temperatures

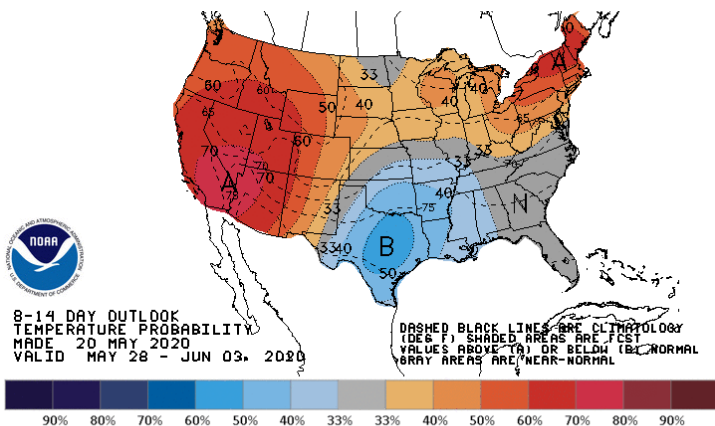
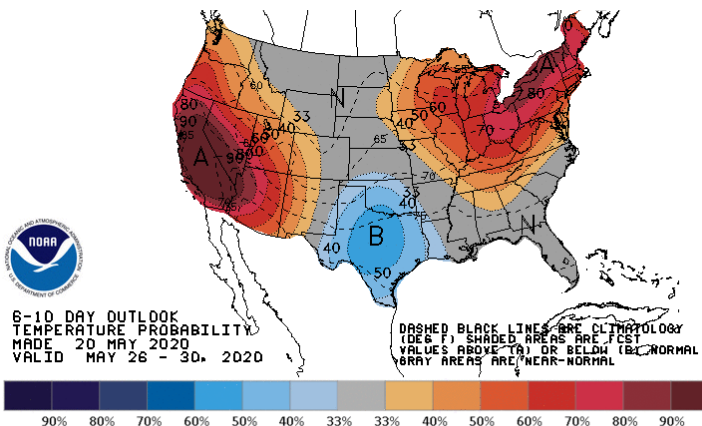
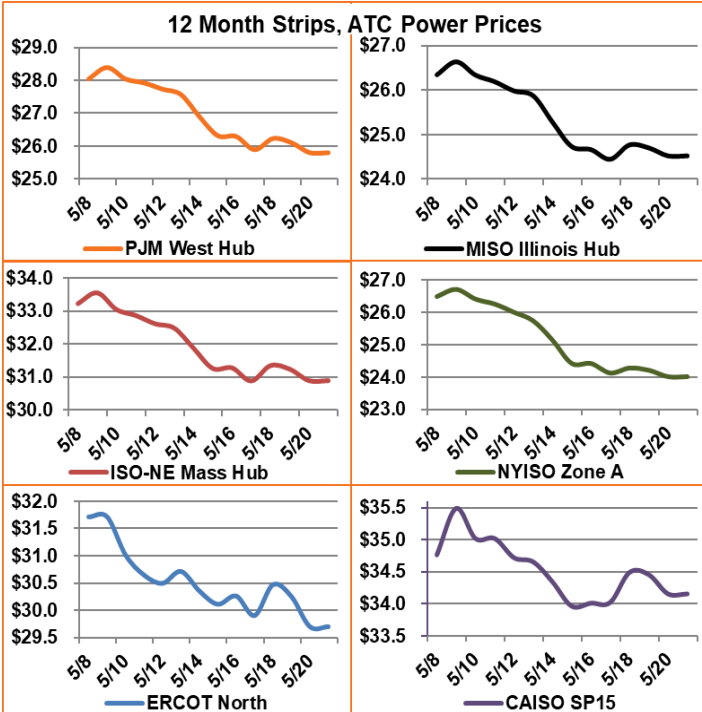


Next Day On-Peak Power (traded for 5/21/2020)

ISO-NE Mass Hub \$16.75	MISO Indiana Hub \$22.33	NYISO Zone G \$14.81
PJM West Hub \$17.44	ERCOT North \$21.18	CAISO SP15 \$10.50
NYMEX NG	Close	Change
Jun-20	1.771	-0.059
Jul-20	1.909	-0.076
12 Month	2.399	-0.041
Cal 21	2.653	-0.022
Cal 22	2.491	-0.013

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%



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

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