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***Week Ending April 19, 2019***

**Please contact me to review a joint RBN Energy daily publication detailing natural gas fundamentals.**

**Price Action:** The May contract fell 17.0 cents (6.4%) to \$2.490 on a 1.5 cent range (\$2.653/\$2.478).

**Price Outlook:** The collapsed as bearish weather forecasts and physical pipeline data pressured prices lower. The EIA reported and a record injection for early/mid-April and inventories are poised to rise above last year next week. While absolute storage levels remain historically and may provide some price support, there is little to suggest price upside until the summer either does or does not show up. For daily updated storage projections, subscribe to our joint publication with RBN Energy. CFTC data indicated a (31,398) contract reduction in the managed money net long position as longs added and shorts added. This is the lowest net long position since September 18, 2018. This is largest short position since September 25, 18. Total open interest rose 141,768 to 3.322 million as of April 16. Aggregated CME futures open interest rose to 1.271 million as of April 19. The current weather forecast is now warmer than 10 of the last 10 years. Pipeline data indicates total flows to Cheniere's Sabine Pass export facility were at 4.0 bcf. Cove Point is net exporting 0.7 bcf. Corpus Christi is exporting 0.827 bcf. Cameron is exporting 0.105 bcf.

**Weekly Storage:** US working gas storage for the week ending April 12 indicated an injection of +92 bcf. Working gas inventories rose to 1,247 bcf. Current inventories fall (52)bcf (-4.0%) below last year and fall (411) bcf (-24.8%) below the 5-year average. The report included a 4 bcf reclassification of working to base gas resulting in an increase of +25 bcf above last week's reported working gas level.

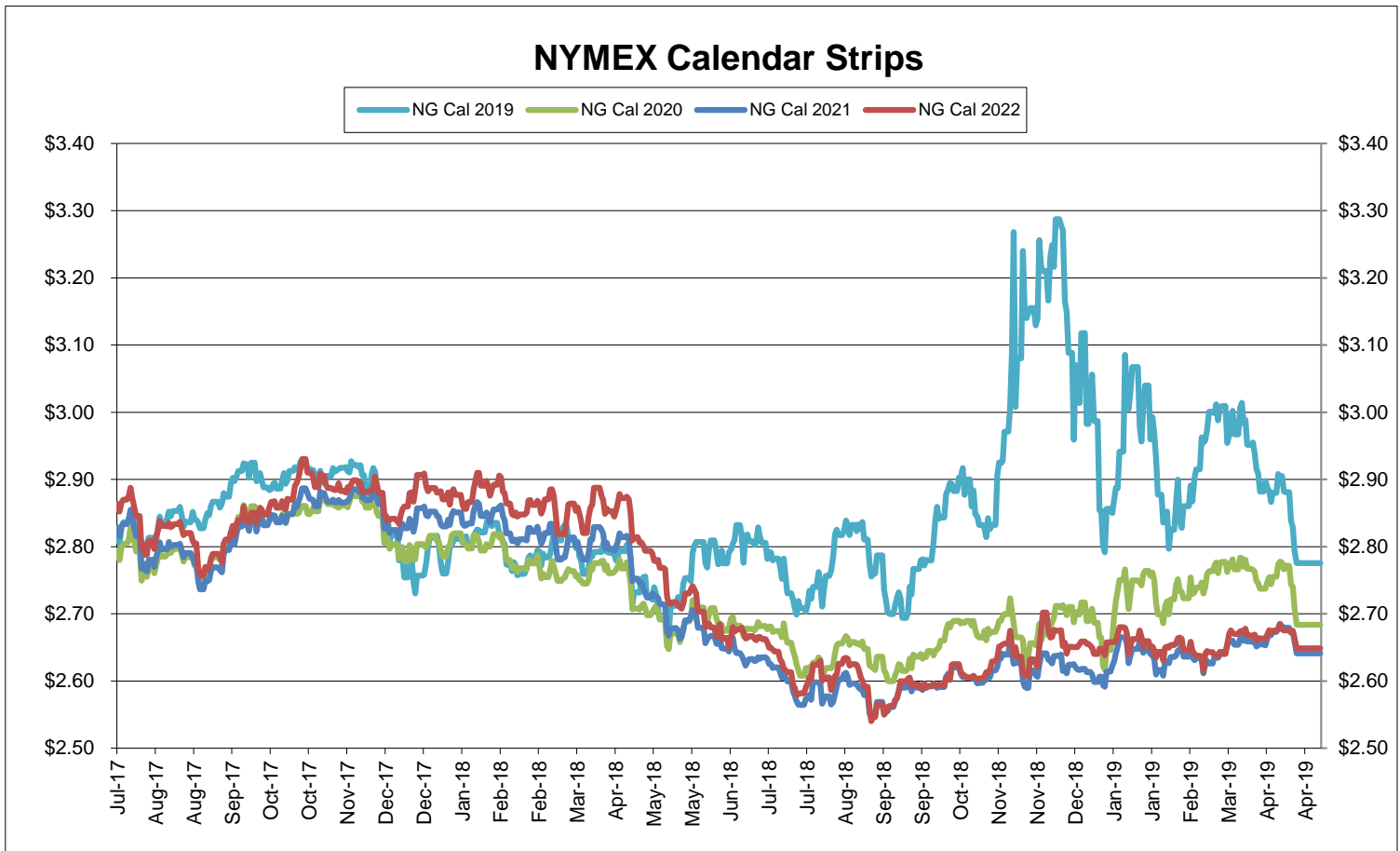
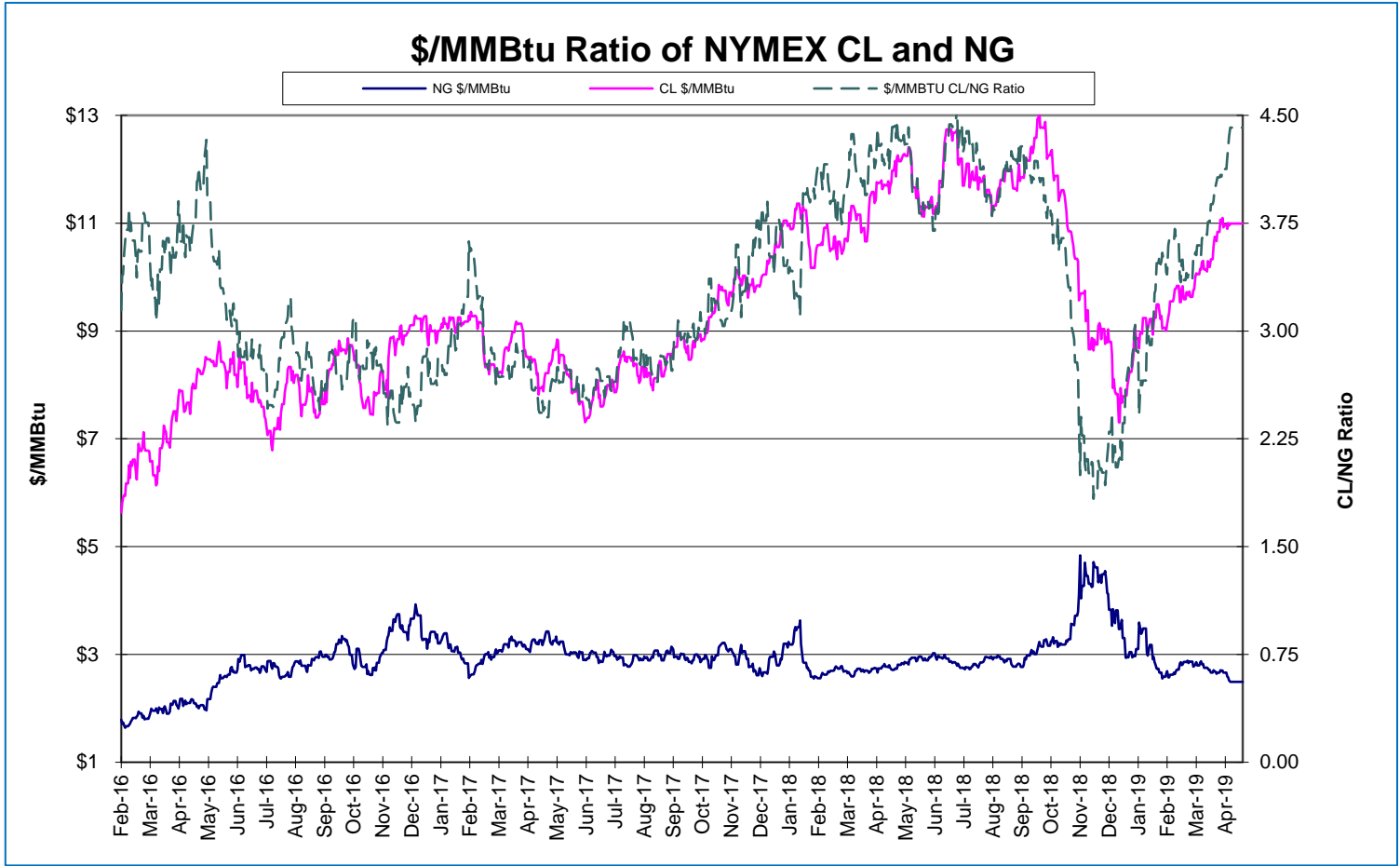
**Storage Outlook:** The EIA weekly implied flow was 3 bcf from our EIA storage estimate. This week's storage estimate returned to within our tolerance. The forecasts use a 10-year rolling temperature profile past the 15-day forecast. Our joint publication with RBN updates storage projections daily.

**Supply Trends:** Total supply fell (0.1) bcf/d to 85.5 bcf/d. US production fell. Canadian imports fell. LNG imports rose. LNG exports fell. Mexican exports rose. The US Baker Hughes rig count fell (10). Oil activity decreased (8). Natural gas activity decreased (2). The total US rig count now stands at 1,012. The Canadian rig count was unchanged at +0 to 66. Thus, the total North American rig count fell (10) to 1,078 and now trails last year by (28). The higher efficiency US horizontal rig count fell (3) to 886 and falls (3) below last year.

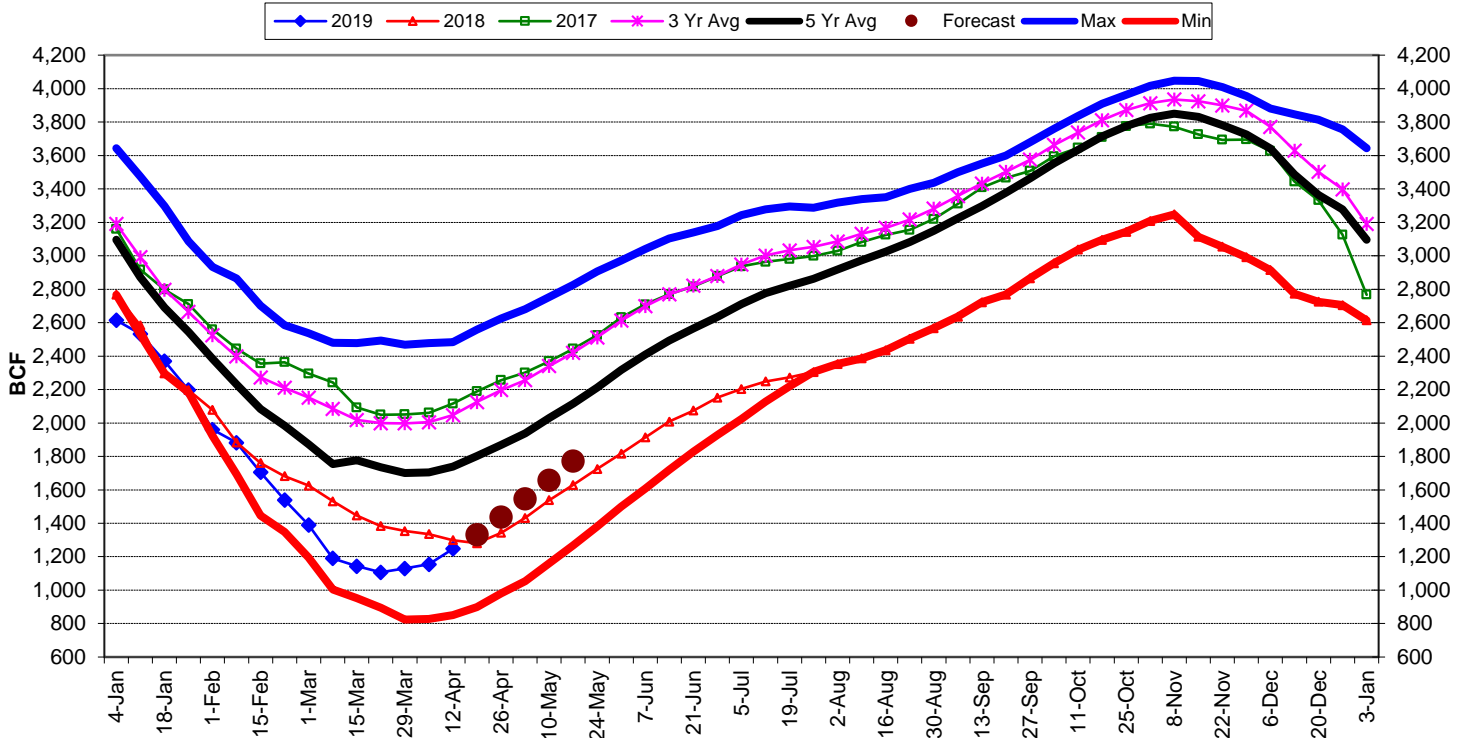
**Demand Trends:** Total demand fell (7.0) bcf/d to +73.5 bcf/d. Power demand fell. Industrial demand fell. Res/Comm demand fell. Electricity demand fell (426) gigawatt-hrs to 68,379 which trails last year by (2,627) (-3.7%) and trails the 5-year average by (286)(-0.4%%).

**Nuclear Generation:** Nuclear generation rose 886 MW in the reference week to 80,150 MW. This is +1,590 MW higher than last year and +358 MW higher than the 5-year average. Recent output was at 81,756 MW.

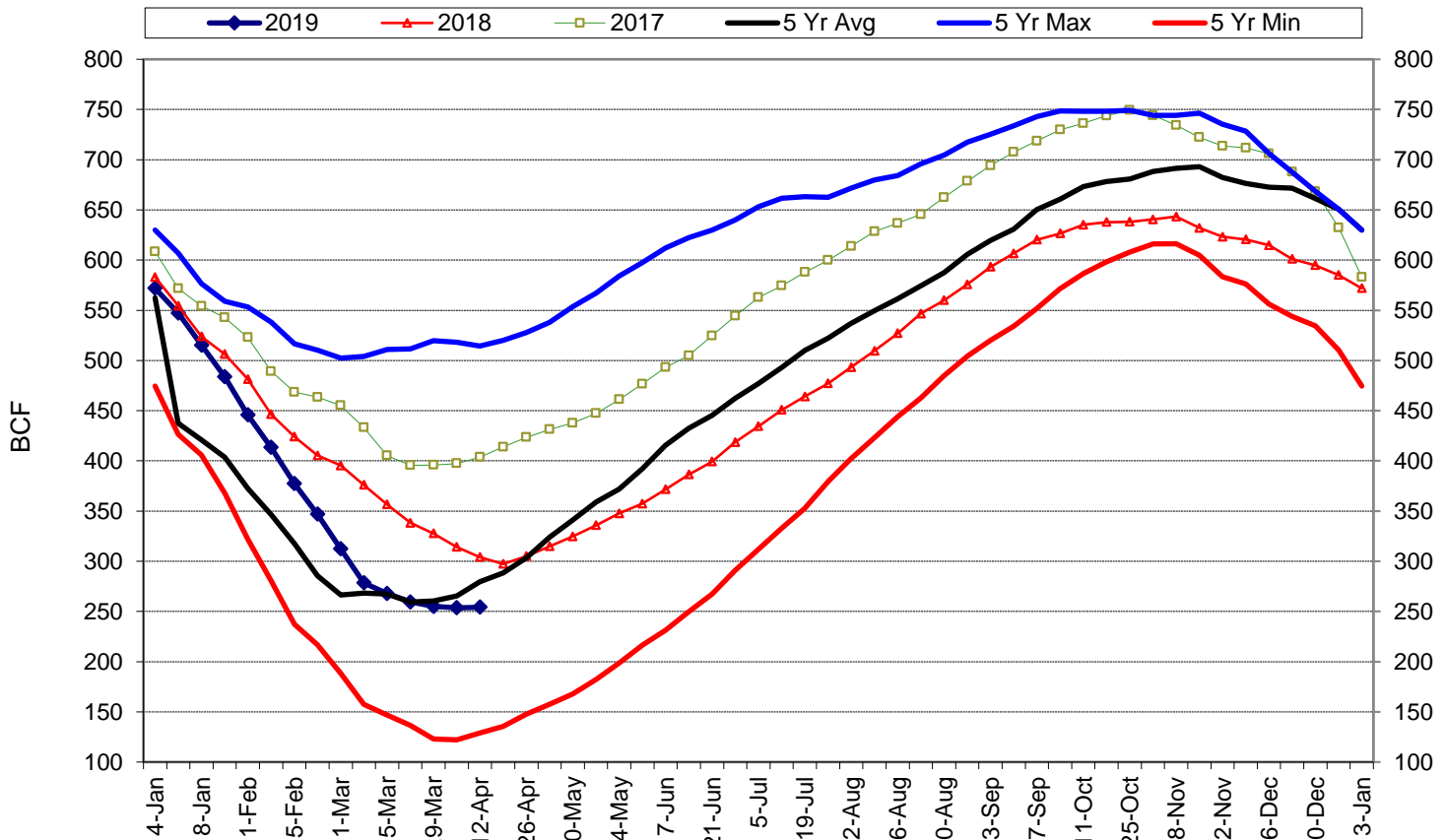
- The cooling season is beginning. With a forecast through May 3 the 2019 total cooling index is at 1 compared to 13 for 2018, 16 for 2017, 0 for 2016, 13 for 2015, 37 for 2014, 25 for 2013, 21 for 2012 and 9 for 2011.



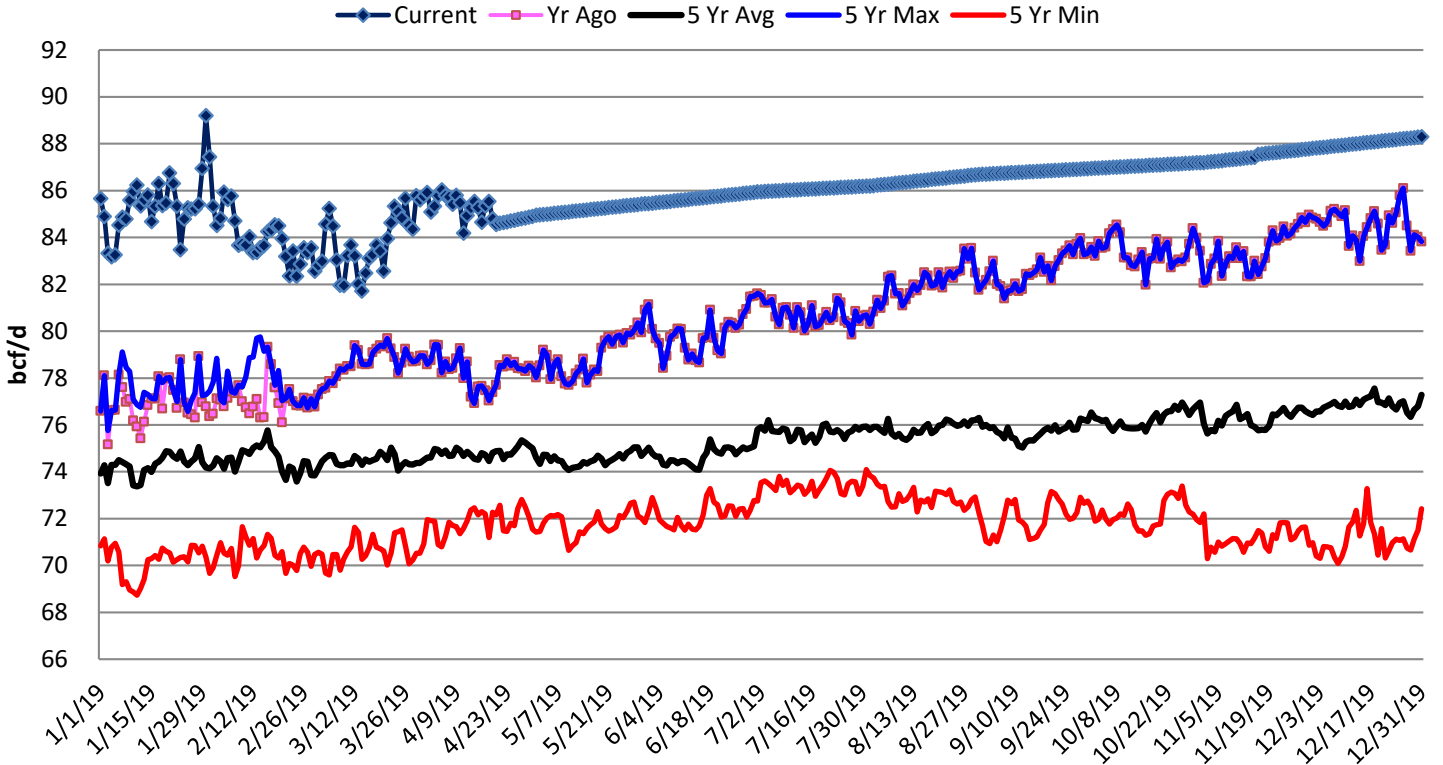
## US Total Working Gas Storage - Source - EIA



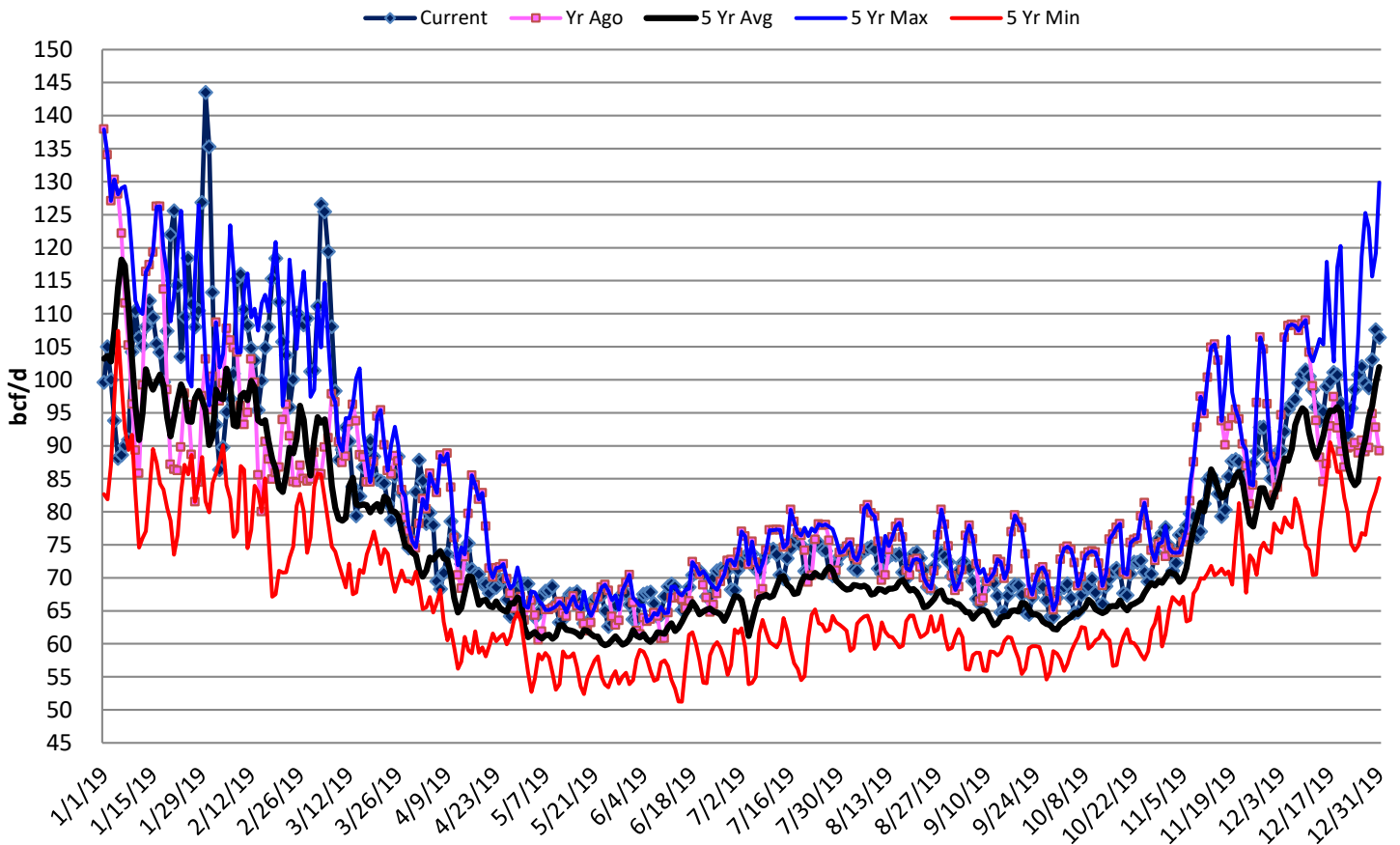
## Canadian Working Gas Storage - Enerdata



## US Total Supply



## US Total Demand



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**ADDITIONAL INFORMATION AVAILABLE UPON REQUEST**

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