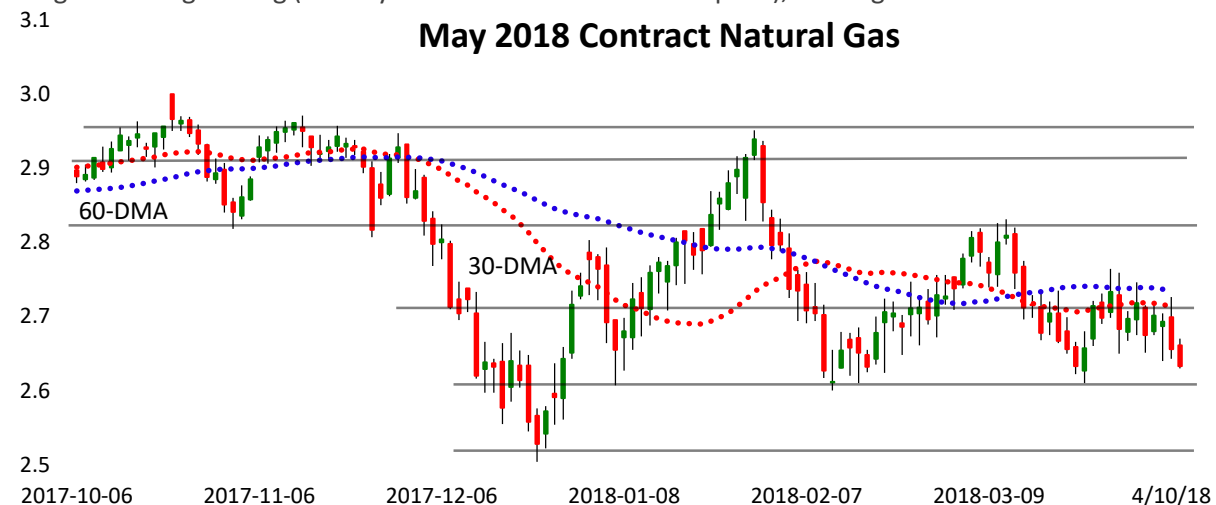
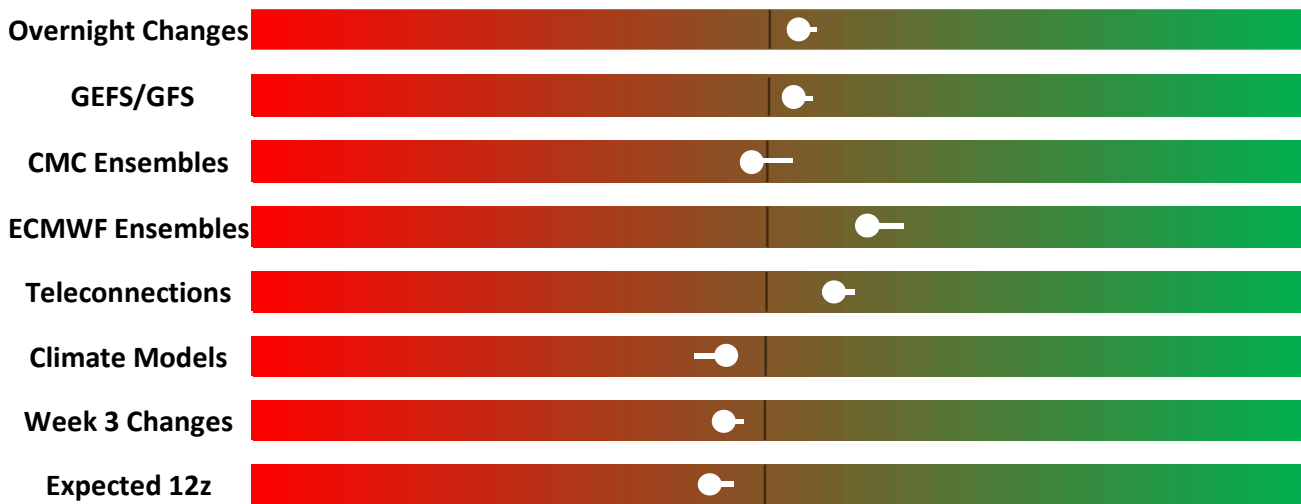




# Wednesday Morning Update: **SLIGHTLY BEARISH**

Weather guidance overnight ticked back warmer as we saw European guidance rather consistently ease off the intensity of cold through the medium and long-range with American guidance following. The main trend was to focus more cold across the Midwest and Great Plains through the long-range with slightly warmer trends across the East Coast, a trend we could easily see continuing as upper level blocking slowly eases into the end of April. This fits with the weak Nina base state, and indicates that while heating demand may be above average it will be difficult to get cold shots as consistently intense as we are expecting on the 16<sup>th</sup>. Even there the intensity has fallen off a bit, as that may struggle to get cash prices quite as elevated. Afternoon model guidance likely continues these trends as we see heating demand fall back to around average then through Week 3.

May natural gas prices are selling off again this morning and setting new lows for the week as they react to slightly less supportive weather models, production near record levels, and what is expected to be a very loose EIA print tomorrow. Cash prices are expected to be weak again with short-term warmth impressive the next few days, and though cash could perk up into the end of the week it will be hard to keep those prices as elevated with cold easing through the medium and long-range. As a result we have maintained our slightly bearish sentiment from yesterday as we see room for prices to move into the \$2.6-\$2.62 support level they are nearing. Even \$2.58 may be in play, especially with a looser EIA print tomorrow, and should we see fundamentals deteriorate further \$2.52 could briefly be tested. However, prices below \$2.6 likely bring further tightening (already evident in next week's EIA print), limiting the extend of downside.



GWDDs	4/11	4/12	4/13	4/14	4/15	4/16	4/17	4/18	4/19	4/20	4/21	4/22	4/23	4/24	4/25	Total
BWS Forecast	16	12	10.5	13	18.5	20	18	15.5	16	16.5	14.5	14.5	14.5	14	13.5	<b>227.0</b>
Old Forecast	16	12.5	11.5	13.5	19	20.5	19	16.5	16.5	16.5	15	14.5	14.5	14	13	<b>232.5</b>
2017	9	9	11	11	8	7	8	9	10	9	12	13	11	11	9	<b>147.0</b>
5-yr Avg	12.4	12.4	12.4	12.6	12.6	11.8	10.4	10	10.2	10.4	11.2	11.6	12.8	12.8	12.2	<b>175.8</b>
1981-2010 Avg	15.0	14.6	14.4	13.7	13.0	12.7	12.7	12.7	12.2	11.6	11.8	12.4	12.1	11.4	11.4	<b>191.7</b>

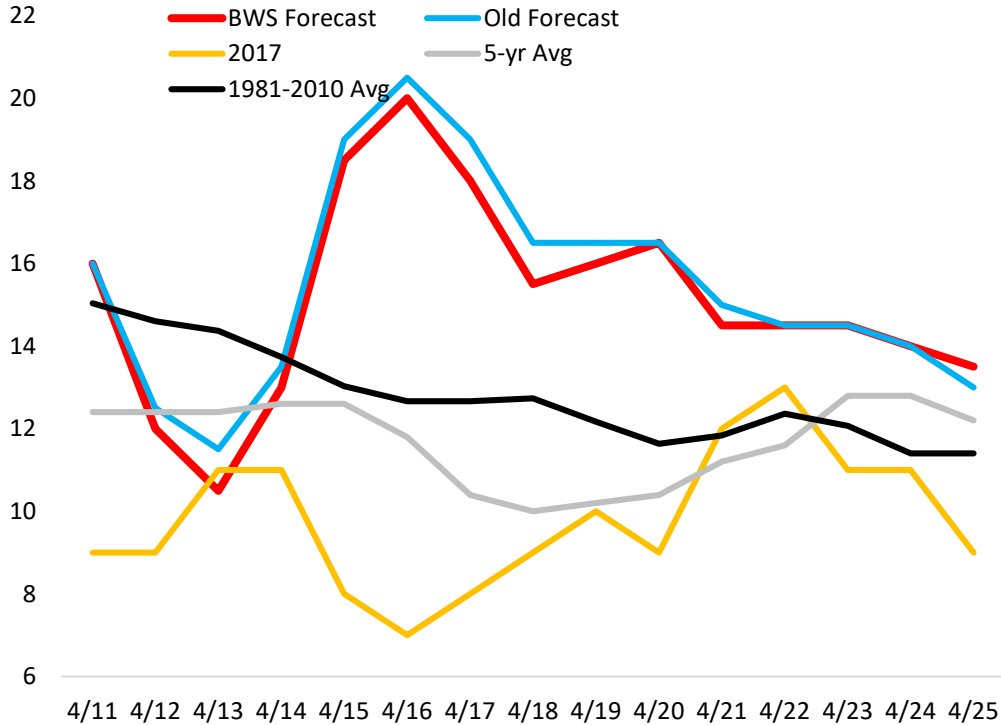
## Preliminary EIA Forecasts

	6-Apr	13-Apr	20-Apr	27-Apr
Storage Change (bcf)	-16	-17	23	55
5-yr Storage Change (bcf)	9	38	60	69
Forecast/Observed TDDs	146	128.5	117.5	97
5-yr Avg TDDs	114	94	78	84
Climo	113	108	89	81

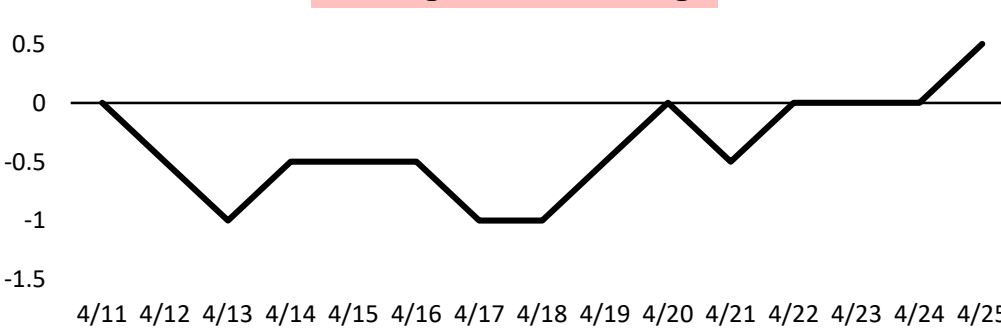


# Weather-Driven Demand Forecasts

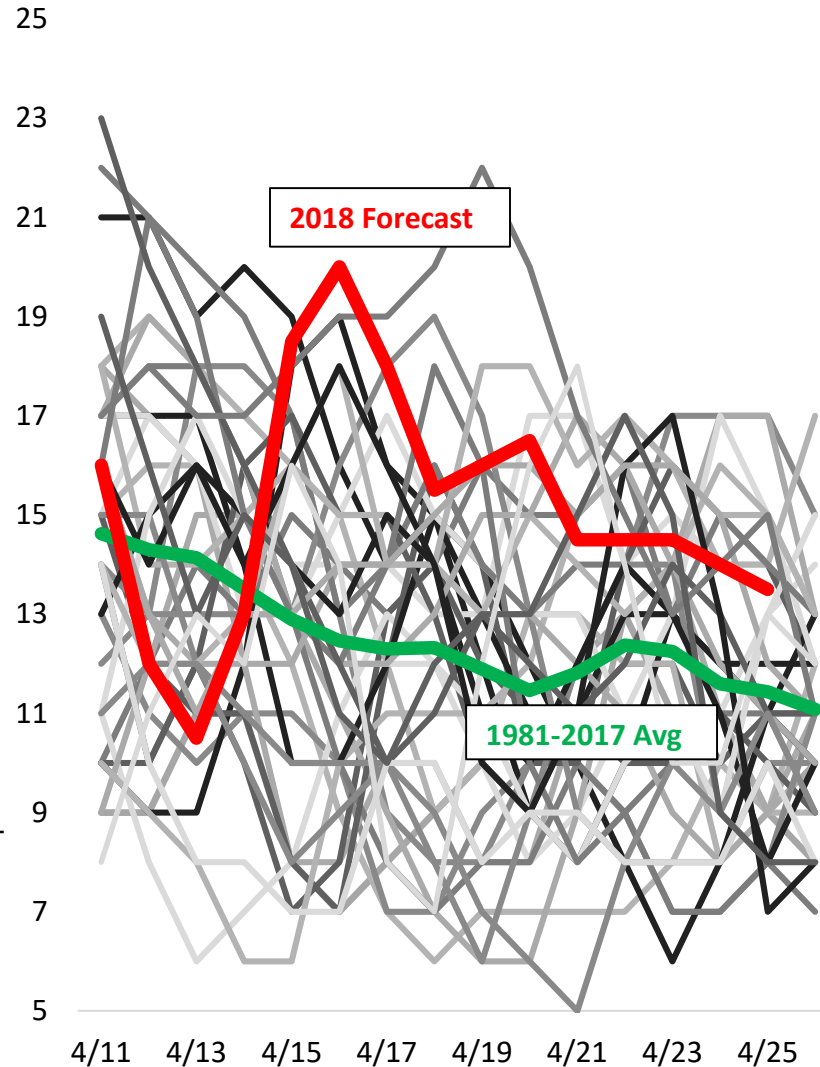
### Morning GWDD Forecasts



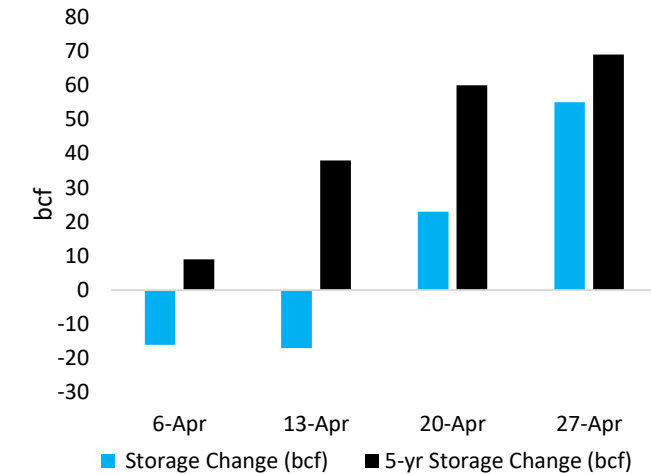
### Overnight GWDD Change



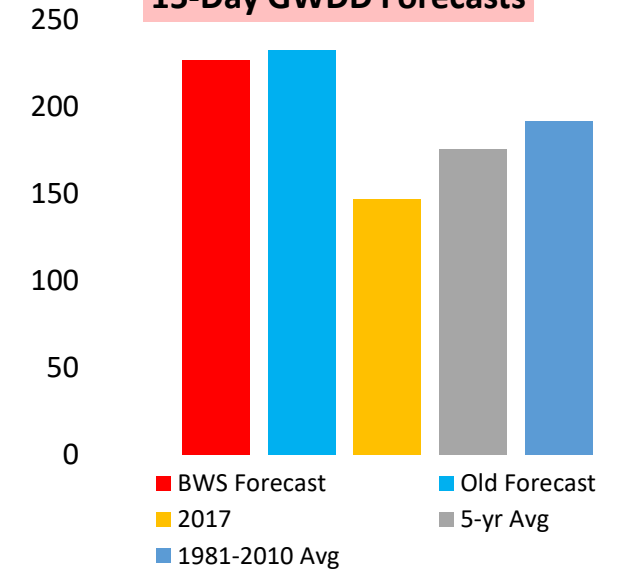
### GWDDs 1981-2017



### Forecast Next 4 EIA Prints



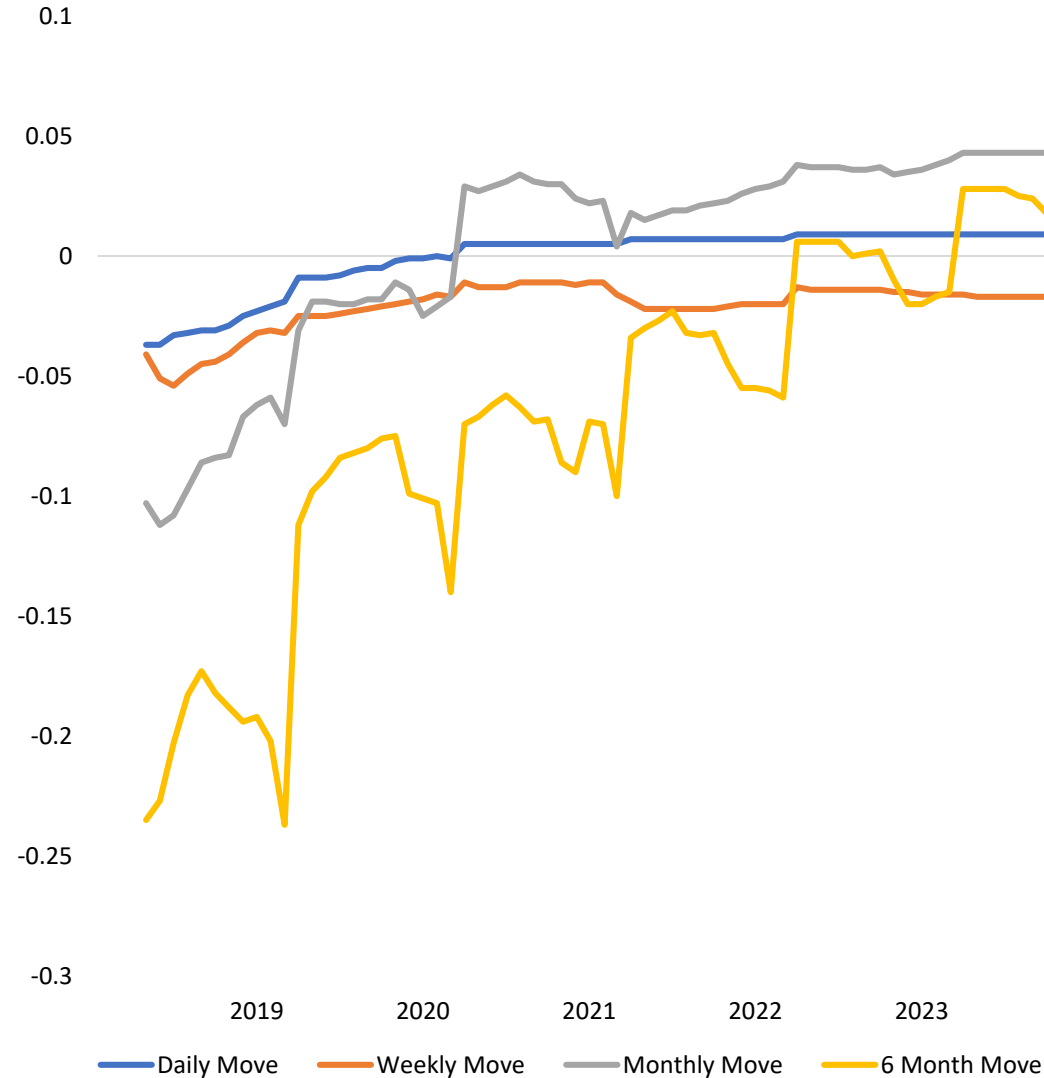
### 15-Day GWDD Forecasts



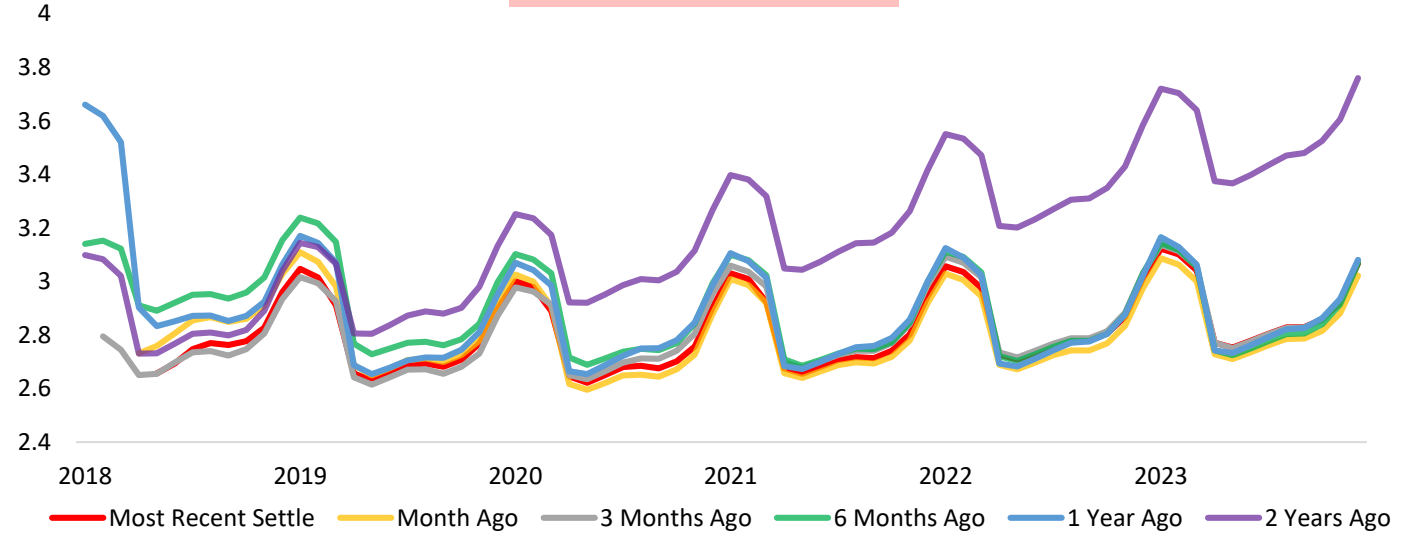


# Natural Gas Forward Strip

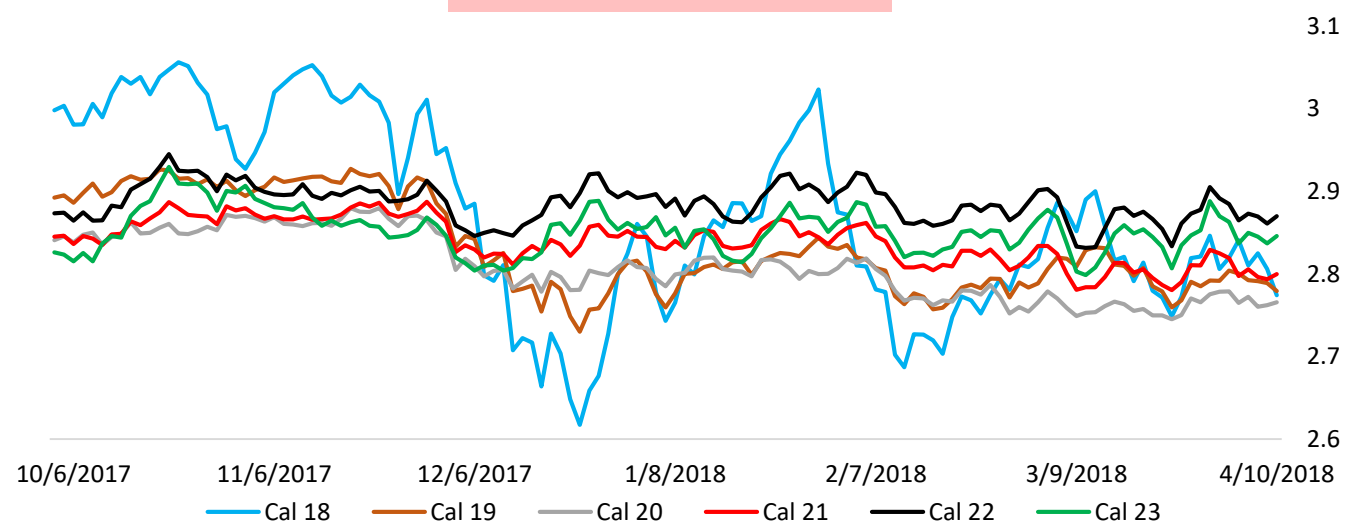
### Natural Gas Contract Movement Over Time



### Natural Gas Future Strip



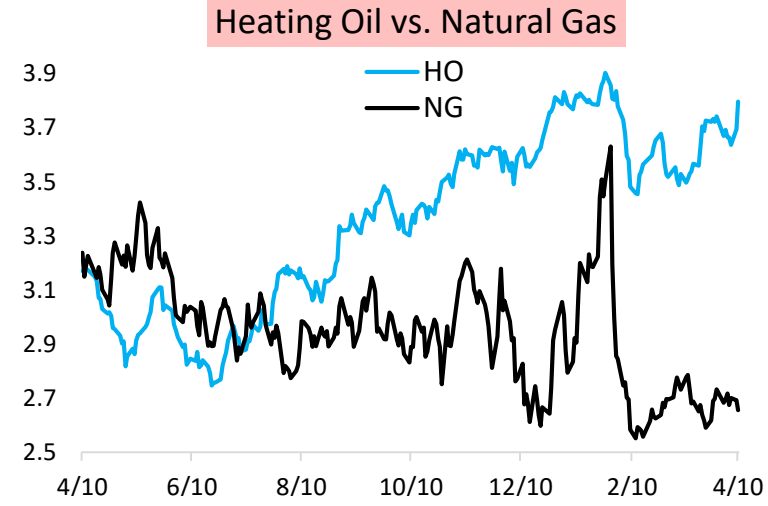
### Natural Gas Calendar Prices



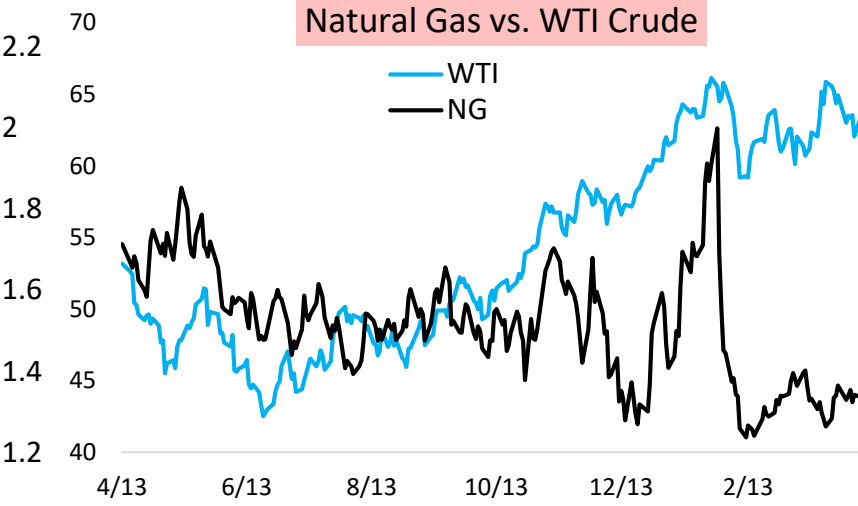


# Energy Commodity, Spread, And Range Rundown

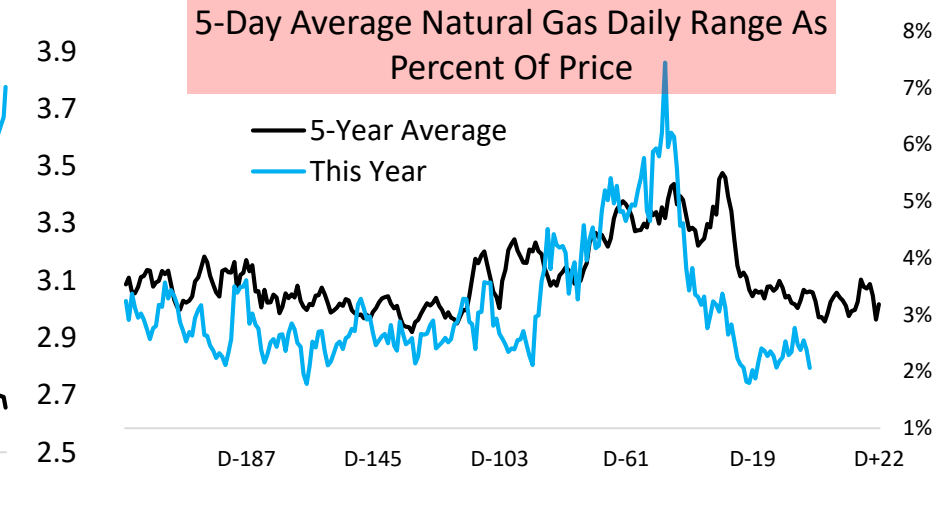
Heating Oil vs. Natural Gas



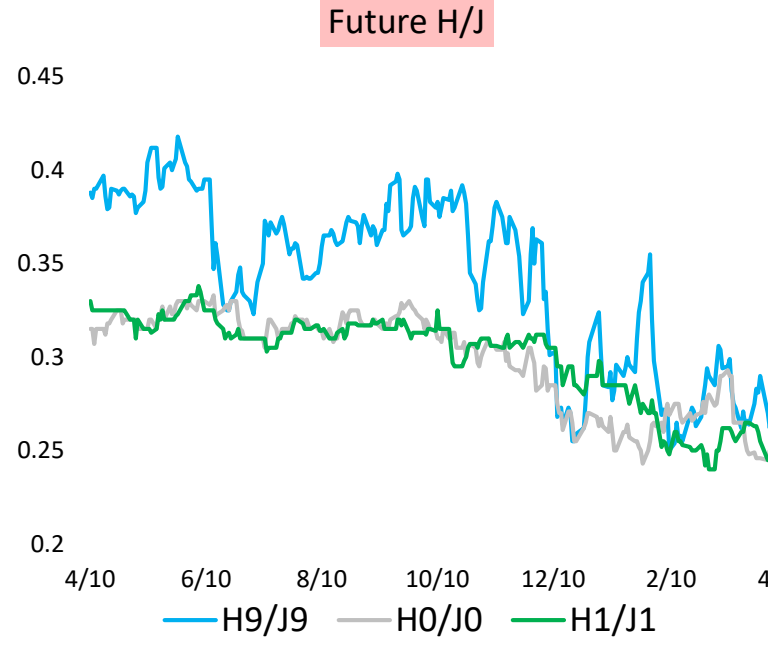
Natural Gas vs. WTI Crude



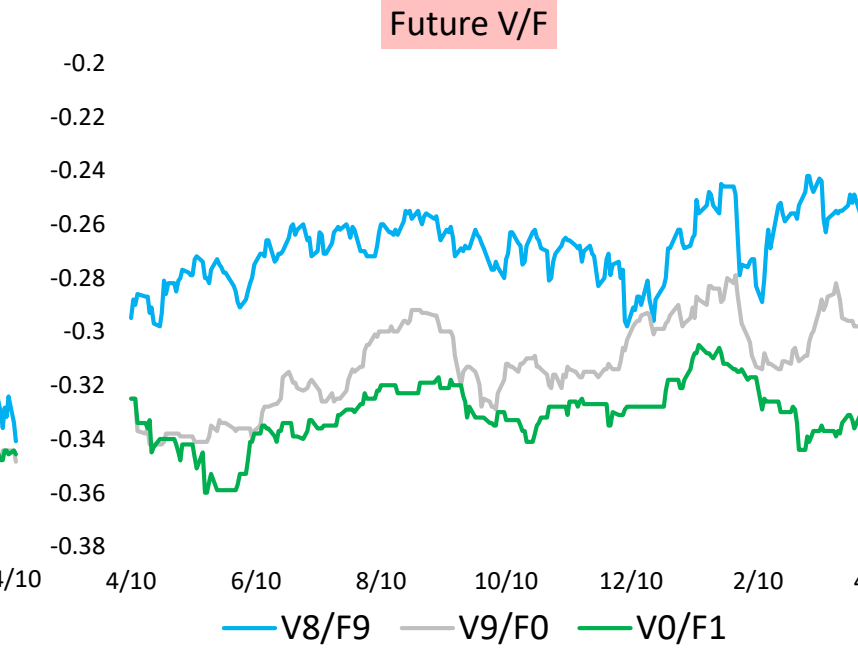
5-Day Average Natural Gas Daily Range As Percent Of Price



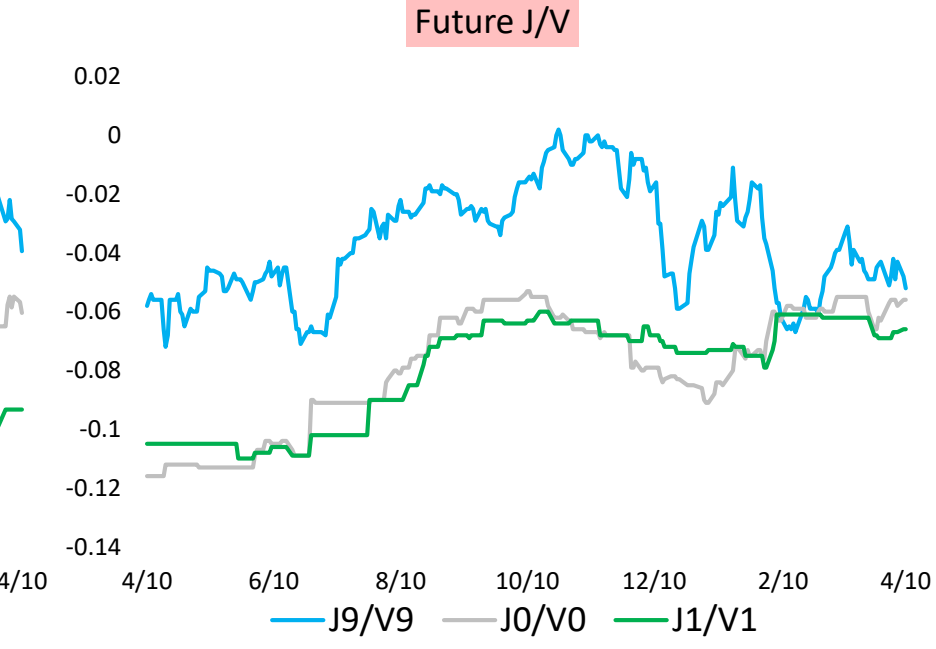
Future H/J



Future V/F

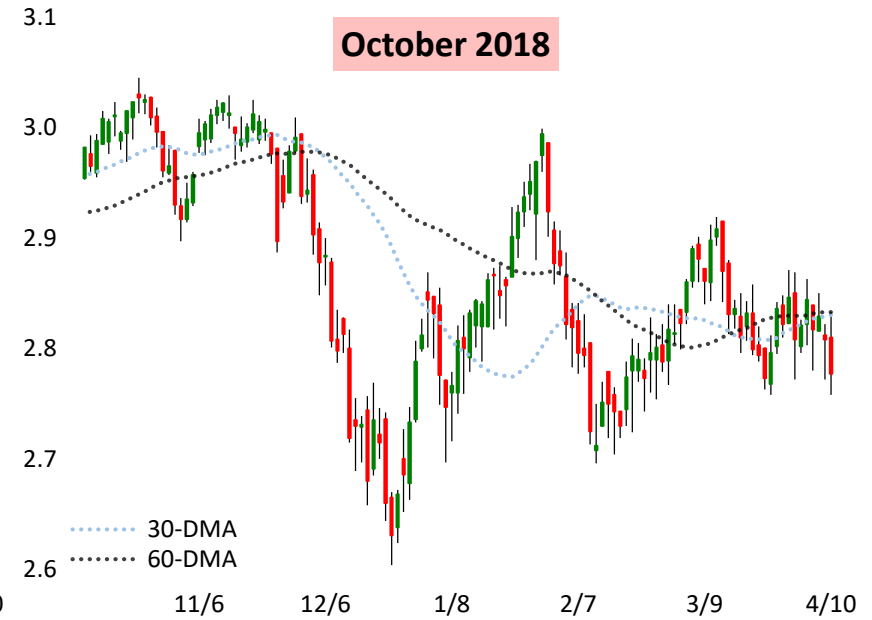
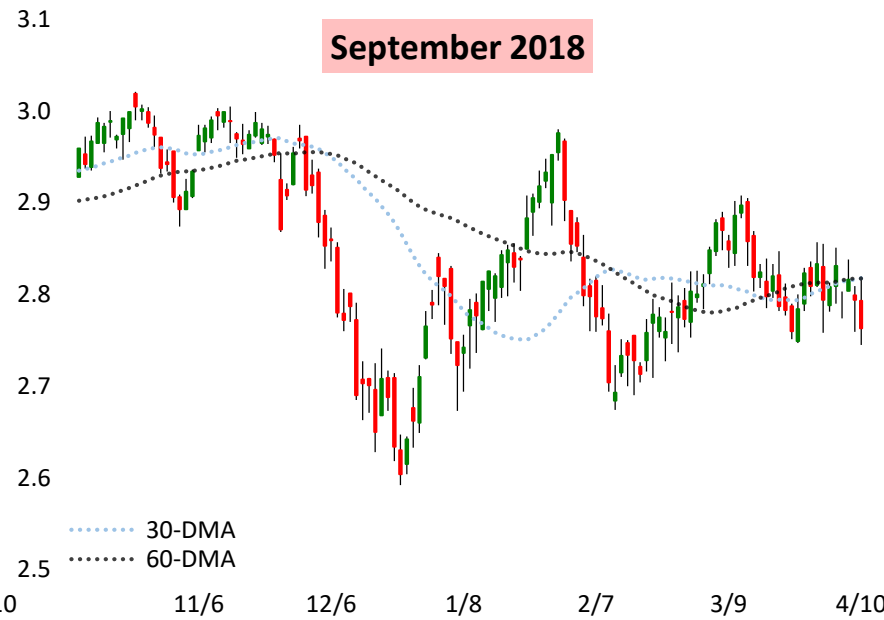
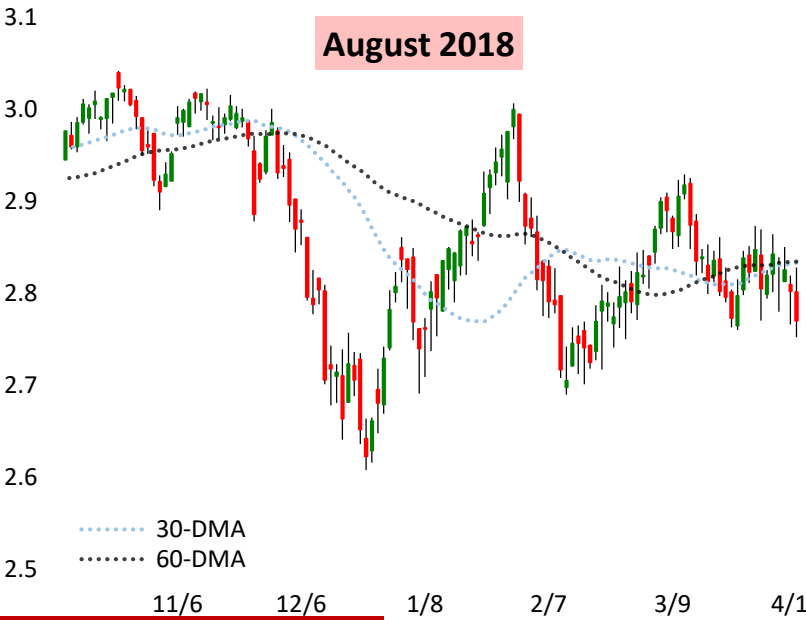
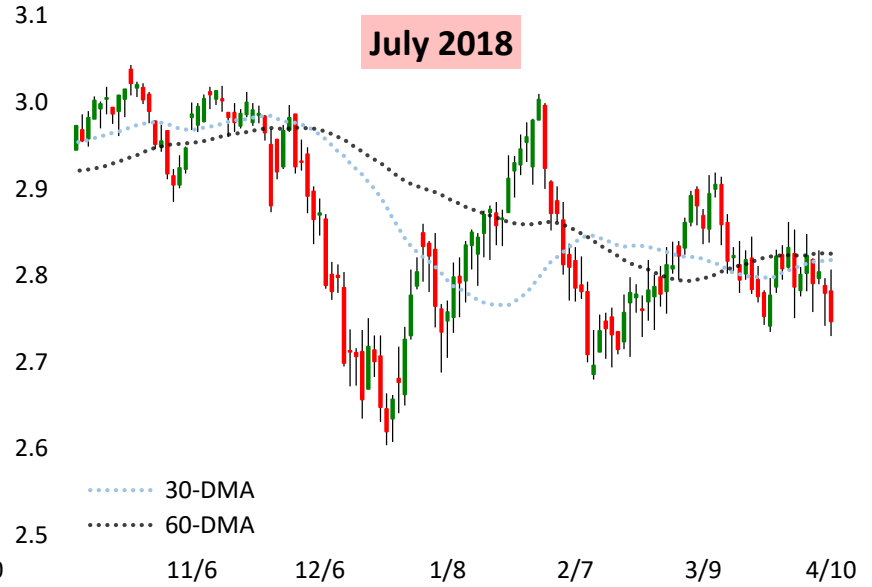
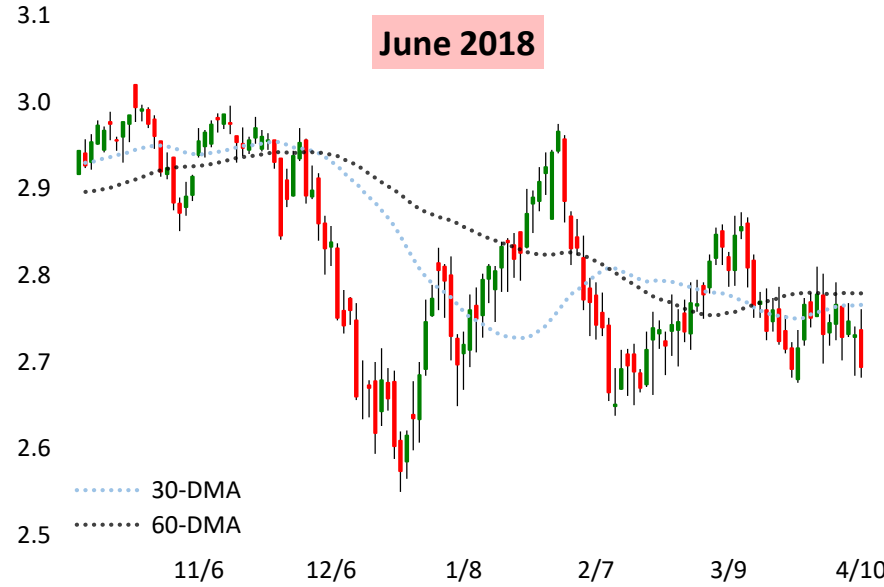
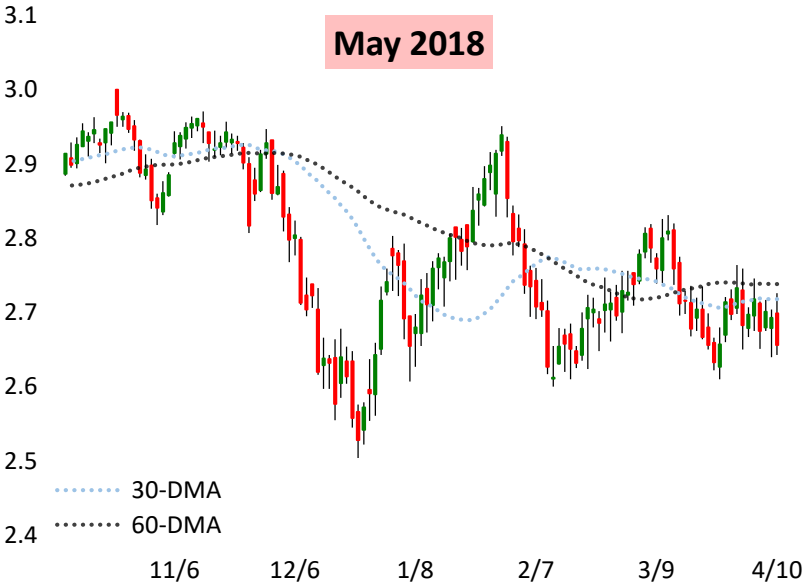


Future J/V





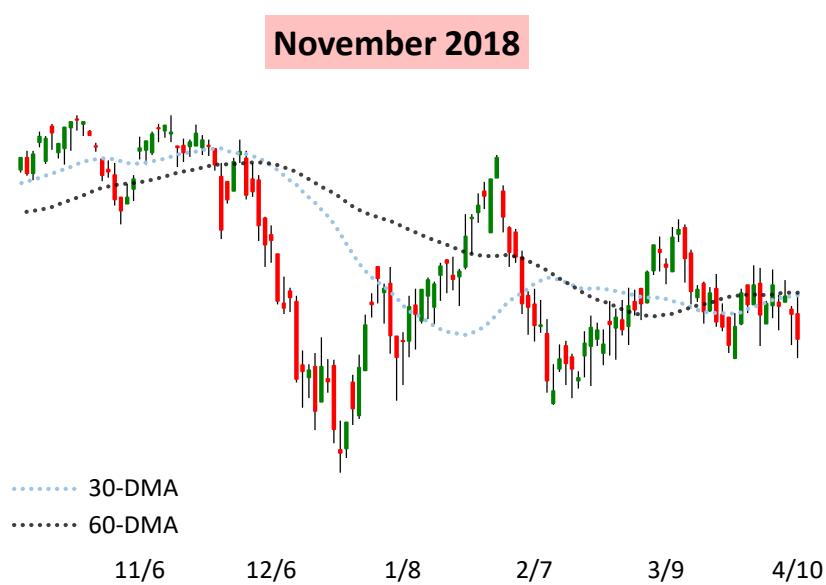
# Front Six Natural Gas Contract Daily Charts



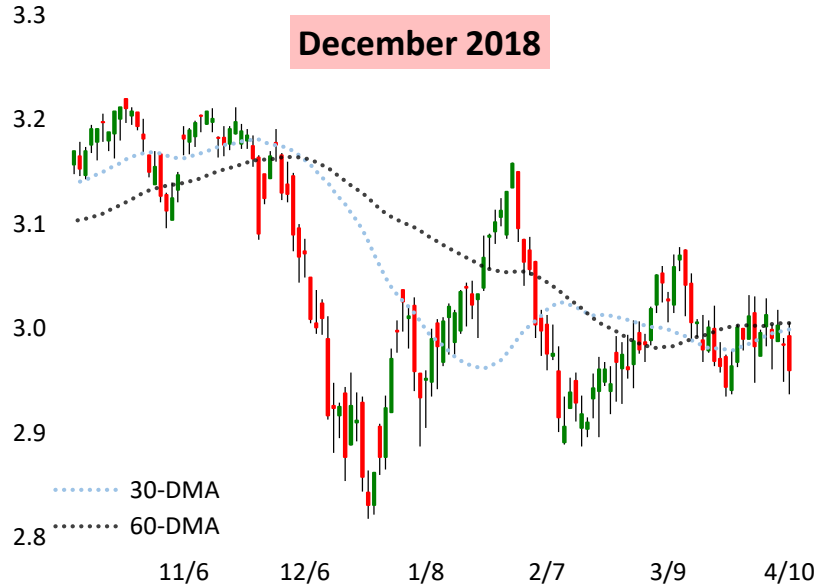


# 7-12 Month Natural Gas Contract Daily Charts

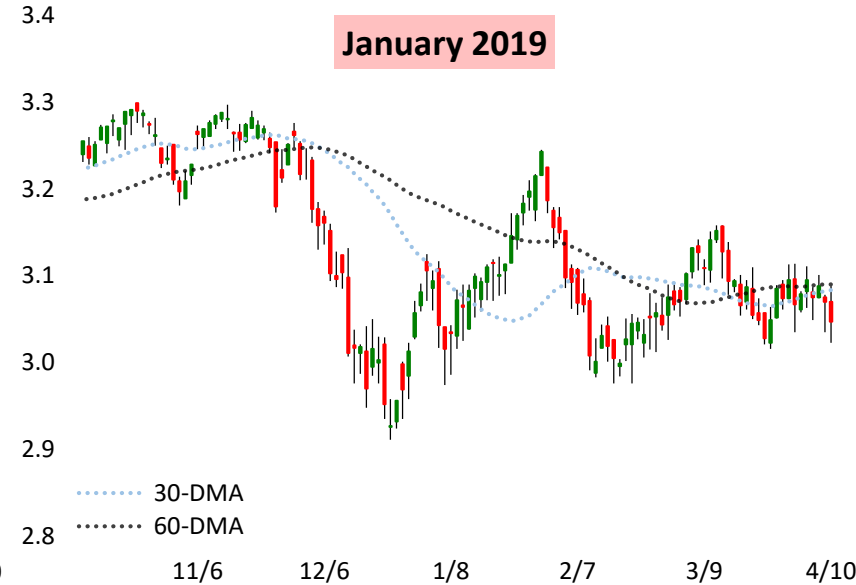
November 2018



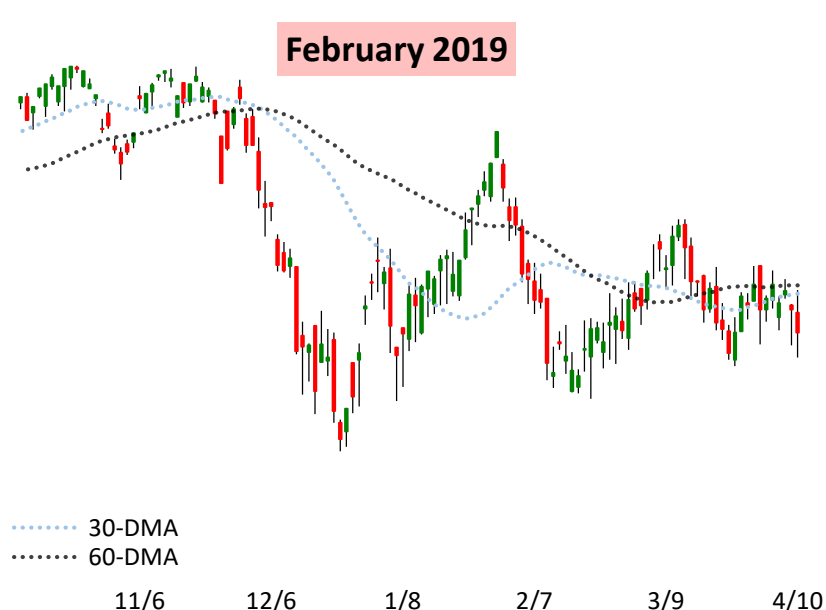
December 2018



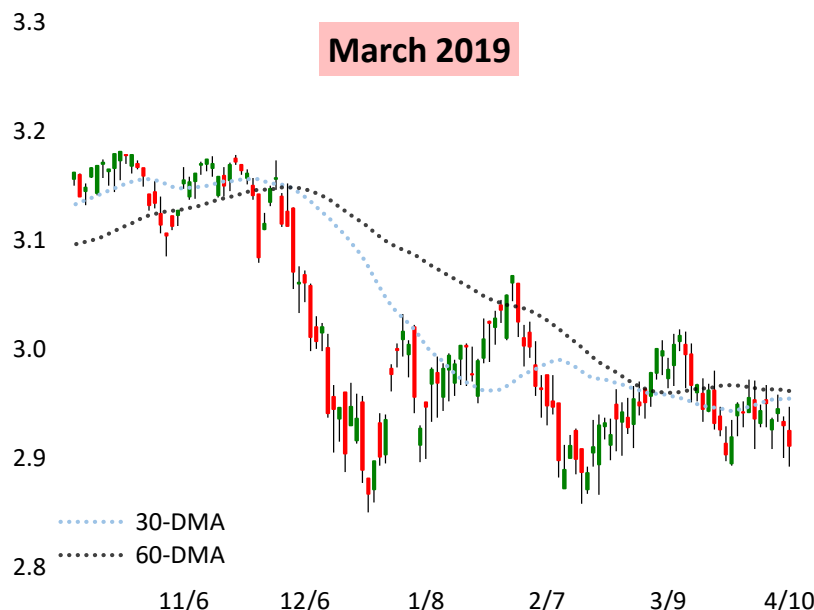
January 2019



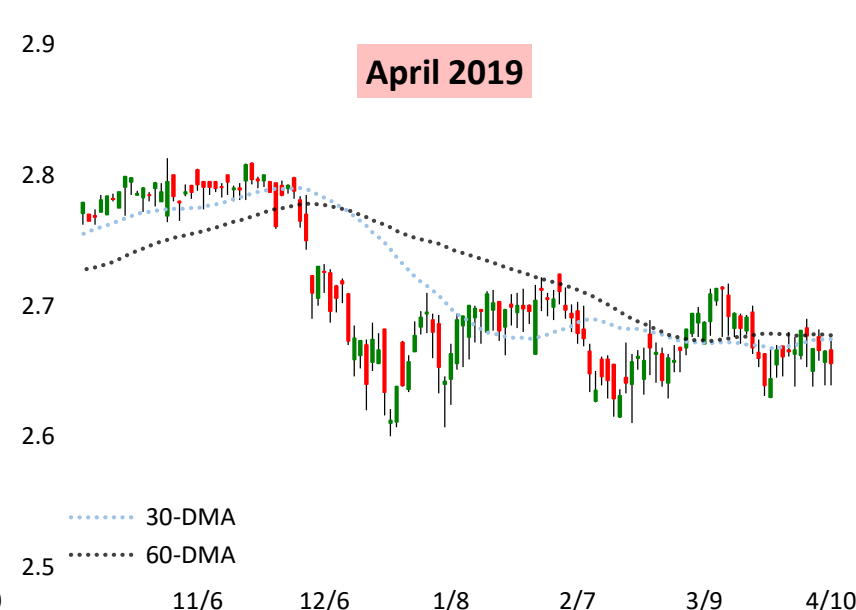
February 2019



March 2019

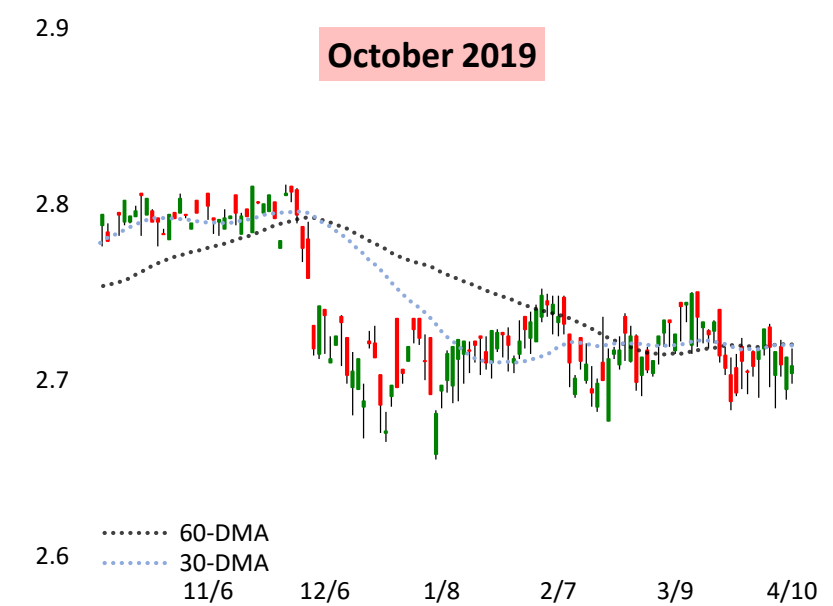
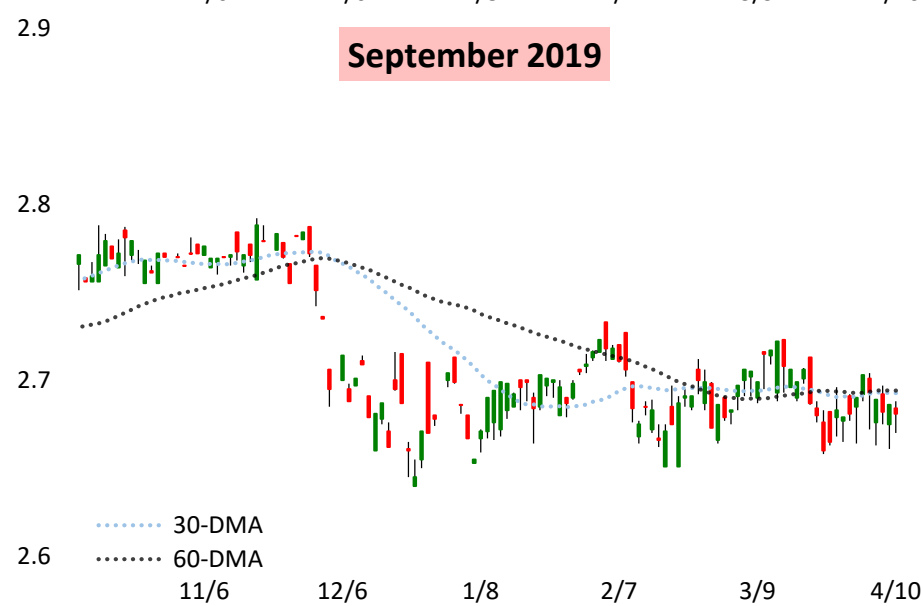
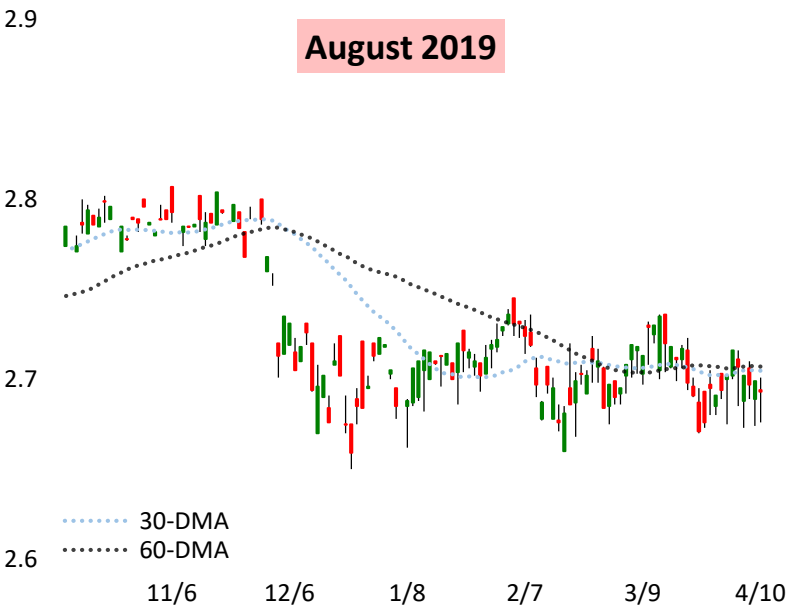
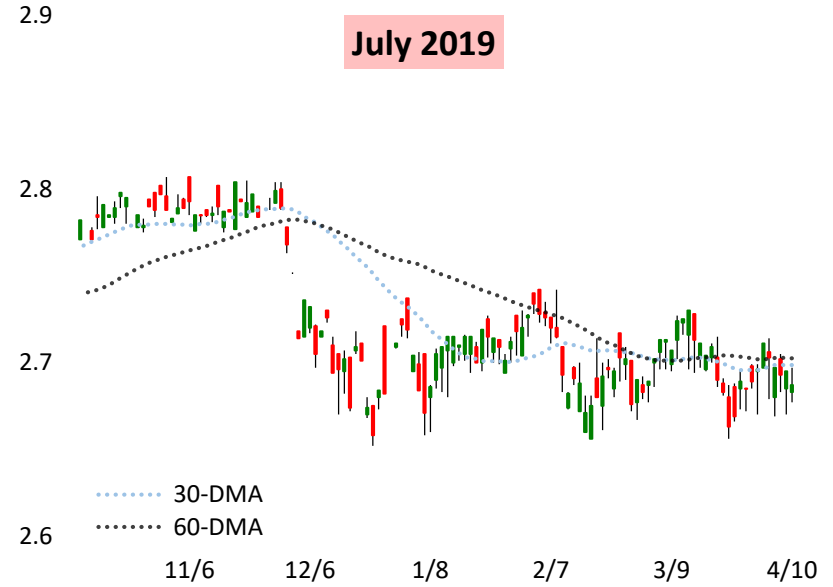
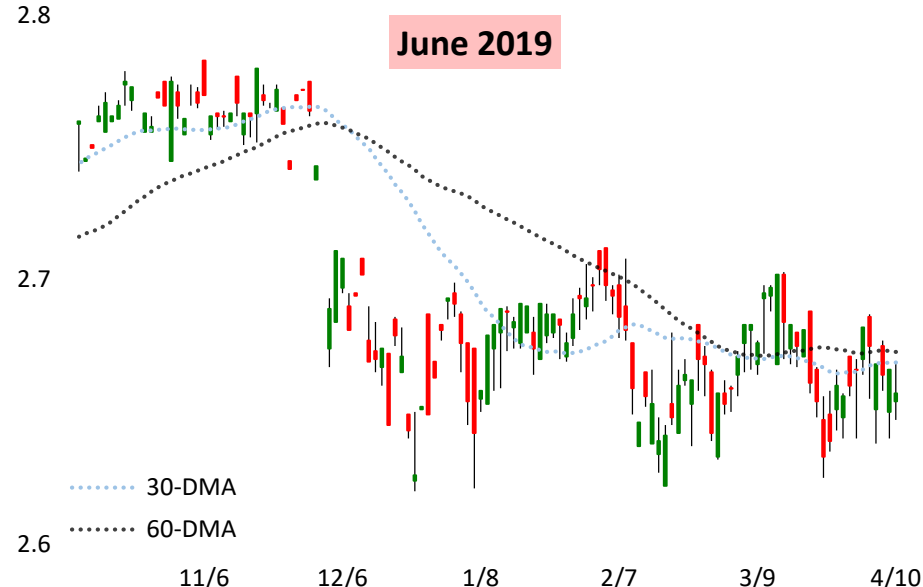
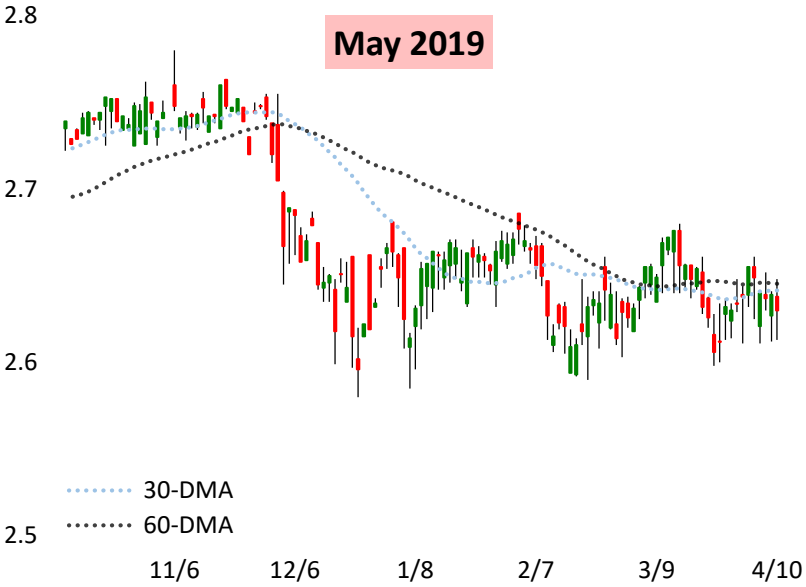


April 2019





# 13-18 Month Natural Gas Contract Daily Charts





# Morning Update Disclaimer and Key

Bespoke Weather Services, LLC believes all information contained in this report to be accurate, but we do not guarantee its accuracy. None of the information in this report or any opinions expressed constitutes a solicitation of the purchase or sale of any securities or commodities.

## Key:

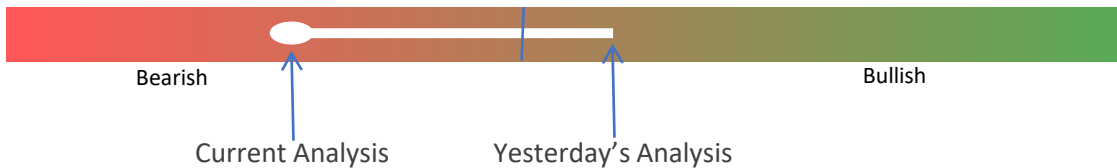
**0z GFS/GEFS:** Overnight American Weather Model Guidance

**6z GFS/GEFS:** Early Morning American Weather Model Guidance

**0z ECMWFens:** Overnight European Weather Model Guidance

**0z CMCens:** Overnight Canadian Weather Model Guidance

**Teleconnections:** Atmospheric indices that measure expected orientation both of upper and lower levels of the atmosphere (ie. MJO, NAO, AO, PNA, etc.)



**Climate Models:** Models that look out at least one month in the future, focusing longer than the standard 10 to 15-day computer weather models

**GWDDs:** Gas Weighted Degree Days (calculated by combining Population Weighted Cooling Degree Days (PWCCDs) with Utility Gas Weighted Heating Degree Days (UGWHDDs))

**EIA Forecasts:** Our forecast for the weekly change in natural gas stockpiles, going out four weeks

**Expected 12z:** Our preliminary take on how we expected 12z afternoon model guidance to differ from morning output

**Note:** All above information is part of this informational key, and is not updated daily.

For more terms, definitions, and explanations, see our subscriber-only glossary [here](#).