

Early Morning Update

The May '21 natural gas contract is trading down \$0.02 at \$2.59. The May '21 crude oil contract is up \$0.84 at \$60.00.

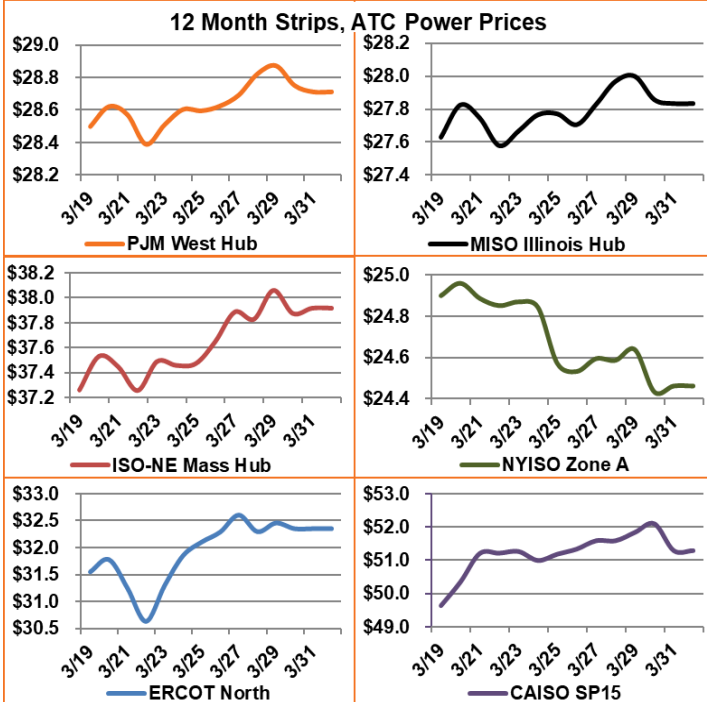
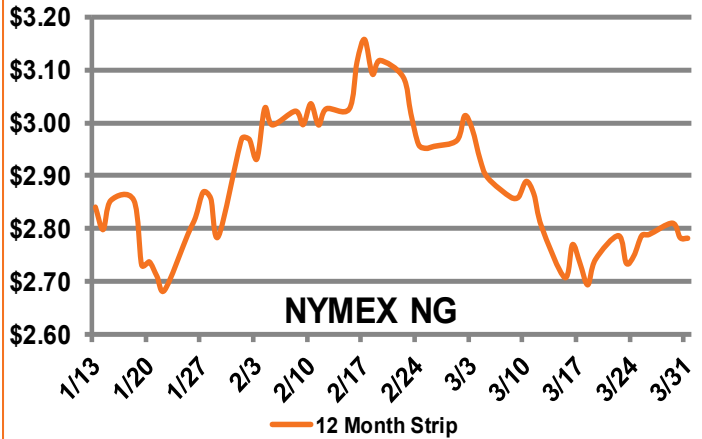
Summary: Yesterday, the May prompt month natural gas contract experienced a modest loss of less than two cents day-over-day as it closed out at \$2.608/MMBtu. The near-term 12-month strip and Cal '22 both remained relatively stagnant from the previous trading day. Weather forecasts anticipate colder-than-normal temperatures hovering over the Southeast and along the East Coast to dissipate by Easter, followed by a broad blanket of warmer-than-normal temperatures to cover the majority of the country throughout next week. Total U.S. demand crept up to just above 102 Bcf/d thanks to that shot of cold in the South and East Coast, but the market is expecting demand to weaken on the heels of the broad warmth next week. Market participants are anticipating the storage report today to show the first injection of the season, somewhere in the neighborhood of 16 Bcf. If this actualizes, we would be flipping to storage building one week ahead of schedule, where the 5-year average is showing a 24 Bcf withdrawal for this same week, historically. Tomorrow is a Direct Energy company holiday, and, as such, there will be no Daily Market Update published.

Bullish Factors

- Near-record LNG exports
- High exports to Mexico
- Storage deficits

Bearish Factors

- Coronavirus impacts on demand
- Strong production
- Milder weather



Next Day On-Peak Power (traded for 4/1/2021)

ISO-NE Mass Hub \$29.88	MISO Indiana Hub \$31.00	NYISO Zone G \$27.38
PJM West Hub \$30.60	ERCOT North \$25.00	CAISO SP15 \$33.45
NYMEX NG	Close	Change
May-21	2.608	-0.015
Jun-21	2.667	-0.014
12 Month	2.782	-0.001
Cal 22	2.638	0.004
Cal 23	2.544	0.013

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,746	1,782	2,009	1,824
Diff v. Current		-36	-263	-78
% Diff			-13.1%	-4.3%

