

**Early Morning Update**

The May '21 natural gas contract is trading up \$0.04 at \$2.66. The May '21 crude oil contract is up \$1.12 at \$61.30.

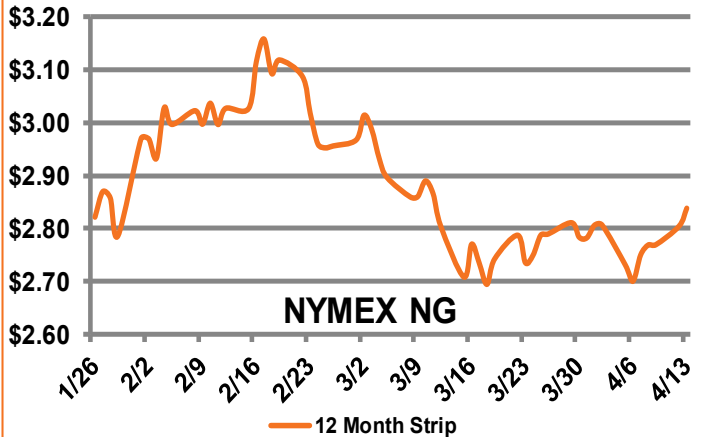
**Summary:** As they say, 'April showers bring May flowers', and rain is expected to come and go for most of the Northeast over the weekend. The much enjoyed warmer-than-normal temperatures seem to be coming to an end this month as weather forecasts have cooled. Most of the colder temps remain in the middle of the country and then push eastward, bringing potentially more rain with them through the end of the month. This change in forecasts could cause late season heating demand, adding a bit of tightness to the market. U.S. dry production was averaging just under 93.0 Bcf/d, but has now slipped to just over 91.0 Bcf/d, just as demand is picking up again. Preliminary summer weather forecasts are typically released around this time, and even though the first issuance tends to have less confidence, does tend to cause a reaction in pricing. We could see the storage deficit to the 5-year average eliminated as early as tomorrow, with levels currently at 1.748 Tcf, and the benchmark at 1.808 Tcf. Estimates for tomorrow's storage report are around 65 Bcf, much higher than the 5-year average of 26 Bcf. NYMEX natural gas futures price for May rose 5.8 cents yesterday to settle at \$2.619, feeling upward pressure from the cold expected for the rest of the month.

**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 4/14/2021)**

<b>ISO-NE Mass Hub</b> \$26.75	<b>MISO Indiana Hub</b> \$30.43	<b>NYISO Zone G</b> \$23.93
<b>PJM West Hub</b> \$29.31	<b>ERCOT North</b> \$75.00	<b>CAISO SP15</b> \$28.00
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
May-21	2.619	0.058
Jun-21	2.696	0.053
12 Month	2.838	0.034
Cal 22	2.692	0.010
Cal 23	2.558	0.005

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	1,784	1,764	2,019	1,808
<b>Diff v. Current</b>		20	-235	-24
<b>% Diff</b>			-11.6%	-1.3%

