

Early Morning Update

The May '21 natural gas contract is trading down \$0.02 at \$2.73. The May '21 crude oil contract is up \$0.22 at \$63.60.

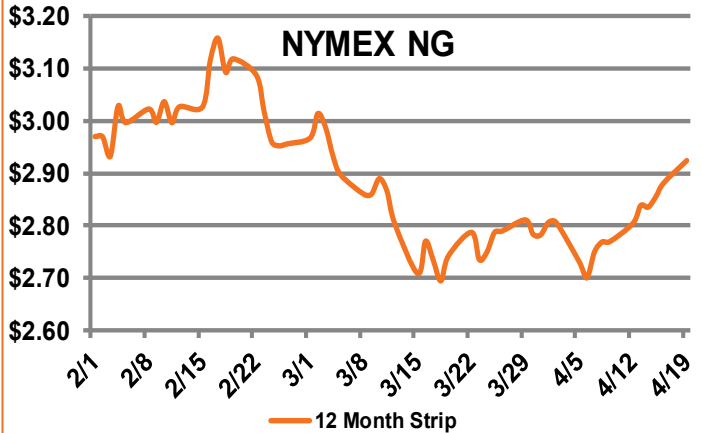
Summary: Bulls dominate the market for both gas and power across the country. Fundamental indicators such as weather forecasts, storage, and production are all pushing natural gas prices higher, while technical factors confirm the market sentiment. Weather-wise, we do see cold for this week and next for the midcon and eastern markets, which has pushed demand up for the U.S. as a whole. Even with the demand increase, we have seen a decrease in production while producers go into seasonal maintenance, bringing the production levels from around 93 Bcf/d down to 90 Bcf/d. When looking at storage, the next three injections are projected to be lower than average. If these forecasts hold, the market will see national storage levels fall below the 5-year average. With demand remaining above the 5-year average, the market would be straining to find the supply for winter, putting pressure on both short and long term gas prices. Adding to the overall upward movement is the recent release of market-wide summer weather outlooks. Like last year, forecasts call for a hot summer with strong drought conditions for nearly the entire western half of the U.S., including Texas.

Bullish Factors

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

Bearish Factors

- Coronavirus impacts on demand
- Strong production
- Milder weather

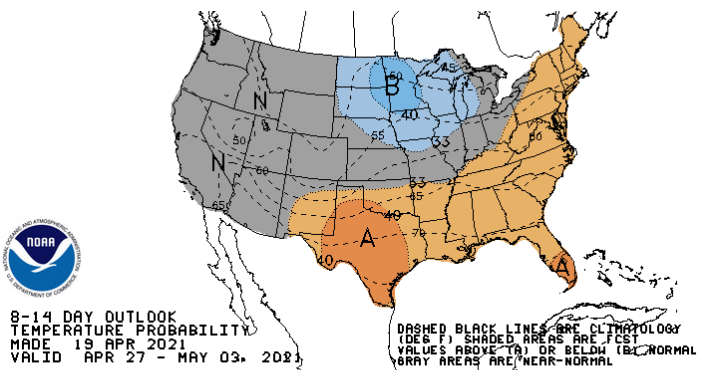
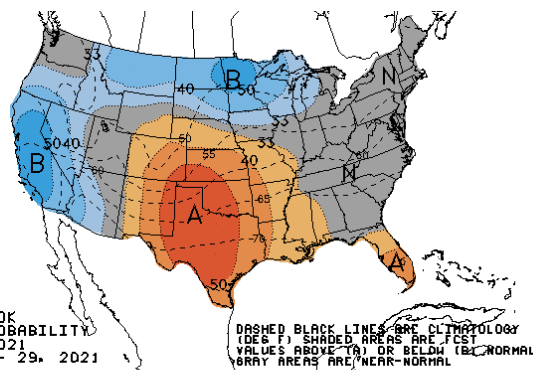
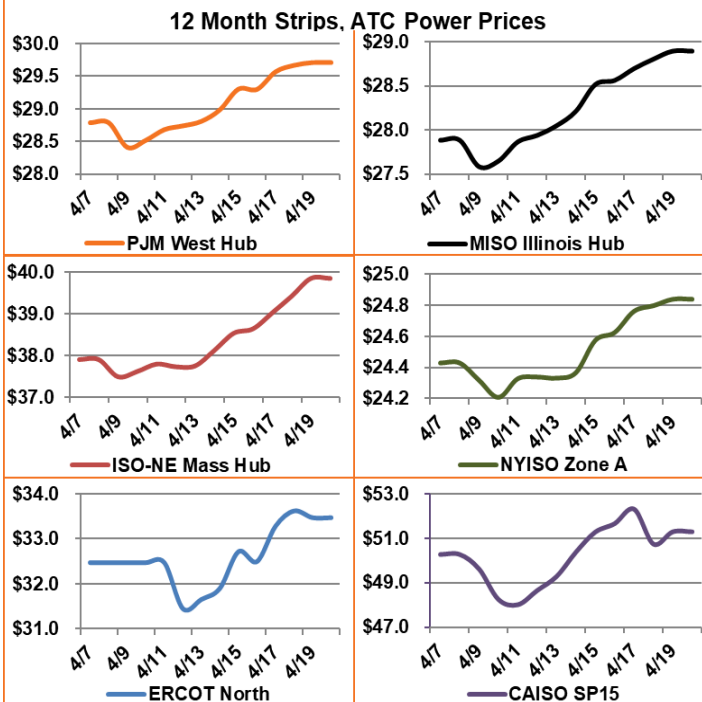


Next Day On-Peak Power (traded for 4/20/2021)

ISO-NE Mass Hub \$27.50	MISO Indiana Hub \$37.00	NYISO Zone G \$27.35
PJM West Hub \$32.73	ERCOT North \$27.00	CAISO SP15 \$29.53
NYMEX NG	Close	Change
May-21	2.749	0.069
Jun-21	2.818	0.064
12 Month	2.924	0.043
Cal 22	2.711	0.010
Cal 23	2.573	-0.004

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,845	1,784	2,087	1,834
Diff v. Current		61	-242	11
% Diff			-11.6%	0.6%



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 19 APR 2021
VALID APR 25 - 29, 2021

DASHED BLACK LINES ARE CLIMATOLOGY
(DES F) SHADED AREAS ARE FCST
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE NEAR-NORMAL



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 19 APR 2021
VALID APR 27 - MAY 03, 2021

DASHED BLACK LINES ARE CLIMATOLOGY
(DES F) SHADED AREAS ARE FCST
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE NEAR-NORMAL

