

**Early Morning Update**

The May '21 natural gas contract is trading down \$0.02 at \$2.71. The Jun '21 crude oil contract is down \$1.04 at \$61.10.

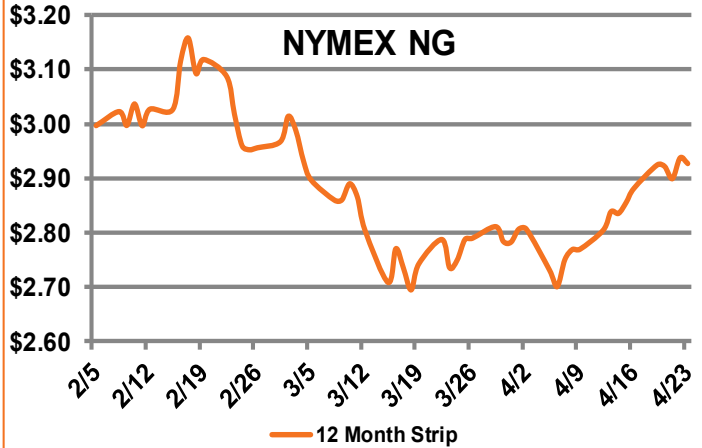
**Summary:** As we wind down the month of April, the continued up and down weather pattern will remain in place over the coming days. With seasonably cold temperatures for the eastern 2/3 of the country last week, a brief summer-like pattern will hit mid-week, where record highs could be set in the mid-Atlantic. Even in the drought-stricken West, where 62% of the region is in severe drought according to the U.S. Drought Monitor, the first precipitation in over a month will fall, but, unfortunately, it isn't the "pineapple express" needed to ease the drought as it will depart by Tuesday. In other news, NYMEX showed some interesting trends last week beyond Cal '24, where the price differentials between the longer calendar strips collapsed. On April 1st, the price range between Cals '24 and '30 was 25 cents (Cal '24 = 2.58 vs. Cal '30 = 2.83). On Friday's close, the gap had shrunk 30% to 16 cents (Cal '24 = 2.57 vs. Cal '30 = 2.73). This price drop for Cal '30 exacerbates price backwardation over the next eight years across the NYMEX curve. As it stands, Cal '30 is the most expensive at 2.73, with Cal '22 right behind at 2.72, but now Cal '24 is the lowest at 2.57. This trend is worth following over the coming months as global renewable penetration grows and the U.S. economy continues its rebound from the COVID pandemic.

**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 4/26/2021)**

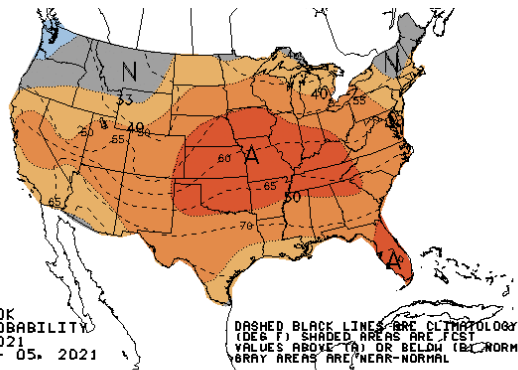
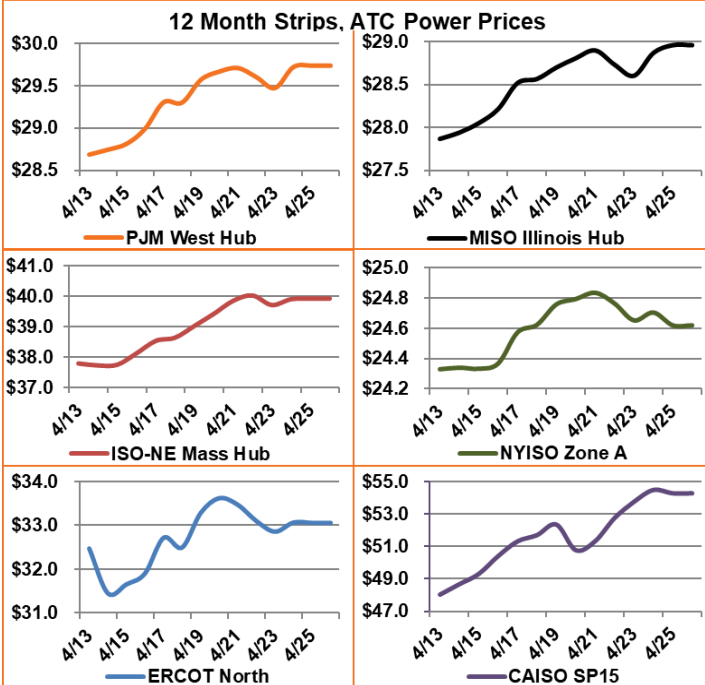
ISO-NE Mass Hub \$27.03	MISO Indiana Hub \$36.72	NYISO Zone G \$25.19
PJM West Hub \$29.34	ERCOT North \$26.25	CAISO SP15 \$35.63

**NYMEX NG**

	Close	Change
May-21	2.730	-0.019
Jun-21	2.818	-0.013
12 Month	2.927	-0.010
Cal 22	2.714	-0.002
Cal 23	2.581	0.009

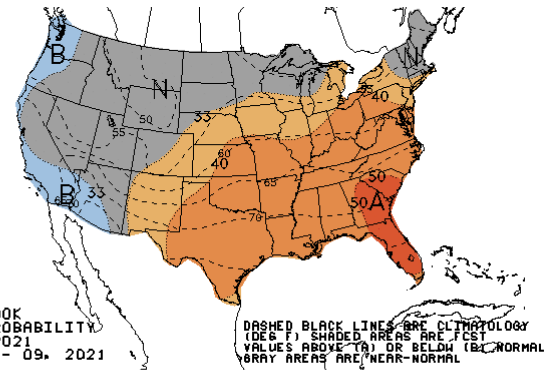
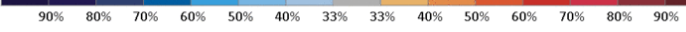
**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,883	1,845	2,134	1,872
Diff v. Current		38	-251	11
% Diff			-11.8%	0.6%



6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 25 APR 2021  
VALID MAY 01 - 05, 2021

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



8-14 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 25 APR 2021  
VALID MAY 03 - 09, 2021

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

