

**Early Morning Update**

The Jun '21 natural gas contract is trading down \$0.03 at \$2.93. The Jun '21 crude oil contract is up \$1.39 at \$65.25.

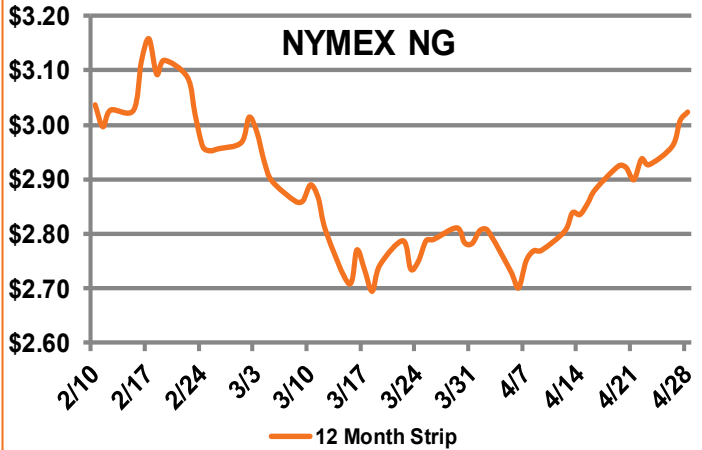
**Summary:** The May '21 natural gas contract expired at \$2.925 yesterday, gaining nearly 30 cents since the start of April. The Jun '21 contract debuts as the new prompt month this morning slightly higher at \$2.96. Looking ahead, all consecutive months past Jun '21 through Feb '22 are trading at \$3.00 or above, with Dec '21-Feb '22 being the highest priced months, averaging \$3.23. It's clear that market participants' concerns are growing for the near-term months as these price premiums continue to grow. The market has seen a more bullish shift in fundamentals lately, with growing natural gas demand, particularly from the industrial sector, and exports to Mexico hitting a new all-time high near 7.0 Bcf/d earlier this month. Combined with stagnant production around 91 Bcf/d and the potential for early season cooling demand from above-normal temperatures, it's yielding the perfect recipe for a bullish price response. One other fundamental that's tipping the scale is natural gas storage inventory. As next winter carries the highest price premiums in the near-term, it's clear there is market concern around the ability for natural gas reserves to return to healthy levels by that time. Market participants expect to see a very mild 13 Bcf injection reported today, which, if actualized, would be 54 Bcf lower than the 5-year average build.

**Bullish Factors**

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

**Bearish Factors**

- Coronavirus impacts on demand
- Strong production
- Milder weather

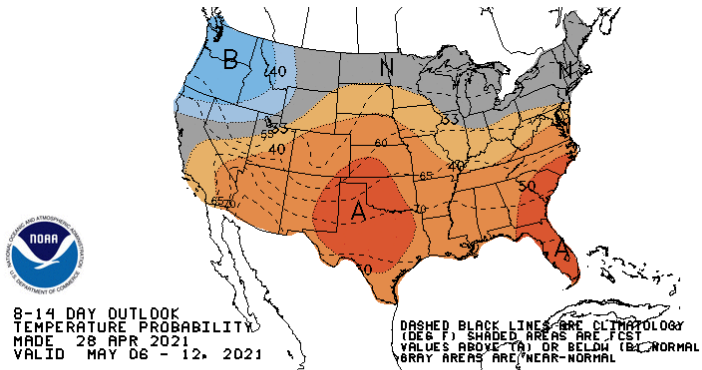
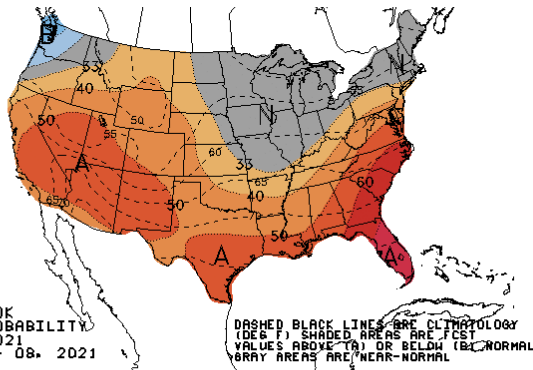
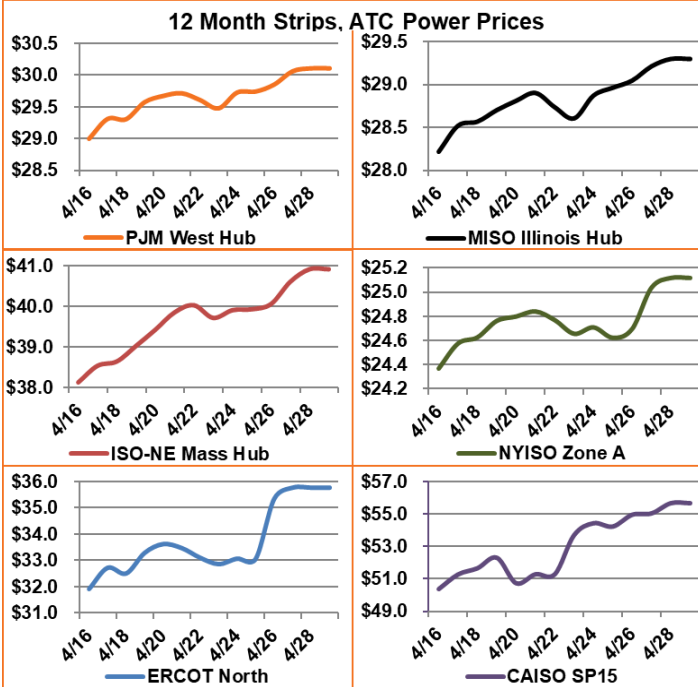


**Next Day On-Peak Power (traded for 4/29/2021)**

ISO-NE Mass Hub \$30.57	MISO Indiana Hub \$32.32	NYISO Zone G \$31.47
PJM West Hub \$39.00	ERCOT North \$28.00	CAISO SP15 \$35.72
NYMEX NG	Close	Change
May-21	2.925	0.052
Jun-21	2.960	0.018
12 Month	3.024	0.016
Cal 22	2.747	0.012
Cal 23	2.582	0.005

**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 28 APR 2021  
VALID MAY 04 - 08, 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 28 APR 2021  
VALID MAY 06 - 12, 2021

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

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%

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