

**Early Morning Update**

The Mar21 natural gas contract is trading up \$0.10 at \$3.01. The Mar21 crude oil contract is down \$0.38 at \$58.30.

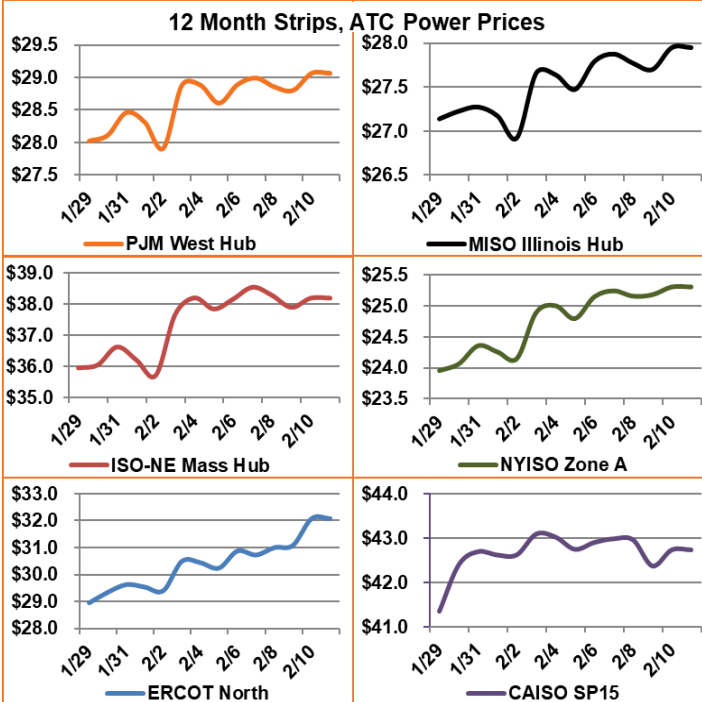
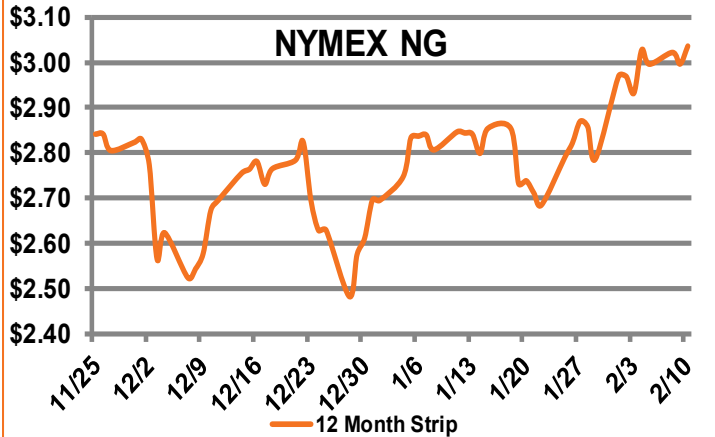
**Summary:** Strong cold front, strong natural gas market. Tuesday's near-term selloff was more than erased during Wednesday's trading session, as the frigid air mass parked over North America slowly advanced south to envelop most of the major demand centers across the continent. While nationwide cash prices have reacted sharply to the heightened heating demand and squeezed regional supply, it's likely the current forwards are more reactive to the downstream impacts that these below-normal temperatures will have on future storage levels. The prompt month contract settled up \$0.076 to \$2.911/MMBtu, helped by the three-week storage outlook, which projects the current surpluses to last year and the five-year average flipping to deficits to both for the first time in over a year. While the rest of the 12-month strip climbed less than the prompt month, contracts beyond 2021 were relatively flat, unreactive to the potential for a storage shortfall by the end of the injection season. Today's storage report is expected to fall within the range of -170 Bcf to -182 Bcf, both much higher withdrawals than the five-year average.

**Bullish Factors**

- LNG exports back in force
- High exports to Mexico
- Frigid temperatures

**Bearish Factors**

- Coronavirus impacts on demand
- Healthy storage levels
- Strong production



**Next Day On-Peak Power (traded for 2/11/2021)**

ISO-NE Mass Hub \$109.19	MISO Indiana Hub \$45.41	NYISO Zone G \$79.88
PJM West Hub \$40.14	ERCOT North \$60.56	CAISO SP15 \$42.10
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Mar-21	2.911	0.076
Apr-21	2.879	0.056
12 Month	3.037	0.039
Cal 22	2.733	0.006
Cal 23	2.548	0.002

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	2,689	2,881	2,648	2,491
<b>Diff v. Current</b>		-192	41	198
<b>% Diff</b>			1.5%	7.9%

