

**Early Morning Update**

The Mar21 natural gas contract is trading up \$0.05 at \$2.91. The Mar21 crude oil contract is down \$0.27 at \$57.97.

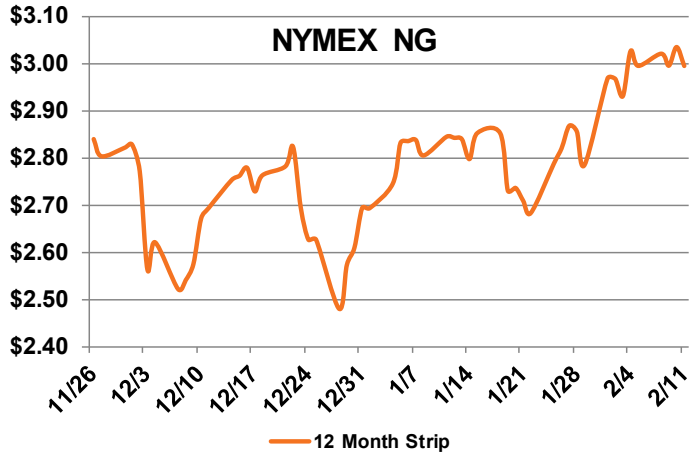
**Summary:** Yesterday's EIA Storage Report declared a slightly smaller withdrawal than expected, contributing to the surprisingly bearish movement in the NYMEX NG prompts. This movement may be as a result of surprisingly normal temperatures being forecasted in the beginning of March. Future and forward movements are likely surprising compared to what you may be expecting with the upcoming cold wave. The cold are pushing high prices in a market called the day-ahead, otherwise called the index. This is the sort of contract that your company would be on if you do not have a fixed price or locked in through other products. Nearly every market is experiencing increases on this market due to the upcoming cold. In some northeastern markets, prices on some of the coldest days can, and recently have surged to over \$100/Mwh during the on-peak hours and in Texas, the cold is causing prices to be even higher as some wind units have to be taken off-line due to rain and cold and demand is setting winter records.

**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 2/12/2021)**

<b>ISO-NE Mass Hub</b> \$106.16	<b>MISO Indiana Hub</b> \$56.00	<b>NYISO Zone G</b> \$88.74
<b>PJM West Hub</b> \$48.83	<b>ERCOT North</b> \$174.73	<b>CAISO SP15</b> \$75.94

<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Mar-21	2.868	-0.043
Apr-21	2.836	-0.043
12 Month	2.997	-0.040
Cal 22	2.724	-0.009
Cal 23	2.548	0.000

**EIA Natural Gas Storage**

<b>EIA Reported Storage (Bcf)</b>	<b>This Week</b>	<b>Last Week</b>	<b>Last Year</b>	<b>5-Year Avg.</b>
<b>Total</b>	2,518	2,689	2,527	2,366
<b>Diff v. Current</b>		-171	-9	152
<b>% Diff</b>			-0.4%	6.4%

