

**Early Morning Update**

The Feb21 natural gas contract is trading down \$0.06 at \$2.48. The Feb21 crude oil contract is up \$0.72 at \$53.70.

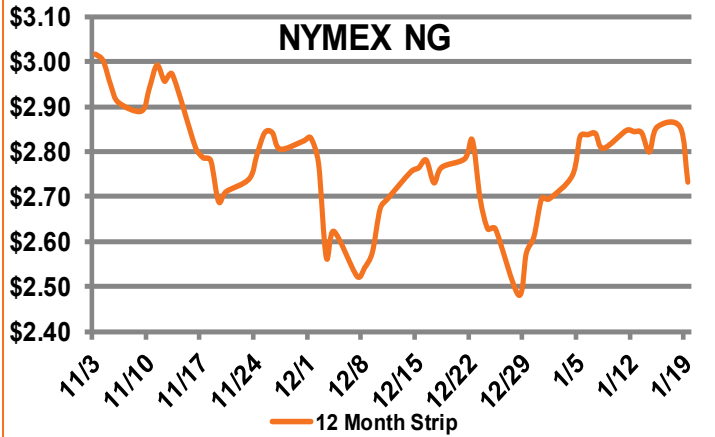
**Summary:** Presidential inauguration day is here, and all eyes in the energy market are on what the Day 1 actions will be. As noted yesterday, some of the promises include methane pollution limits, banning of new oil/gas leasing on public lands/waters, and rejoining the Paris Climate Agreement. Yesterday, FERC put all activities on natural gas projects on hold, including the Mountain Valley and PennEast Pipelines. The Feb '21 NYMEX natural gas futures price plummeted 19.1 cents on the day to settle at \$2.546/MMBtu. Today marks the penultimate day that Feb '21 is the prompt month, and this dip is very similar to what we saw when January settled. Weather forecasts warmed significantly, causing concern for a Northeastern polar vortex to fade and the cold mostly short-lived. Warmer-than-normal temps dominate the middle of the country over the next couple of weeks. Tomorrow, the EIA is expected to report a very large withdrawal following the spike of cold felt last week, with estimates around 177 Bcf. LNG exports have dipped slightly, down from 11.0 Bcf/d to 10.4 Bcf/d due to some constraints down in the Panama Canal, delaying shipments to Asian markets that need the gas and where prices are significantly higher. U.S. Dry production is averaging just over 91.0 Bcf/d so far this month, slightly higher than December levels, but nowhere near the record highs of 94.0 Bcf/d back in late 2019.

**Bullish Factors**

- LNG exports back in force
- High exports to Mexico
- Unstable production

**Bearish Factors**

- Coronavirus impacts on demand
- Healthy storage levels
- Lack of significant heating demand

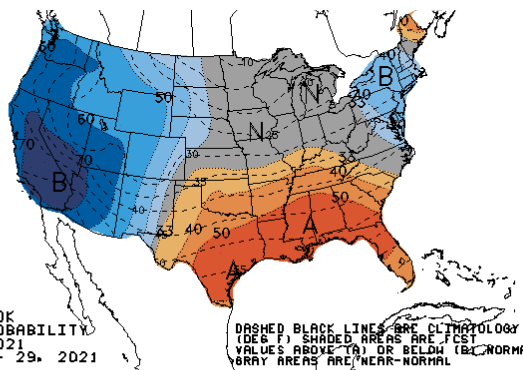
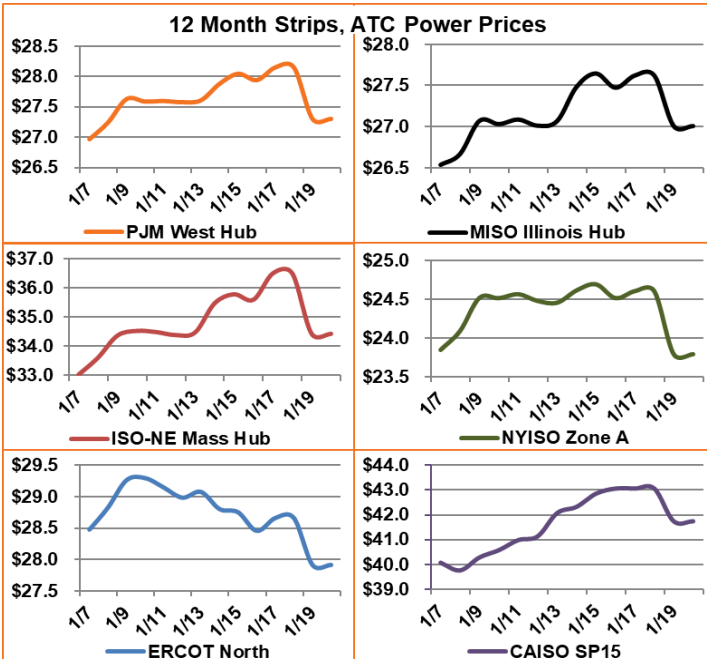


**Next Day On-Peak Power (traded for 1/20/2021)**

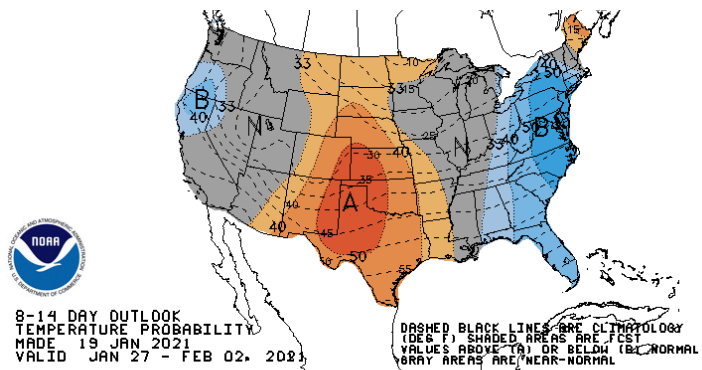
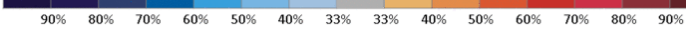
ISO-NE Mass Hub \$40.25	MISO Indiana Hub \$24.17	NYISO Zone G \$37.27
PJM West Hub \$27.36	ERCOT North \$25.97	CAISO SP15 \$33.21
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
Feb-21	2.546	-0.191
Mar-21	2.529	-0.167
12 Month	2.732	-0.122
Cal 22	2.652	-0.040
Cal 23	2.513	-0.018

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	3,196	3,330	3,070	2,978
<b>Diff v. Current</b>		-134	126	218
<b>% Diff</b>			4.1%	7.3%



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



8-14 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 19 JAN 2021  
VALID JAN 27 - FEB 02, 2021

