

**Early Morning Update**

The Mar21 natural gas contract is flat at \$2.66. The Mar21 crude oil contract is up \$0.48 at \$52.82.

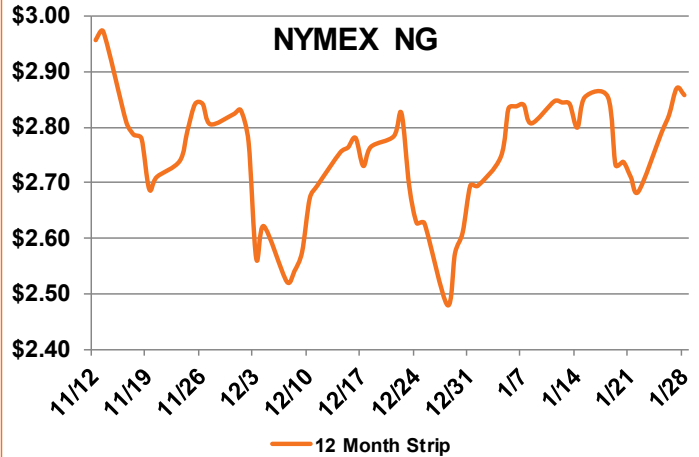
**Summary:** The NYMEX natural gas contract closed yesterday at -\$0.04 after a underwhelming withdrawal from storage. The price movement downward occurred directly following the EIA's announcement of the 128Bcf withdrawal came in 10Bcf lower than forecasted. This was much less than the 170Bcf withdrawal from last year, but likely will come in higher next week as further cold weather is expected to take hold. In recent years, the end of January leading into mid-February has been accompanied with the coldest temperatures. It appears that the forecasts are calling for the same pattern this year with cold showing up in the north east markets in the next week, with more cold covering the majority of the US in the 11-20 day outlook. While weather predictions are notoriously volatile, prices in the NYMEX and many regional energy prices will react to these forecasts and what eventually actualizes.

**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 1/29/2021)**

<b>ISO-NE Mass Hub</b> \$98.58	<b>MISO Indiana Hub</b> \$33.32	<b>NYISO Zone G</b> \$75.00
<b>PJM West Hub</b> \$43.28	<b>ERCOT North</b> \$21.65	<b>CAISO SP15</b> \$36.18
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Feb-21	2.664	-0.038
Mar-21	2.675	-0.045
12 Month	2.857	-0.040
Cal 22	2.666	-0.021
Cal 23	2.547	-0.007

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	2,881	3,009	2,803	2,637
<b>Diff v. Current</b>		-128	78	244
<b>% Diff</b>			2.8%	9.3%

