

Early Morning Update

The Jul '21 natural gas contract is trading up \$0.05 at \$3.55. The Aug '21 crude oil contract is flat at \$74.05.

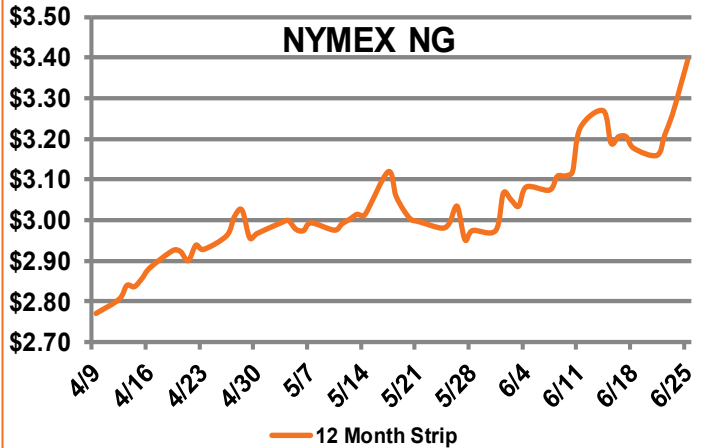
Summary: Last week's NYMEX natural gas pricing activity was mostly strong, particularly in the front of the curve. The July '21 contract, which will expire after today's trading session, started off the week by losing nearly 2.5 cents last Monday, but in a stark turnaround, rallied the rest of the week and ultimately gained 28 cents. Similarly, the next three quarterly strips all finished with big gains, as Q3-21, Q4-21, and Q1-22 gained 28 cents, 25.8 cents, and 21.5 cents, respectively. The 2022-24 calendar years gained 13.5 cents, 4.3 cents, and .02 cents, respectively. These gains are mostly centered around the near term, as gains in demand seem to be outpacing gains in supply. Year to date, total demand for 2021 is up 3.6 Bcf/day, most of which is coming from LNG exports and pipeline exports to Mexico. Production of natural gas is down 1.0 Bcf/day, with the year-to-date average at 90 Bcf/day. Demand is all but set to continue to see gains this week as rising temperatures are likely to lift demand across several regions. In other news, the Biden administration reached a tentative deal on a bipartisan infrastructure plan valued at \$579 billion over five years. The plan includes \$174 billion in electric vehicle spending, \$100 billion for the power grid, and \$46 billion in clean energy manufacturing.

Bullish Factors

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

Bearish Factors

- Coronavirus impacts on demand
- Strong production
- Milder weather



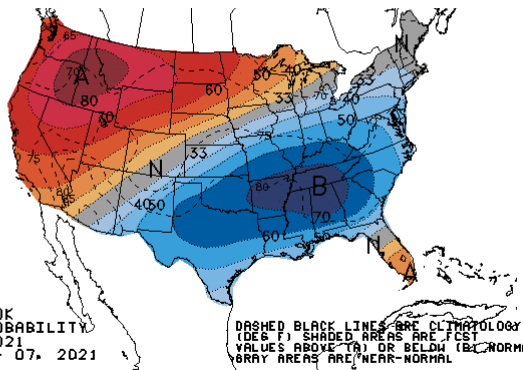
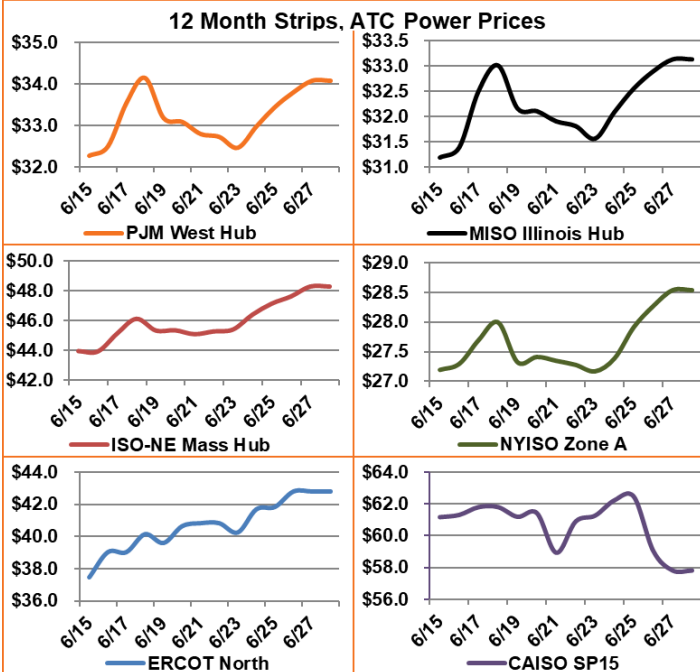
Next Day On-Peak Power (traded for 6/28/2021)

ISO-NE Mass Hub \$69.08	MISO Indiana Hub \$50.03	NYISO Zone G \$60.61
PJM West Hub \$50.08	ERCOT North \$34.97	CAISO SP15 \$102.60

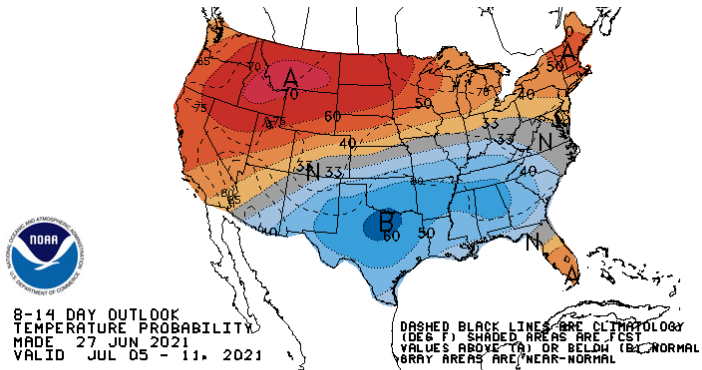
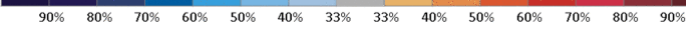
NYMEX NG	Close	Change
Jul-21	3.496	0.078
Aug-21	3.520	0.083
12-Month	3.393	0.068
Cal 22	3.119	0.043
Cal 23	2.770	0.016

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,482	2,427	2,995	2,636
Diff v. Current		55	-513	-154
% Diff			-17.1%	-5.8%



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 27 JUN 2021
VALID JUL 03 - 07, 2021



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 27 JUN 2021
VALID JUL 05 - 11, 2021

