

**Early Morning Update**

The Apr21 natural gas contract is trading down \$0.02 at \$2.54. The Apr21 crude oil contract is down \$0.60 at \$64.20.

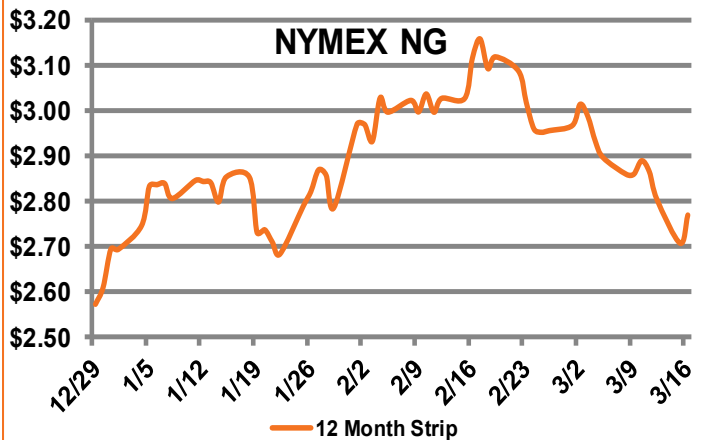
**Summary:** Weather forecasts through the end of March remain quite bearish, a complete flip from last month, and reminds us that spring is right around the corner. Mid-April is when we typically start to see preliminary summer weather outlooks. With the storage deficit to the five-year average holding, this summer's weather could determine if we remain in that deficit or if we are going to see some relief. The NYMEX natural gas futures price for April ticked up 7.8 cents day-over-day to settle at \$2.562/MMBtu, almost fully recovering from the previous day's dip. U.S. dry production has recovered from last month's freeze, averaging just over 92.0 Bcf/d so far this month. Crude pricing remains around \$65/Bbl, which could create incentive for producers to increase production resulting in higher associated natural gas supply. Estimates for tomorrow's storage report for the week ending March 12th are projected to be around -27 Bcf, almost half of the five-year average withdrawal of 59 Bcf, closing the deficit slightly. The titular end-of-season for storage withdrawals is the end of March, but we are now expecting to see a switch to injections one week earlier than usual.

**Bullish Factors**

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

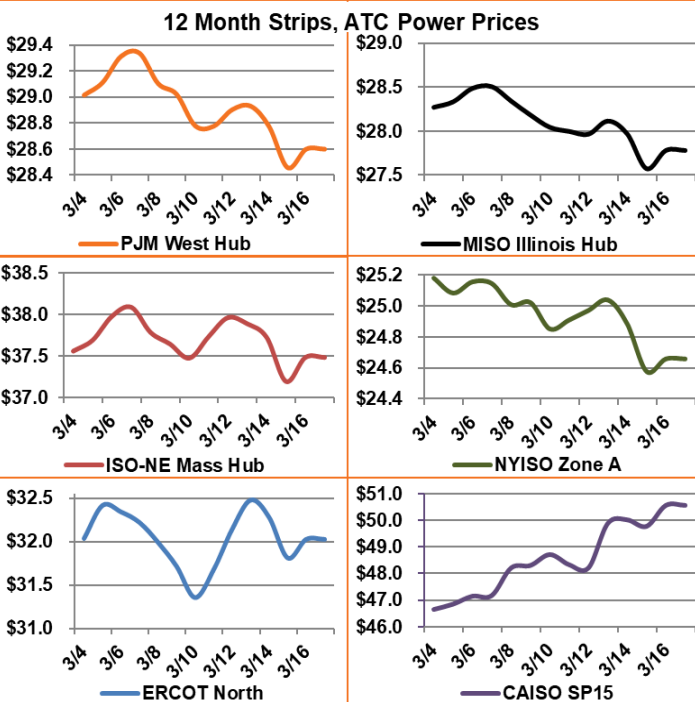
**Bearish Factors**

- Coronavirus impacts on demand
- Strong production
- Milder weather



**Next Day On-Peak Power (traded for 3/17/2021)**

ISO-NE Mass Hub \$36.42	MISO Indiana Hub \$26.89	NYISO Zone G \$32.38
PJM West Hub \$26.44	ERCOT North \$21.99	CAISO SP15 \$37.30
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Apr-21	2.562	0.078
May-21	2.597	0.074
12 Month	2.770	0.062
Cal 22	2.635	0.046
Cal 23	2.542	0.025



**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	1,793	1,845	2,050	1,934
<b>Diff v. Current</b>		-52	-257	-141
<b>% Diff</b>			-12.5%	-7.3%

