

Early Morning Update

The Apr21 natural gas contract is trading down \$0.03 at \$2.55. The Apr21 crude oil contract is down \$2.46 at \$59.10.

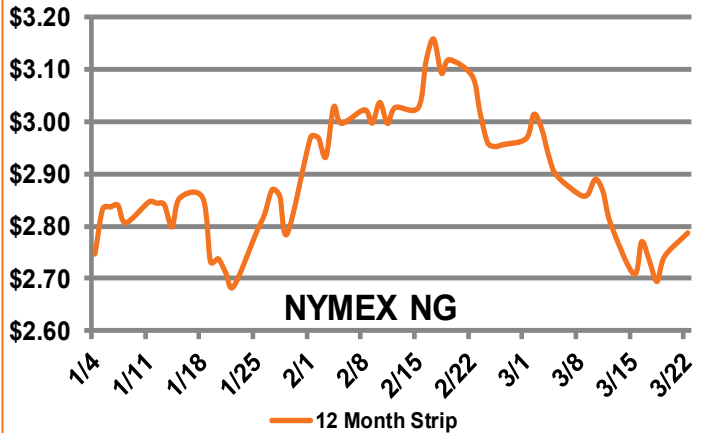
Summary: The fundamentals of the energy and gas markets are beginning to show a completely different story from where we were last month. We have seen over a \$0.50/MMBtu decrease in the April NYMEX natural gas contract's price as a result. This has come as temperatures begin to show a shift from winter to spring weather, and concern over storage for next year begins to dwindle. Earlier on in the winter, market predictions called for a storage level below 1,300 Bcf, which would put the market in a very precarious condition for next withdrawal season. As it stands today, forecasts are actually showing a return to a year-over-year surplus within the next four weeks, whereas we have been in a deficit for some time. This change in outlook has even convinced the managed money sector to flip, for the first time since last June, to a net short position. As we move to increasingly warmer temperatures heading into summer, demand for power is expected to increase. This usually means higher index prices. Forward power pricing is highly influenced by the natural gas market due to the reliance on natural gas for power burn, but trends in index pricing can eventually influence forward prices.

Bullish Factors

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

Bearish Factors

- Coronavirus impacts on demand
- Strong production
- Milder weather

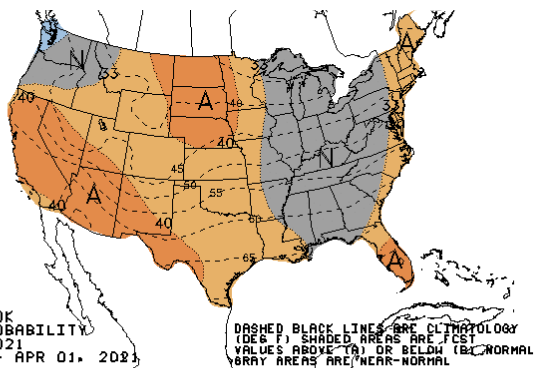
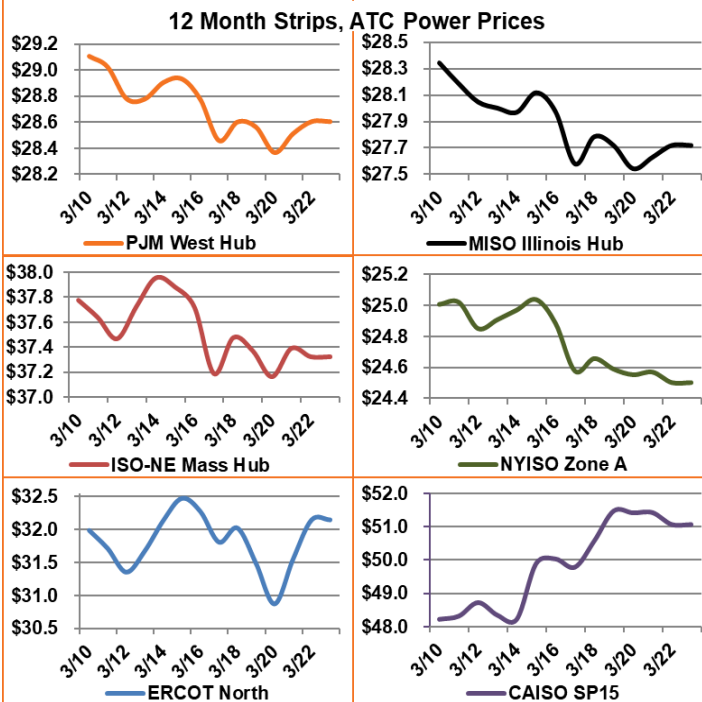


Next Day On-Peak Power (traded for 3/23/2021)

ISO-NE Mass Hub \$25.32	MISO Indiana Hub \$24.04	NYISO Zone G \$26.23
PJM West Hub \$26.03	ERCOT North \$38.25	CAISO SP15 \$24.10
NYMEX NG	Close	Change
Apr-21	2.582	0.047
May-21	2.619	0.053
12 Month	2.787	0.045
Cal 22	2.611	0.018
Cal 23	2.511	0.003

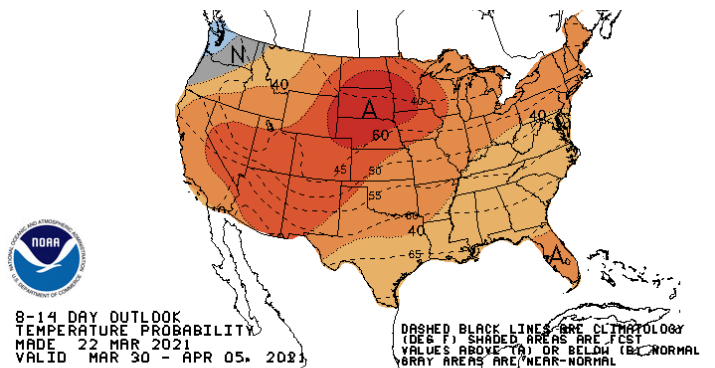
EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,782	1,793	2,035	1,875
Diff v. Current		-11	-253	-93
% Diff			-12.4%	-5.0%



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 22 MAR 2021
VALID MAR 26 - APR 01, 2021

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 22 MAR 2021
VALID MAR 30 - APR 05, 2021

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%