

Early Morning Update

The Apr21 natural gas contract is trading down \$0.02 at \$2.50. The May21 crude oil contract is down \$1.93 at \$59.25.

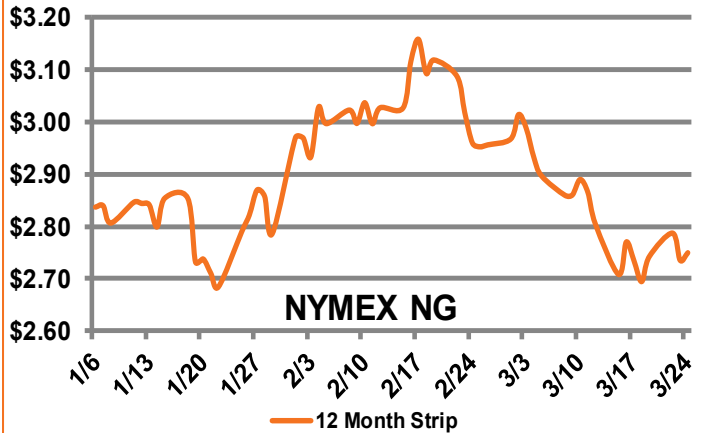
Summary: Despite warm weather forecasts and strong production, the natural gas futures market strengthened slightly during yesterday's trading session. The prompt month rose a penny and settled at \$2.518/MMBtu, while each subsequent contract through December of 2022 progressed in similar fashion. According to NGI, it's likely the market is focused on LNG supply chain headwinds amidst bullish export demand. Exports reached nearly 11.5 Bcf/d yesterday, while congested shipping channels overseas are causing deliveries to be delayed, potentially furthering price uncertainty. Scales may tilt bearish once again after today's storage report. The lower end of the 16-41 Bcf withdrawal range estimated by market analysts is well below last year's pull of 26 Bcf, as well as the 51 Bcf five-year average withdrawal. The first injection of the year is projected to be reported next week, which would put the end-of-season storage level in the neighborhood of 1,750 Bcf.

Bullish Factors

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

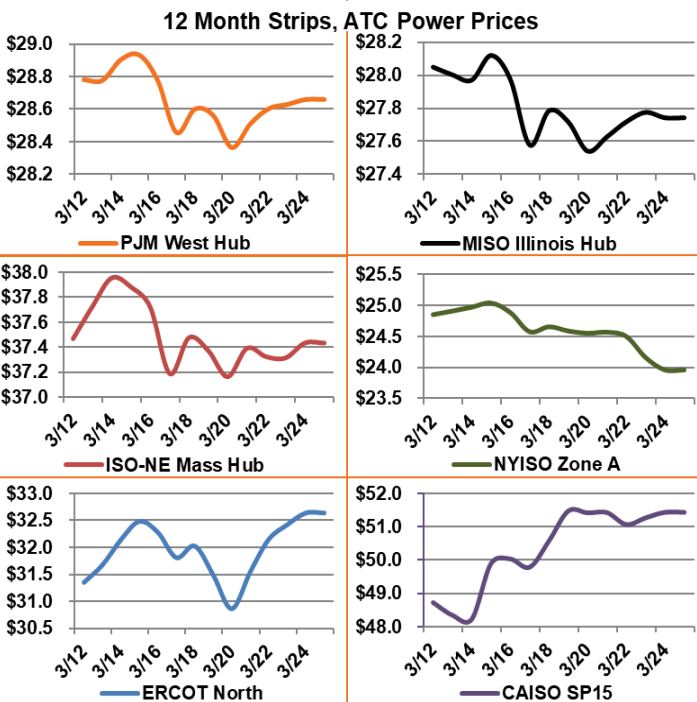
Bearish Factors

- Coronavirus impacts on demand
- Strong production
- Milder weather



Next Day On-Peak Power (traded for 3/25/2021)

ISO-NE Mass Hub \$24.45	MISO Indiana Hub \$28.70	NYISO Zone G \$22.71
PJM West Hub \$25.65	ERCOT North \$33.00	CAISO SP15 \$27.98
NYMEX NG	Close	Change
Apr-21	2.518	0.010
May-21	2.568	0.014
12 Month	2.750	0.014
Cal 22	2.611	0.010
Cal 23	2.524	0.005



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%

