

**Early Morning Update**

The Apr21 natural gas contract is trading up \$0.03 at \$2.59. The May21 crude oil contract is up \$0.23 at \$61.20.

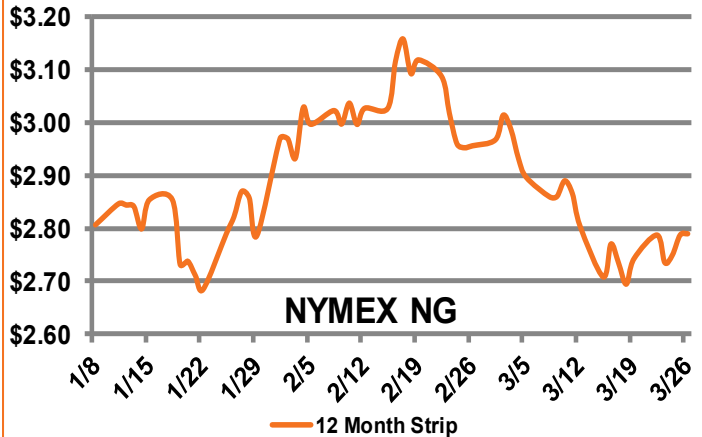
**Summary:** As the month of March winds down, a couple of global economic trends continue to dominate the headlines. The container ship blocking the Suez Canal for the past six days is now showing positive signs of "straightening out" so it can continue to its destination. With hundreds of ships waiting in line for access to the canal, it's a reminder how important this shipping route is to global trade. In coronavirus news, the race between variants and vaccination continues. Last week, there were 410,000 new positive U.S. COVID cases, a 9% week-over-week increase, and with only 15% of the U.S. population fully vaccinated, the fears for a spring spike continue to grow. The energy markets haven't reacted strongly to the news, trading sideways over the past two weeks, with Cals '22-'27 NYMEX strips trading between \$2.52 and \$2.63. Market backwardation is still in play, with Cal '22 trading at \$2.63 and Cals '23-'25 trading between \$2.53 and \$2.58. What may cause the markets to break out of their current trading ranges? Be on the lookout for summer weather forecasts and natural gas supply and demand balance. If demand picks up without supply increases this summer, higher prices may be needed to incentivize production.

**Bullish Factors**

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

**Bearish Factors**

- Coronavirus impacts on demand
- Strong production
- Milder weather

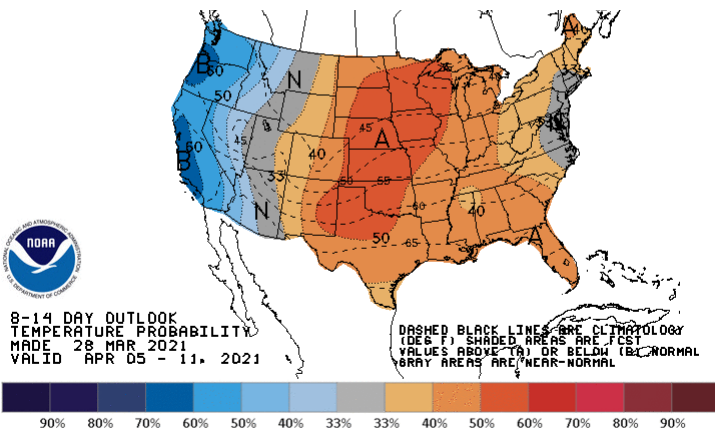
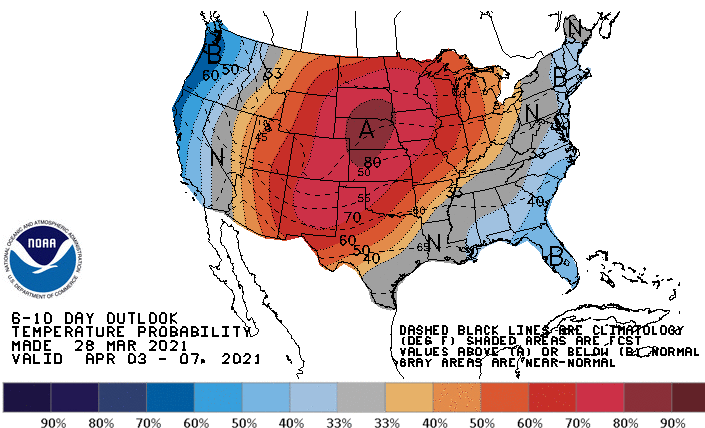
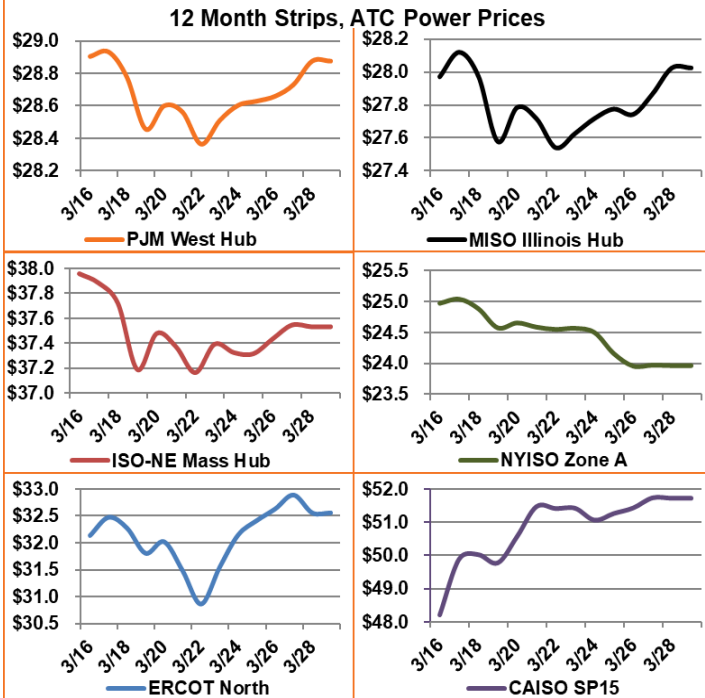


**Next Day On-Peak Power (traded for 3/29/2021)**

<b>ISO-NE Mass Hub</b> \$24.72	<b>MISO Indiana Hub</b> \$23.93	<b>NYISO Zone G</b> \$25.02
<b>PJM West Hub</b> \$28.33	<b>ERCOT North</b> \$19.22	<b>CAISO SP15</b> \$22.00
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Apr-21	2.557	-0.013
May-21	2.619	0.003
12 Month	2.790	0.003
Cal 22	2.632	0.006
Cal 23	2.523	-0.004

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	1,746	1,782	2,009	1,824
<b>Diff v. Current</b>		-36	-263	-78
<b>% Diff</b>			-13.1%	-4.3%



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