

Early Morning Update

The Jun '21 natural gas contract is trading down \$0.02 at \$2.94. The Jun '21 crude oil contract is up \$0.50 at \$65.40.

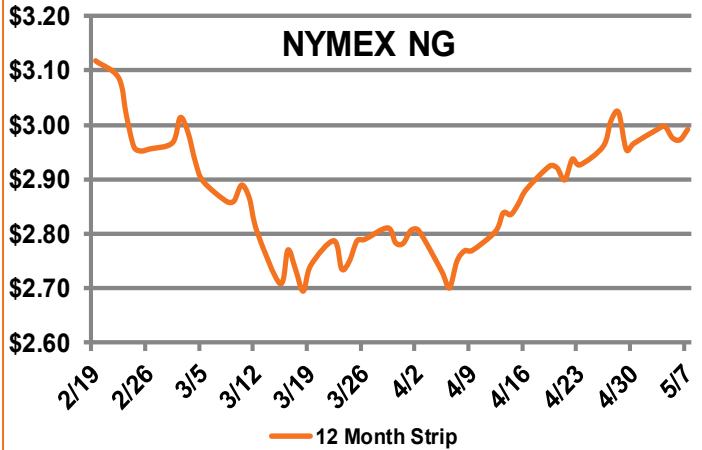
Summary: As another week begins, the weather forecast over the coming days is a continuation of the weekend. After seeing unseasonably cool highs across the Midwest and Mid-Atlantic this weekend, temperatures look to rebound closer to normal toward the end of the week, but not before some areas possibly seeing some late season frost early in the week. California continues to run warmer than normal, with temps in the central valley approaching 100 degrees with elevated fire risk in play. In economic news, the market digested some conflicting economic news on Friday. April's jobs report came in significantly under forecasts, with 266k jobs added compared to a consensus estimate of 1 million, fueling the debate on additional stimulus in Washington. On the other hand, the TSA reported that airplane travel had hit a pandemic high, with over 1.7 million passengers taking to the skies. These mixed signals bear watching as the vaccination campaign around the country begins to slow in numbers. NYMEX pricing trends saw a slow, but steady rise in the forwards continuing. Cal '22 ended up trading up three cents week-over-week at \$2.77, with Cals '23-'26 up 1-2 cents, all trading around \$2.60. The market continues to show strong backwardation, with NYMEX forwards over the 3-9 month horizon all trading at or above \$3.

Bullish Factors

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

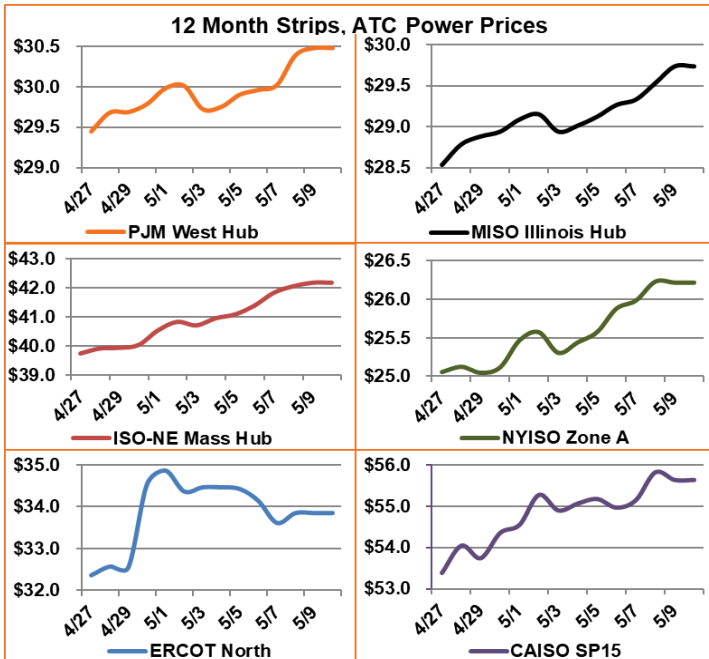
Bearish Factors

- Coronavirus impacts on demand
- Strong production
- Milder weather



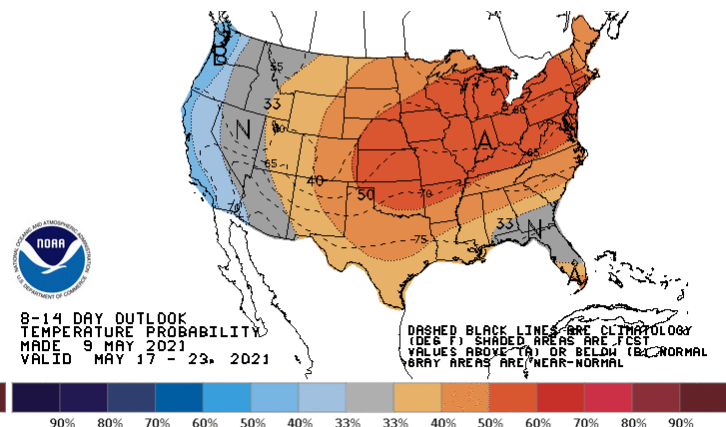
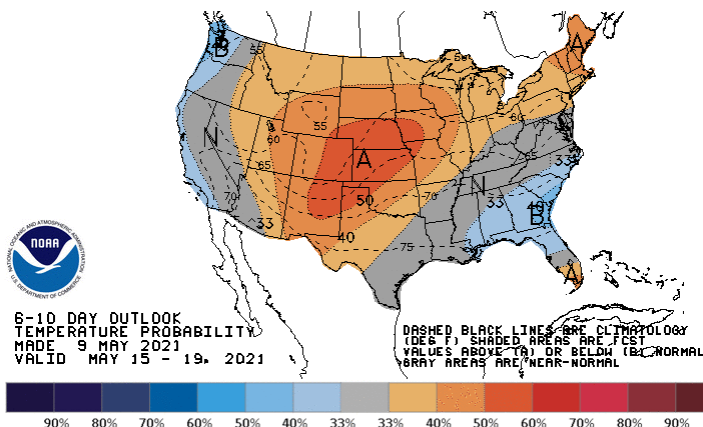
Next Day On-Peak Power (traded for 5/10/2021)

ISO-NE Mass Hub \$31.62	MISO Indiana Hub \$34.55	NYISO Zone G \$27.90
PJM West Hub \$33.54	ERCOT North \$25.63	CAISO SP15 \$30.94
NYMEX NG	Close	Change
Jun-21	2.958	0.030
Jul-21	3.004	0.030
12-Month	2.992	0.019
Cal 22	2.772	0.007
Cal 23	2.600	0.007



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,958	1,898	2,303	2,019
Diff v. Current		60	-345	-61
% Diff			-15.0%	-3.0%



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

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