

Early Morning Update

The Jun '21 natural gas contract is trading flat at 2.92. The Jun '21 crude oil contract is flat at \$62.05.

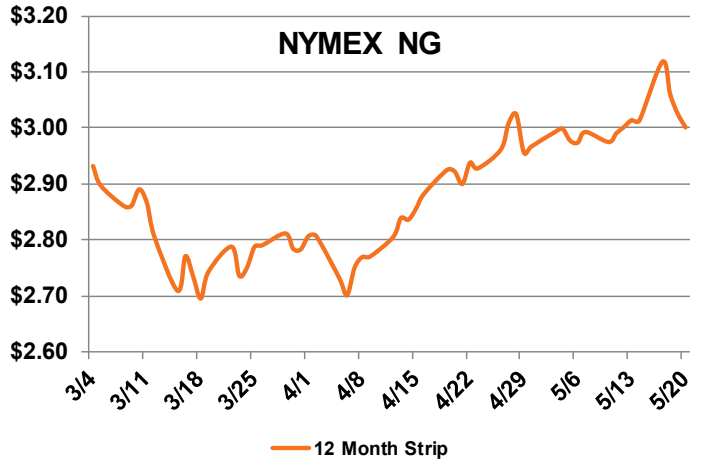
Summary: After trading in a very wild range this week, yesterday's settled NYMEX natural gas prompt month came in at a comfortable \$2.925/MMBtu. The market has experienced an intra-day trading range going from \$2.91-\$3.15/MMBtu, scaring most of the market bears earlier on this week. Fueled by concerns around hotter than expected weather condition, Monday's trading day shot up but the market was able to recover to lower levels below the \$3.00/MMBtu support/barrier level over the last three days. Yesterday the EIA also reported a 71Bcf injection, coming in very close to the market estimates of 70Bcf but ultimately helping the bears' case. Despite the optimistic \$0.039/MMBtu movement downwards for the NYMEX natural gas prompt, this injection, which matched last week's injection, came in much lower than the 86Bcf five-year-average level. As for the forwards of the NYMEX, they have seen far less movement, as each of the calendar strips past 2022 had not moved any more than \$0.02/MMBtu on their own.

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 5/21/2021)

ISO-NE Mass Hub \$28.00	MISO Indiana Hub \$43.50	NYISO Zone G \$31.32
PJM West Hub \$43.12	ERCOT North \$23.99	CAISO SP15 \$17.13

NYMEX NG	Close	Change
Jun-21	2.925	-0.039
Jul-21	2.991	-0.037
12-Month	3.001	-0.024
Cal 22	2.801	-0.004
Cal 23	2.606	0.002

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,100	2,029	2,491	2,187
Diff v. Current		71	-391	-87
% Diff			-15.7%	-4.0%

