

**Early Morning Update**

The Jun '21 natural gas contract is trading up \$0.03 at 2.94. The Jul '21 crude oil contract is down \$0.62 at \$65.45.

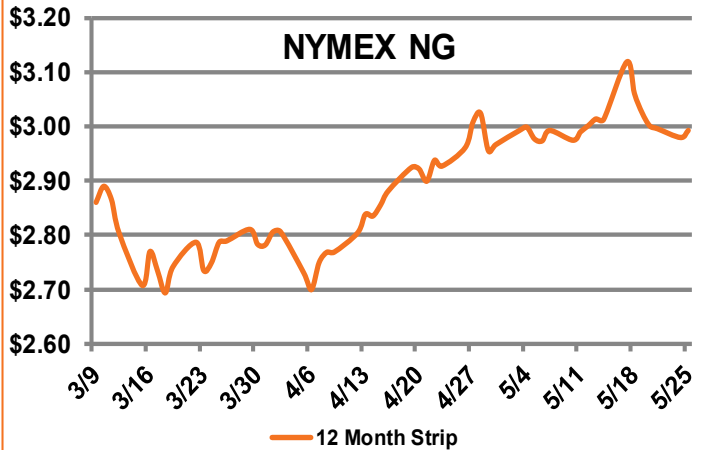
**Summary:** Heat is returning today, and, with it, demand is expected to see a slight bump. As such, we are seeing pricing feel some upward pressure in the near term once again. This warmth is expected to be short-lived as cooler-than-normal temperatures return to the Northeast heading into the holiday weekend. The June NYMEX natural gas contract settles as the prompt month today and is feeling a bit of strength. Yesterday, the prompt month moved up 2.7 cents on the day to settle \$2.913/MMBtu. The futures price for June had reached over \$3.00 just last week and is creeping up towards it once again this morning. Due to some of the more mild temperatures felt last week, expectations for the injection into storage are around 106 Bcf, the first injection breaching 100 Bcf this season and the first time in about a month that we might see an injection greater than the five-year average. If these mild temps continue into June as supply moves up, we could be looking at a continued trend of closing the storage deficit as we head into peak demand season. U.S. dry production has moved up slightly, currently averaging just under 91.0 Bcf/d over the past week, and will hopefully continue its upward trend as we head into summer.

**Bullish Factors**

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

**Bearish Factors**

- Coronavirus impacts on demand
- Strong production
- Milder weather

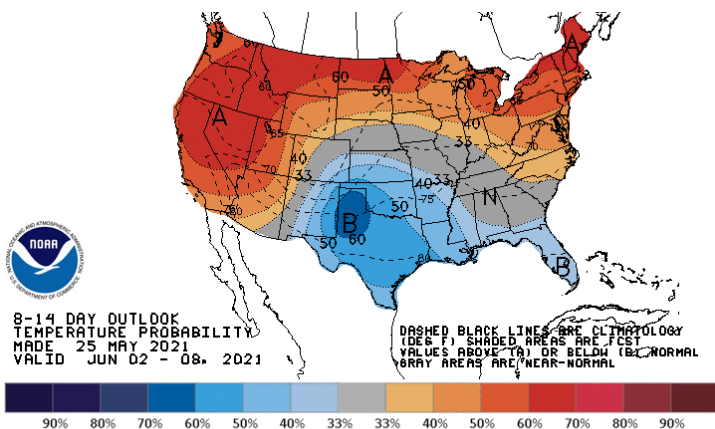
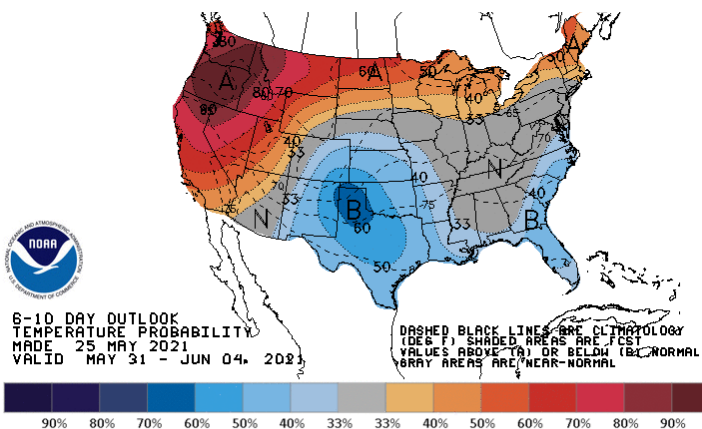
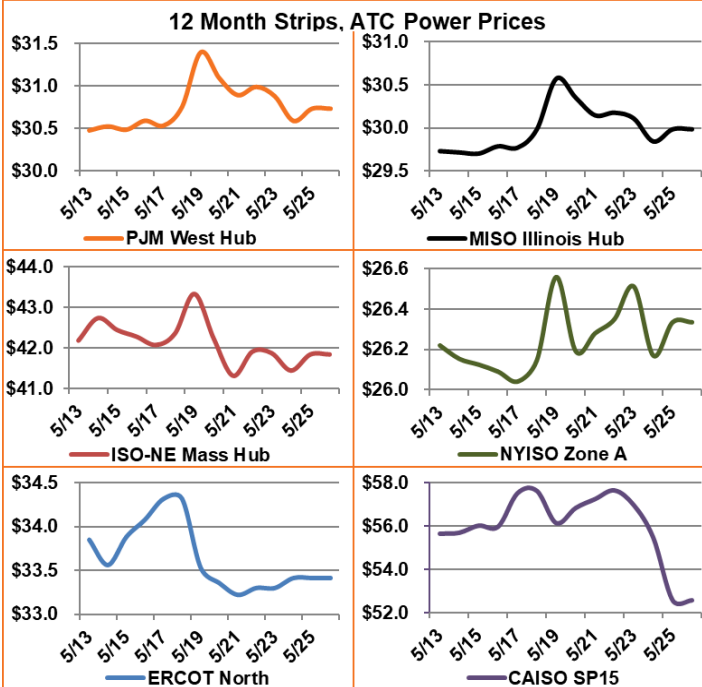


**Next Day On-Peak Power (traded for 5/26/2021)**

ISO-NE Mass Hub \$32.84	MISO Indiana Hub \$38.32	NYISO Zone G \$35.69
PJM West Hub \$39.68	ERCOT North \$31.06	CAISO SP15 \$28.63
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
Jun-21	2.913	0.027
Jul-21	2.974	0.014
12-Month	2.992	0.013
Cal 22	2.800	0.010
Cal 23	2.620	0.011

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	2,029	1,958	2,407	2,101
<b>Diff v. Current</b>		71	-378	-72
<b>% Diff</b>			-15.7%	-3.4%



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

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