

**Early Morning Update**

The Sep '21 natural gas contract is trading up \$0.03 at \$3.87. The Sep '21 crude oil contract is up \$0.61 at \$67.20.

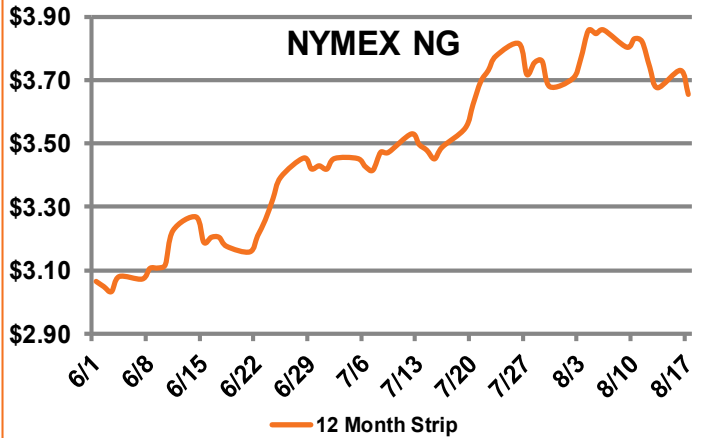
**Summary:** The market felt some relief yesterday, and it appears the critical technical trading level for the prompt month is \$4.00. Yesterday, the NYMEX natural gas futures price for September fell by 10.9 cents on the day to settle at \$3.837/MMBtu. Following last week's heat, expectations for tomorrow's storage report show about a 35 Bcf injection, which would continue to widen the storage deficit to historical benchmarks. After a slight uptick last week to U.S. dry production it has once again dipped below 90 Bcf/d, averaging just under 91.0 Bcf/d so far this month. With demand still holding strong this summer, concerns remain for production and if/when we will see an uptick to meet that growing demand. While remnants of Tropical Depression Fred have been moving up through the eastern U.S., the accompanying rain this week looks to cool off the Northeast. Something to keep an eye on is Hurricane Henri. This storm is currently near Bermuda, but has the potential to move north, with some concerns that it will move up along the East Coast. LNG exports are currently just under 11.0 Bcf/d, despite some of the storm systems down in the Gulf, and exports to Mexico remain steady at just under 7.0 Bcf/d.

**Bullish Factors**

- Post-pandemic demand growth
- Less-than-average storage injections
- High exports to Mexico

**Bearish Factors**

- Stable production
- Year-to-date power burn below 2020
- Average temps outside of the West

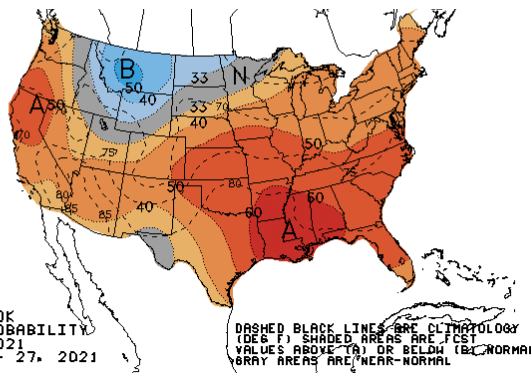
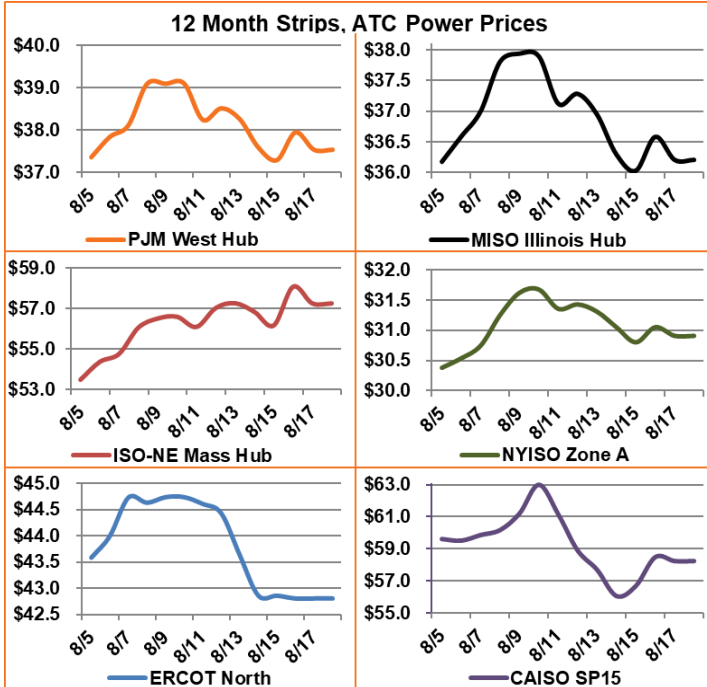


**Next Day On-Peak Power (traded for 8/18/2021)**

ISO-NE Mass Hub \$49.94	MISO Indiana Hub \$47.50	NYISO Zone G \$48.98
PJM West Hub \$45.79	ERCOT North \$31.48	CAISO SP15 \$50.09
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
Sep-21	3.837	-0.109
Oct-21	3.851	-0.109
12-Month	3.654	-0.075
Cal 22	3.466	-0.049
Cal 23	3.029	0.001

**EIA Natural Gas Storage**

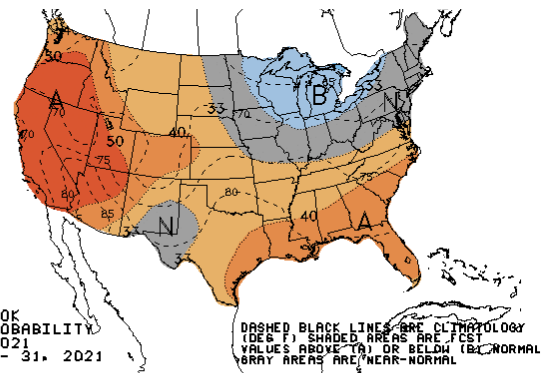
EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,776	2,727	3,324	2,954
Diff v. Current		49	-548	-178
% Diff			-16.5%	-6.0%



6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 17 AUG 2021  
VALID AUG 23 - 27, 2021

DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FORECAST VALUES ABOVE (A) OR BELOW (B) NORMAL (GRAY AREAS ARE NEAR-NORMAL)

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



8-14 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 17 AUG 2021  
VALID AUG 25 - 31, 2021

DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FORECAST VALUES ABOVE (A) OR BELOW (B) NORMAL (GRAY AREAS ARE NEAR-NORMAL)

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