

Early Morning Update

The Jan '22 natural gas contract is trading up \$0.15 at \$4.21. The Feb '22 crude oil contract is down \$0.28 at \$75.70.

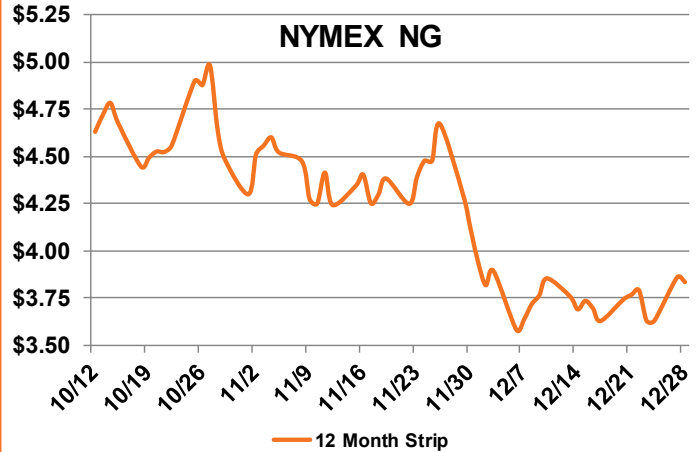
Summary: A very quiet day for the NYMEX with the prompt month finishing nearly flat, closing down -\$0.005 to finish the day at \$4.055. Today is the expiration of the Jan '22 contract and also the Cal '22 strip. Some weather vendors are also starting to show a push of cold air further east in the 11-15 day forecast, potentially setting up the east coast for some cold temps. The La Nina weather pattern has kept the colder temps confined to the Pac NW and western Canada but the potential always exists for those cold temps to move further south and east.

Bullish Factors

- Record high LNG exports
- Extremely high global gas markets
- High exports to Mexico

Bearish Factors

- Warmer-than-normal temps
- Year-to-date power burn below 2020
- Flat industrial demand



Next Day On-Peak Power (traded for 12/29/2021)

ISO-NE Mass Hub \$51.09	MISO Indiana Hub \$38.70	NYISO Zone G \$43.49
PJM West Hub \$33.71	ERCOT North \$29.63	CAISO SP15 \$84.67

NYMEX NG	Close	Change
Jan-22	4.055	-0.005
Feb-22	3.885	-0.057
12-Month	3.838	-0.026
Cal 22	3.838	-0.026
Cal 23	3.405	-0.015

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,362	3,417	3,596	3,328
Diff v. Current		-55	-234	34
% Diff			-6.5%	1.0%

