

Early Morning Update

The Dec '21 natural gas contract is trading up \$0.14 at \$4.93. The Dec '21 crude oil contract is up \$0.25 at \$77.00.

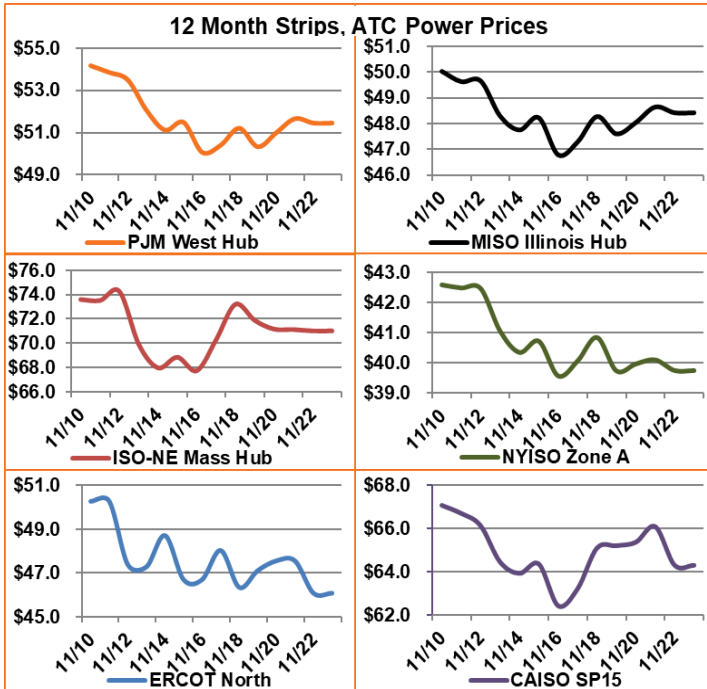
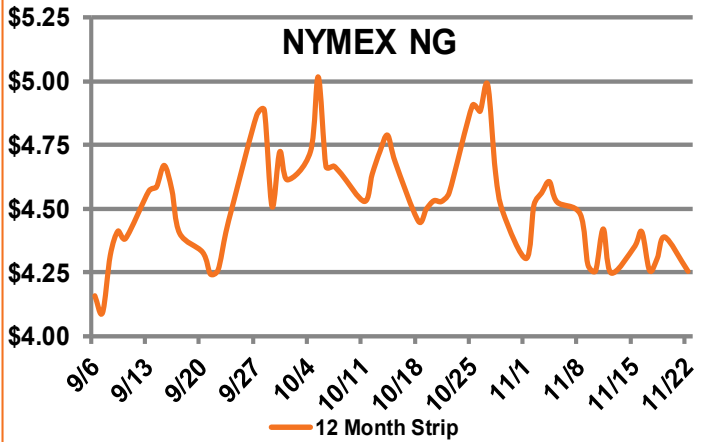
Summary: Yesterday saw another whirlwind day for near-term NYMEX as the prompt month of December spiraled down nearly 28 cents to \$4.789/MMBtu, taking with it the 12-month strip, down 13 cents to \$4.253/MMBtu. Other calendar strips also came down at least 3 to 5 cents each, out through 2025. Despite falling NYMEX prices, spot gas in the Northeast spiked yesterday on blasts of cold weather that swept through the region over the weekend and is expected to continue through the 10-day forecast. The remainder of the country looks to continue at near or above-normal temperatures through the next two weeks, which may help to stabilize the supply & demand picture as we move closer to the meteorological winter season. Due to the holiday on Thursday, we will see the weekly storage report released tomorrow morning, a day earlier than normal.

Bullish Factors

- Struggling natural gas production
- Extremely high global gas markets
- High exports to Mexico

Bearish Factors

- Mild shoulder season temps
- Year-to-date power burn below 2020
- Flat industrial demand



Next Day On-Peak Power (traded for 11/23/2021)

ISO-NE Mass Hub \$90.27	MISO Indiana Hub \$80.00	NYISO Zone G \$60.36
PJM West Hub \$79.77	ERCOT North \$32.38	CAISO SP15 \$55.95
NYMEX NG	Close	Change
Dec-21	4.789	-0.276
Jan-22	4.861	-0.284
12-Month	4.253	-0.134
Cal 22	4.209	-0.117
Cal 23	3.488	-0.053

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,644	3,618	3,954	3,725
Diff v. Current		26	-310	-81
% Diff			-7.8%	-2.2%

