

**Early Morning Update**

The May '22 natural gas contract is trading up \$0.11 at \$6.14. The May '22 crude oil contract is up \$1.77 at \$98.00.

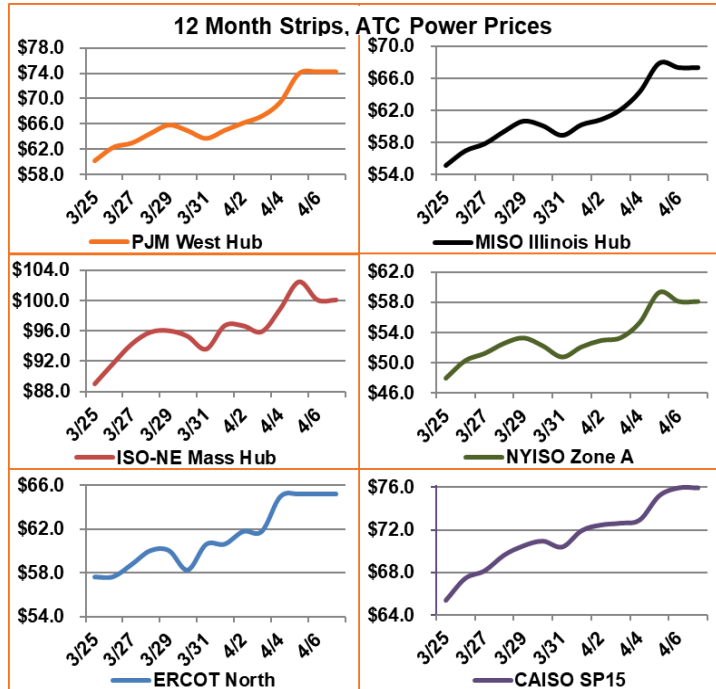
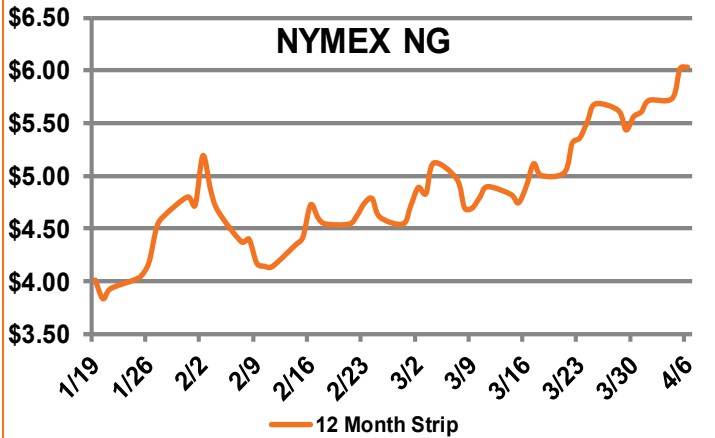
**Summary:** Continued tight fundamentals took short-term natural gas prices for a wild ride during yesterday's trading session. After Tuesday's five-year high \$6.025/MMBtu settle, the May '22 contract soared to an intraday high of \$6.394/MMBtu early Wednesday. Technical selling activity picked up shortly thereafter, causing the prompt month to tumble \$0.365 to its \$6.029/MMBtu close, down just \$0.003/MMBtu day-over-day. Much of the recent volatility can be attributed to the prevailing supply concerns amidst the scorching demand level, which is roughly 5.0 Bcf/d higher year-over-year, even with renewables growth and maintenance-related LNG outages. Demand-related downside will likely be limited over the next few weeks as short-term weather models added a few more heating degree days after their overnight runs. Despite the cooler forecasts, the market believes today's Energy Information Administration (EIA) storage report for week ended April 1st will reflect the last withdrawal of the year. Most polls are expecting an inventory reduction in the upper 20 Bcf range, bullish compared to last year's 19 Bcf injection and the five-year average 8 Bcf build. Prices may respond even higher upon a withdrawal outperformance, especially the winter '23 strip.

**Bullish Factors**

- Record high LNG exports
- Slipping natural gas production
- Lingering cold temperatures

**Bearish Factors**

- Res/com demand decreasing
- Power burns down
- Decent storage inventories



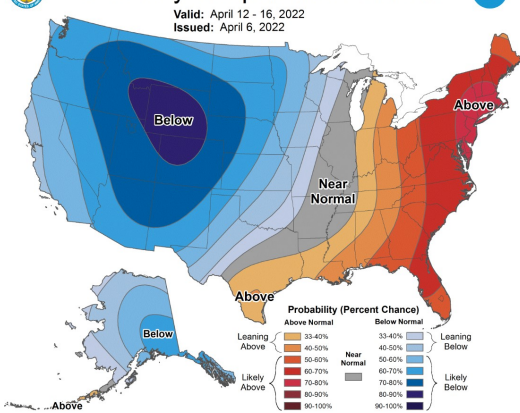
**Next Day On-Peak Power (traded for 4/7/2022)**

ISO-NE Mass Hub \$73.35	MISO Indiana Hub \$75.00	NYISO Zone G \$74.41
PJM West Hub \$72.99	ERCOT North \$51.35	CAISO SP15 \$85.17
NYMEX NG	Close	Change
May-22	6.029	-0.003
Jun-22	6.107	-0.001
12-Month	6.029	0.017
Cal 23	4.792	0.063
Cal 24	4.042	0.062

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,415	1,389	1,762	1,659
Diff v. Current		26	-347	-244
% Diff			-19.7%	-14.7%

**6-10 Day Temperature Outlook**



**8-14 Day Temperature Outlook**

