

Early Morning Update

The May '22 natural gas contract is trading up \$0.18 at \$7.36. The May '22 crude oil contract is up \$1.14 at \$103.70.

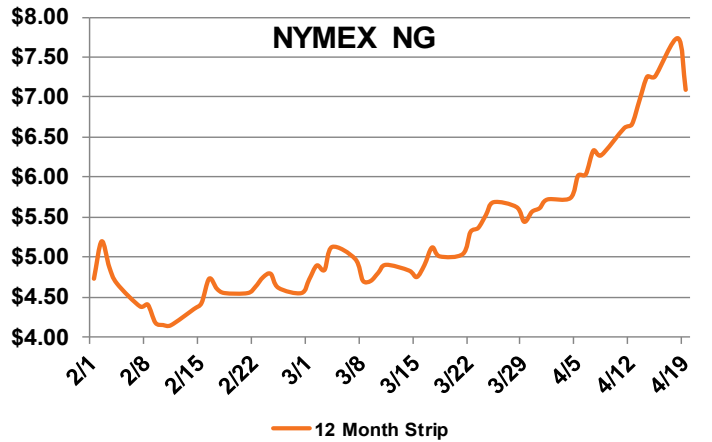
Summary: Yesterday's NYMEX natural gas trading session saw considerable movement downward through the front of the pricing curve. At one point, the prompt month even broke back below the \$7 mark, but ultimately closed at \$7.176/MMBtu, representing a drop of 64.4 cents from Monday's close. The 12-month strip followed suit and bested the prompt month by a tenth of cent as it dropped 64.5 cents, with the strongest shift occurring through the 6-month section of Q4 '22 - Q1 '23, which dropped nearly 70 cents. Calendar strip 2023 moved down 25 cents to \$5.41, and Cal 2024 dropped 6 cents to \$4.34. Beyond there, nearly all forward months through the curve showed downward movement of around two cents, and 2025, the low strip on the board, sits at \$4.13. The cooler-than-average temperatures are remaining in the forward forecast for the Midcontinent and eastern U.S. as we move towards and into May, but it is expected to warm up this weekend for the eastern half of the U.S. This should help to ease the high demand in the residential/commercial sectors driven by heating demand, which currently stands at 3.4 Bcf/d higher month-to-date compared to last April.

Bullish Factors

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

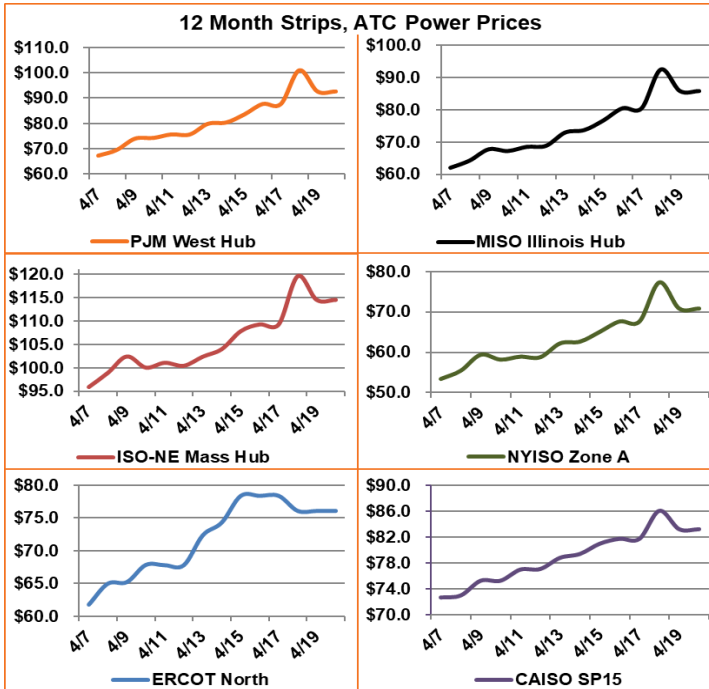
Bearish Factors

- Res/com demand decreasing
- Power burns down
- Storage injection season started



Next Day On-Peak Power (traded for 4/20/2022)

ISO-NE Mass Hub \$73.49	MISO Indiana Hub \$86.00	NYISO Zone G \$88.93
PJM West Hub \$75.15	ERCOT North \$75.51	CAISO SP15 \$56.85
NYMEX NG	Close	Change
May-22	7.176	-0.644
Jun-22	7.277	-0.681
12-Month	7.085	-0.645
Cal 23	5.411	-0.251
Cal 24	4.336	-0.061



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,397	1,382	1,836	1,700
Diff v. Current		15	-439	-303
% Diff			-23.9%	-17.8%

