

### Early Morning Update

The Jun '22 natural gas contract is trading up \$0.05 at \$6.93. The Jun '22 crude oil contract is up \$0.67 at \$106.03.

**Summary:** More volatility yesterday with the prompt month trading in a massive \$0.543 range before ultimately closing down \$0.451 on the day, near the session low. The market was higher after the EIA reported a build of 40 Bcf into storage, slightly below expectations. But the rally soon stalled and the sell-off began. Storage is well behind last years result and the average of the last 5 years as lower production, cold temps and high exports leave the supply/demand balance very tight.

The volatility has also extended to the power markets where we are seeing huge price swings on a daily basis. You'll notice below that the vertical axis have had to be adjusted to accommodate the larger price movements. There's little indication the volatility will ease anytime soon as fundamentals production remains tight, coal prices are very high and demand for gas and power remains elevated.

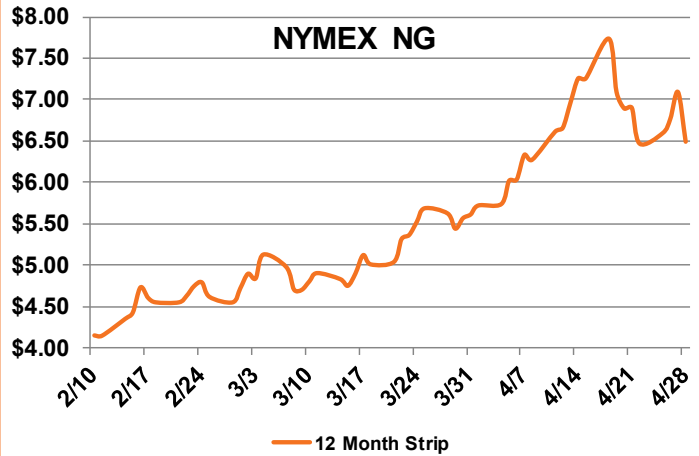
Weather forecasts continue to show colder than average temps across much of the northeast.

### Bullish Factors

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

### Bearish Factors

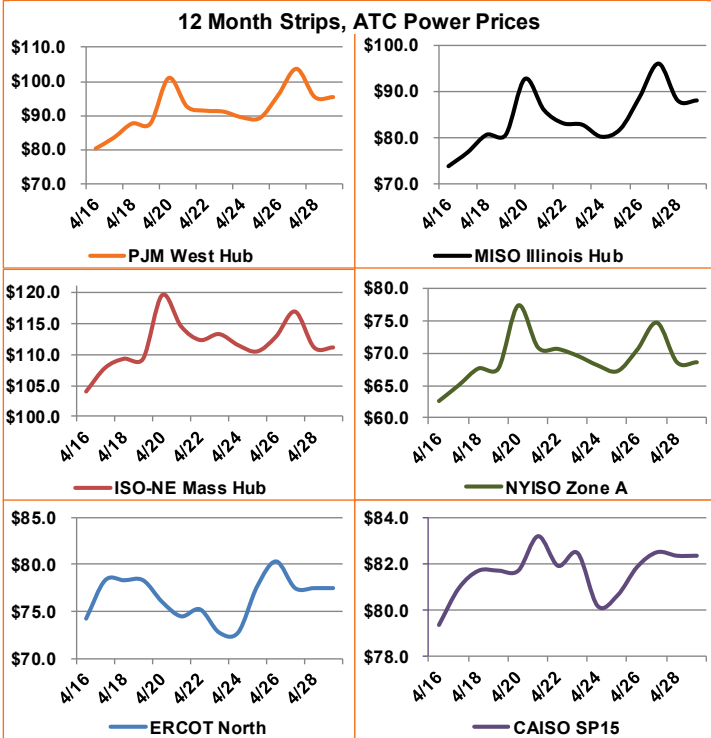
- Res/com demand decreasing
- Power burns down
- Storage injection season started



### Next Day On-Peak Power (traded for 4/29/2022)

ISO-NE Mass Hub \$69.50	MISO Indiana Hub \$72.00	NYISO Zone G \$75.27
PJM West Hub \$64.00	ERCOT North \$57.15	CAISO SP15 \$48.81

NYMEX NG	Close	Change
Jun-22	6.888	-0.451
Jul-22	6.994	-0.442
12-Month	6.486	-0.353
Cal 23	4.958	-0.149
Cal 24	4.036	-0.031



### EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,490	1,450	1,896	1,795
Diff v. Current		40	-406	-305
% Diff			-21.4%	-17.0%

