

**Early Morning Update**

The Jun '22 natural gas contract is trading up \$0.17 at \$7.83. The Jun '22 crude oil contract is down \$0.23 at \$110.26.

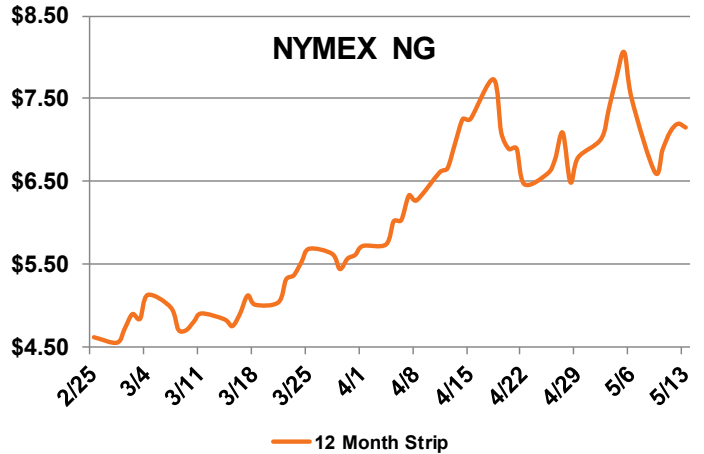
**Summary:** Over the weekend total demand fell by 3 Bcf/d from Friday, only to rise another 2 Bcf/d today making the total demand 86.7 Bcf/d. There are multiple categories of demand that saw changes over the weekend, so the total demand cannot be contributed to one. Powerburn and LNG imports both fell by 1.5 Bcf/d and 0.4 Bcf/d respectively, making their current levels 31.1 Bcf/d and 4.7 Bcf/d. Rescomm fell by 1.5 Bcf/d Saturday, then rose by 3 Bcf/d throughout Sunday and today making the current rescomm demand levels 14 Bcf/d, which is 1 Bcf/d higher than Friday. The changes in powerburn were mainly seen in Texas, while the changes in rescomm were split evenly between the Midcon and Northeast markets. Current production held flat over the weekend and remains around that 93.5 Bcf/d mark. Exports also held flat around the 12 Bcf/d mark. Current weather projections show warmer weather across the country as we move closer to the summer months. There is a chance for a brief dip in temperatures towards the weekend/early next week, but the expectation is the warmer temperatures are here to stay.

**Bullish Factors**

- Stagnant natural gas production
- High oil and global gas prices
- Record heat in southern U.S.

**More Bullish Factors**

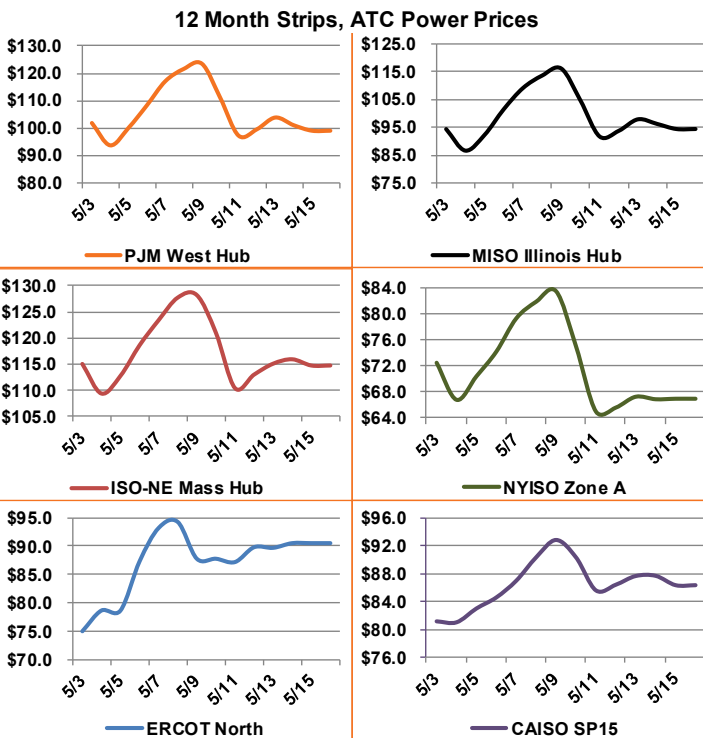
- Large natural gas storage deficit
- LNG exports close to max
- Warmer-than-normal summer forecast



**Next Day On-Peak Power (traded for 5/16/2022)**

ISO-NE Mass Hub \$90.94	MISO Indiana Hub \$95.50	NYISO Zone G \$92.17
PJM West Hub \$94.10	ERCOT North \$125.00	CAISO SP15 \$49.67

NYMEX NG	Close	Change
Jun-22	7.663	-0.076
Jul-22	7.765	-0.070
12-Month	7.148	-0.045
Cal 23	5.376	0.003
Cal 24	4.249	0.025



**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	1,643	1,567	2,019	1,955
Diff v. Current		76	-376	-312
% Diff			-18.6%	-16.0%

