

**Early Morning Update**

The Jan21 natural gas contract is trading up \$0.04 at \$2.92. The Jan21 crude oil contract is down \$0.25 at \$44.30.

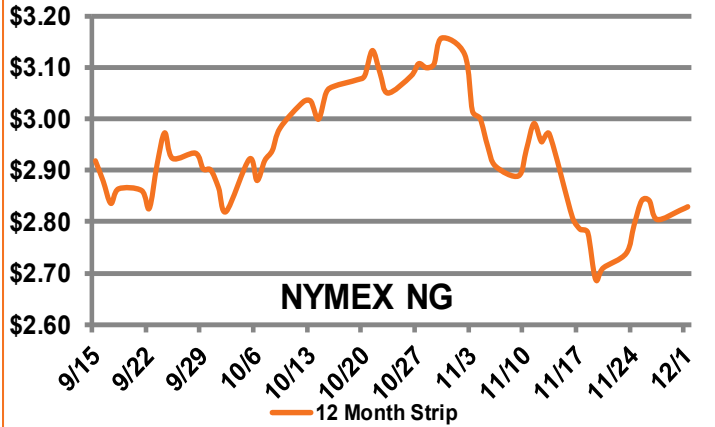
**Summary:** Yesterday's NYMEX natural gas trading session saw fairly large swings during the day, but the result in day-over-day movement was relatively flat through the near-term. The front months of January and February both traded in a 13-cent range throughout the day, but ended up settling with less than a penny difference from Monday, and the 2021 calendar strip gained just slightly more than that, closing at \$2.829/MMBtu, up from \$2.823. Calendar strip 2022 was flat at \$2.689, while Cal 2023 gained 1.6 cents to \$2.52, and Cal 2024 added just under five cents to move to \$2.537. The calendar strips are now backwarddated through 2023, with 2024's five-cent gain yesterday. In longer terms beyond 2024, there was broad upward movement, with each calendar strip moving up six cents yesterday. Res/comm demand has continued to climb over the past week with the cold weather moving through the Northeast. This sector, representing mostly heating demand, has gained just over 16 Bcf/d, but is expected to ease back down over the next week with milder temperatures.

**Bullish Factors**

- LNG exports back in force
- High exports to Mexico
- Unstable production

**Bearish Factors**

- Coronavirus impacts on demand
- Healthy storage levels
- Lack of significant heating demand

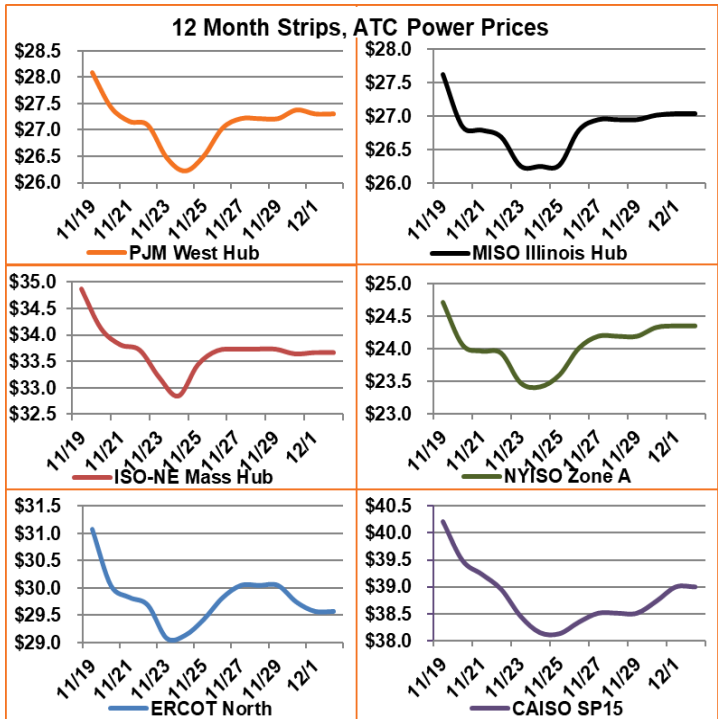


**Next Day On-Peak Power (traded for 12/2/2020)**

ISO-NE Mass Hub \$30.65	MISO Indiana Hub \$30.63	NYISO Zone G \$28.66
PJM West Hub \$29.67	ERCOT North \$18.91	CAISO SP15 \$41.04

NYMEX NG	Close	Change
Jan-21	2.880	-0.002
Feb-21	2.868	0.003
12 Month	2.830	0.007
Cal 22	2.689	0.000
Cal 23	2.524	0.016



**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,940	3,958	3,618	3,690
Diff v. Current		-18	322	250
% Diff			8.9%	6.8%

