

**Early Morning Update**

The Jan21 natural gas contract is trading down \$0.06 at \$2.62. The Jan21 crude oil contract is up \$0.41 at \$47.40.

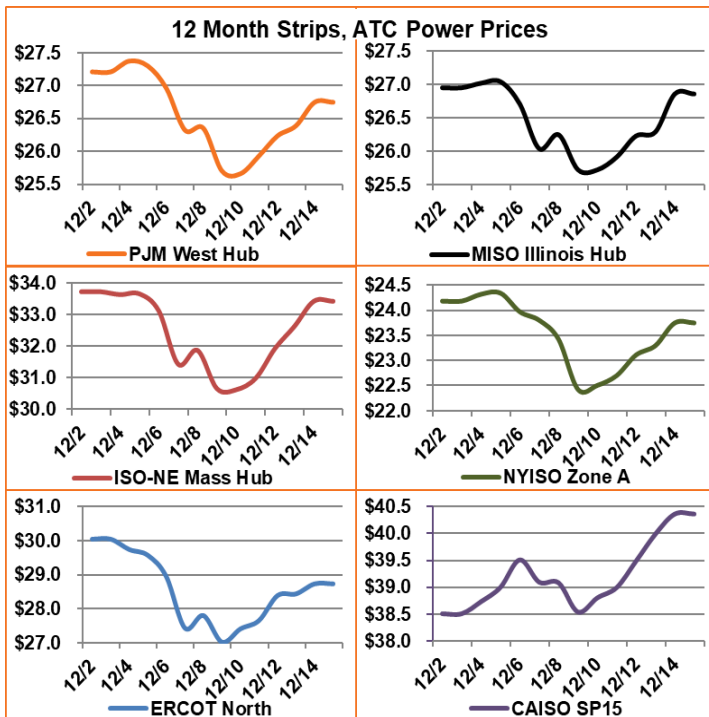
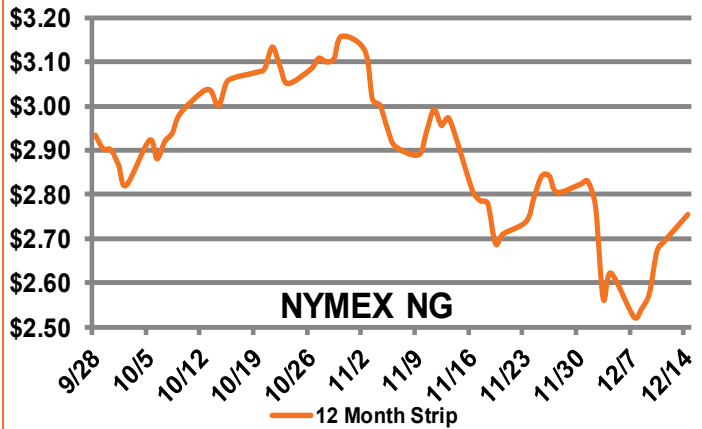
**Summary:** The last few trading days have seen bullish movement on the NYMEX natural gas prompt month, but with a slight reversal this morning. This could just be a small correction, noise, or potentially a reaction to news on the weather forecasts of a relatively warm next few weeks. We will begin to see the teeth of the winter season in the first large snow storm coming in the next few days. It is expected to blanket the northeastern regions of the U.S. and bring up to three feet of snow in some areas. Winter events like this will typically have volatile impacts on day-ahead pricing. Pricing for the day-ahead has been favorable in most markets lately, but energy and gas hedges for managed product customers shine in times like this, where we usually see prices spike and cost users much more than expected if not protected. There still is time to hedge the rest of the winter from January through March, so reach out and let us know if you would like to review your energy strategy for the rest of this season and for the upcoming year.

**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 12/15/2020)**

ISO-NE Mass Hub \$48.03	MISO Indiana Hub \$32.57	NYISO Zone G \$35.30	
PJM West Hub \$32.77	ERCOT North \$22.00	CAISO SP15 \$44.08	
NYMEX NG		Close	Change
Jan-21		2.682	0.091
Feb-21		2.678	0.075
12 Month		2.755	0.059
Cal 22		2.633	0.022
Cal 23		2.501	0.007

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	3,848	3,939	3,539	3,588
<b>Diff v. Current</b>		-91	309	260
<b>% Diff</b>			8.7%	7.2%

