

Early Morning Update

The Jan21 natural gas contract is trading down \$0.03 at \$2.65. The Jan21 crude oil contract is down \$0.02 at \$47.60.

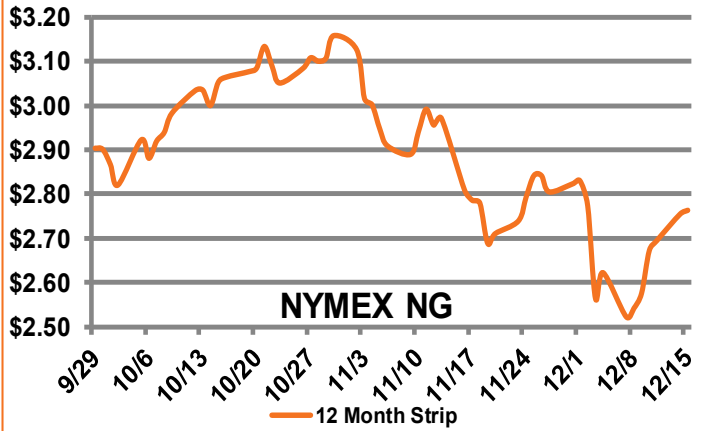
Summary: NYMEX natural gas ended the day nearly unchanged from Monday, despite the prompt month and winter months trading down nearly ten cents at times during the day. The January 2021 contract closed at \$2.682/MMBtu, flat from Monday, while Cal 2021 gained just under a penny to close at \$2.763. Cal 2022 was unchanged at \$2.63, and all further out strips moved down about a penny and a half, with Cal 2023 being the lowest priced on the board at \$2.488. The market's current focus is on the winter storm moving to the Northeast today and into tomorrow, bringing heavy snow and below-average temperatures. Residential and commercial heating demand has responded to the colder temperatures since the beginning of the week and climbed over 10 Bcf/d since this past weekend to above 50 Bcf/d, but is projected to moderate back to below 45 Bcf/d for the remainder of December. LNG exports dropped to 9.5 Bcf/d yesterday, after holding above 11.4 Bcf/d for over a week, but they are back to 11.0 Bcf/d in today's projections, while dry production has been relatively stable at just under 90 Bcf/d.

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



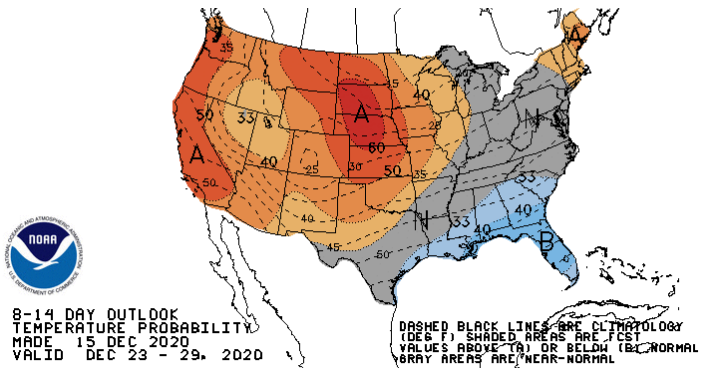
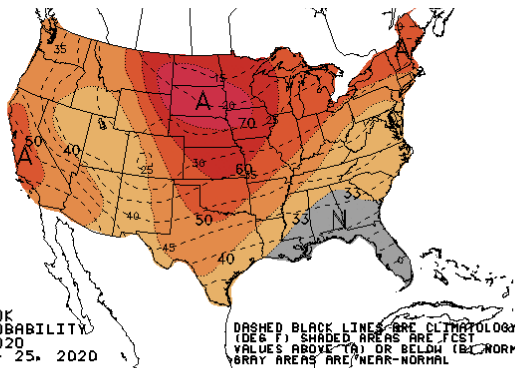
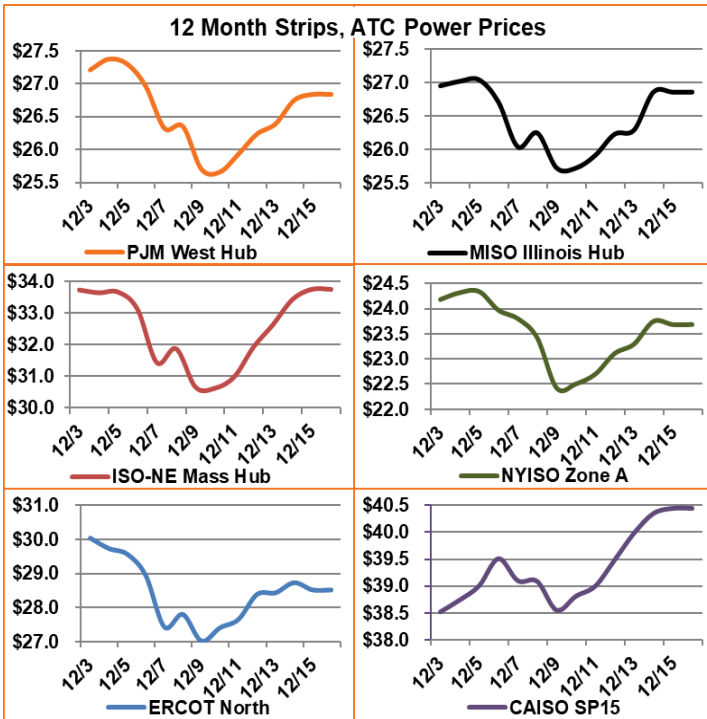
Next Day On-Peak Power (traded for 12/16/2020)

ISO-NE Mass Hub \$66.85	MISO Indiana Hub \$32.25	NYISO Zone G \$46.82
PJM West Hub \$34.95	ERCOT North \$29.00	CAISO SP15 \$45.00

NYMEX NG	Close	Change
Jan-21	2.682	0.000
Feb-21	2.680	0.002
12 Month	2.763	0.009
Cal 22	2.631	-0.002
Cal 23	2.488	-0.013

EIA Natural Gas Storage

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



6-10 DAY OUTLOOK TEMPERATURE PROBABILITY MADE 15 DEC 2020 VALID DEC 21 - 25, 2020



8-14 DAY OUTLOOK TEMPERATURE PROBABILITY MADE 15 DEC 2020 VALID DEC 23 - 29, 2020

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%

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