

Early Morning Update

The Feb21 natural gas contract is trading up \$.06 at \$2.48. The Feb21 crude oil contract is down \$0.41 at \$47.99.

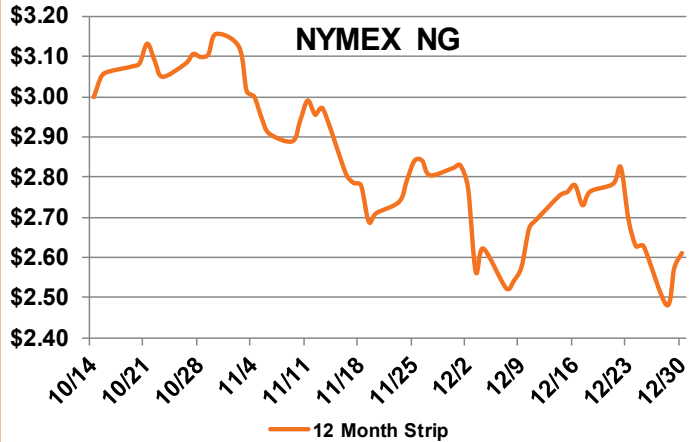
Summary: A quiet day on the NYMEX as the (new) prompt month fell \$.022 to close the day at \$.2422. Longer terms also saw little movement. Today should be a light day as markets remain fairly quiet ahead of the holiday and many traders are off. Weather forecasts are still in near agreement over the path of the next two weeks, with warmer than average temps projected for the northeast. The big concern is that over the long weekend, we see revisions to the forecast to show colder temps in the northeast. To date we haven't seen it but it is still a risk. Otherwise, the fundamentals are relatively quiet. Production is steady, exports are mostly unchanged and heating demand has been in check with the milder temps. With that, we'll put a lid on 2020 and look forward to a brighter 2021. Have a great New Years'. See you next 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 12/31/2020)

ISO-NE Mass Hub \$28.50	MISO Indiana Hub \$24.05	NYISO Zone G \$26.12
PJM West Hub \$20.35	ERCOT North \$27.59	CAISO SP15 \$34.21

NYMEX NG	Close	Change
Feb-21	2.422	-0.022
Mar-21	2.422	-0.017
12 Month	2.611	-0.002
Cal 22	2.555	0.001
Cal 23	2.450	-0.012

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,574	3,726	3,296	3,356
Diff v. Current		-152	278	218
% Diff			8.4%	6.5%

