

Early Morning Update

The Aug20 natural gas contract is trading up \$0.01 at \$1.69. The Sep20 crude oil contract is down \$0.20 at \$41.70.

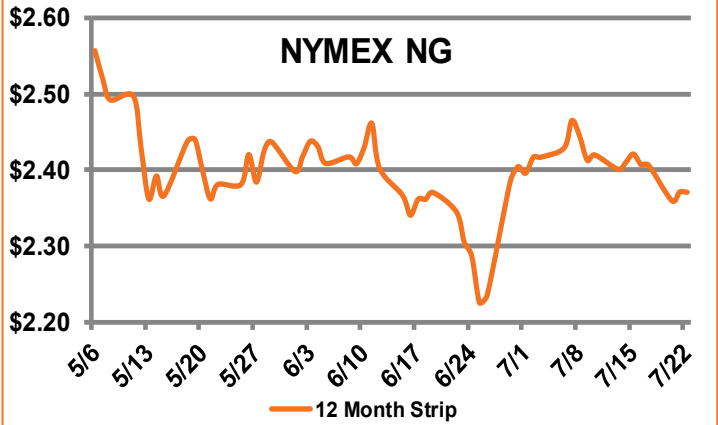
Summary: The NYMEX natural gas market saw less than a penny increase in the Aug '20 prompt month contract yesterday, closing out the day at \$1.68/MMBtu. The 12-month strip and all future calendar strips remained basically unchanged from the previous day. Revised weather forecasts for the next five days show widespread warmth in the East and Midwest, which could support the penny increase in the prompt month contract. Beyond that, above-normal temperatures remain in the forecast for the next 20 days, but revised weather forecasts are showing lower temperature variances from normal than previously projected, specifically in the next 6-10 days in the East. The downward revision in temperatures should translate into less peak demand alerts for the NYISO, ISO-NE, and PJM territories over the next week or two. Looking ahead, the U.S. Energy Information Administration will release their weekly storage report later this morning. Market analysts are expecting an injection somewhere in the neighborhood of 36 Bcf to be reported. If this actualizes, it would be just under the 5-year average mark of 37 Bcf.

Bullish Factors

- Curtailed production
- Above-normal temperatures
- High power burns

Bearish Factors

- Coronavirus impacts on demand
- Healthy storage levels
- Increasing renewables

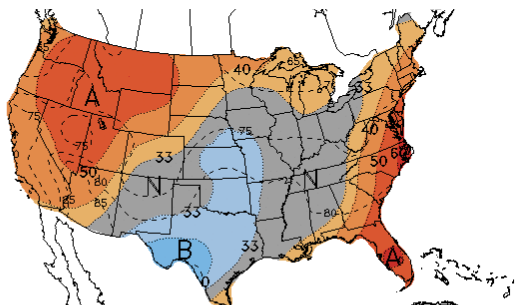
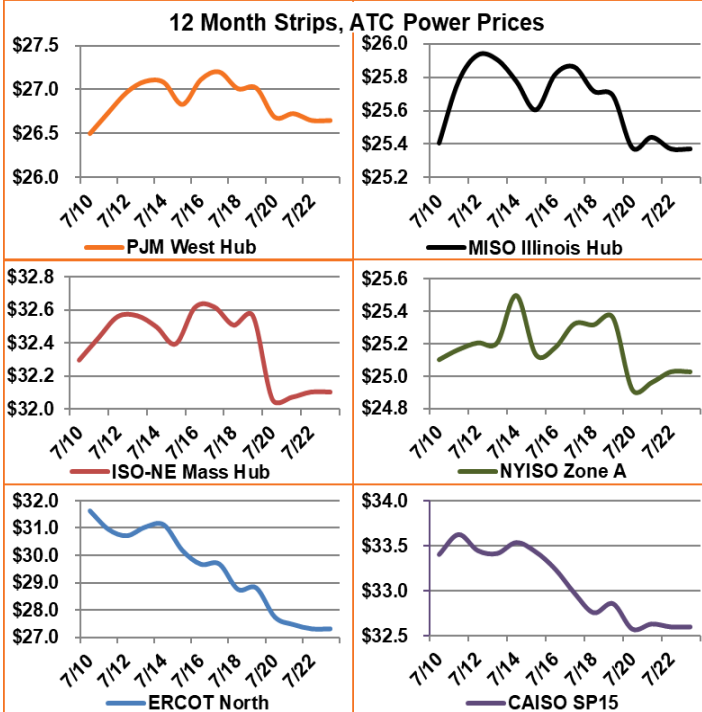


Next Day On-Peak Power (traded for 7/23/2020)

ISO-NE Mass Hub \$27.06	MISO Indiana Hub \$27.31	NYISO Zone G \$26.38
PJM West Hub \$26.84	ERCOT North \$35.92	CAISO SP15 \$23.28
NYMEX NG		
	Close	Change
Aug-20	1.681	0.006
Sep-20	1.718	0.004
12 Month	2.371	0.000
Cal 21	2.597	0.005
Cal 22	2.465	0.006

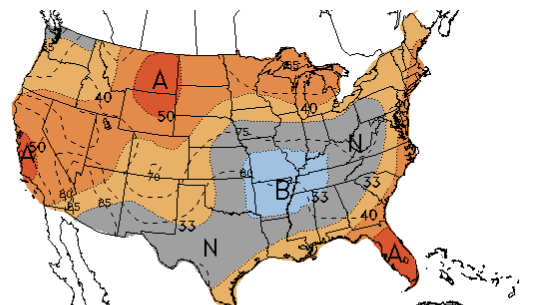
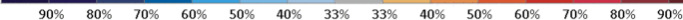
EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,178	3,133	2,515	2,742
Diff v. Current		45	663	436
% Diff			26.4%	15.9%



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 22 JUL 2020
VALID JUL 28 - AUG 01, 2020

DASHED BLACK LINE ARE CLIMATE LOGS (F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 22 JUL 2020
VALID JUL 30 - AUG 05, 2020

DASHED BLACK LINE ARE CLIMATE LOGS (F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL

