

Early Morning Update

The May '24 natural gas contract is trading down \$0.05 at \$1.84. The May '24 crude oil contract is down \$0.55 at \$85.67.

Summary

The daily changes in the natural gas market were fairly quiet on Wednesday. The prompt month out through Cal '26 were up a penny, while Cals '27-'29 were up three cents on the day. The prompt month contract settled at \$1.89/MMBtu yesterday. There continues to be bearish sentiment in the market as trading activity seems muted. From a fundamentals perspective, some production cuts continue and are pushing total production near 100 Bcf/d. Power burn has been mostly flat throughout the past week, while res/com demand has fallen by over 10 Bcf/d in the last seven days. LNG exports have been unchanged, but are expected to increase over the next couple weeks as maintenance at Freeport LNG comes to an end and deliveries to the facility ramp up. The anticipated date for full capacity for Freeport LNG is expected to be early May. Weather forecasts show mostly above-normal temperatures for the U.S. and Canada for the rest of the week. A cold risk is expected for the West next week, while the East should see warmer conditions continue.

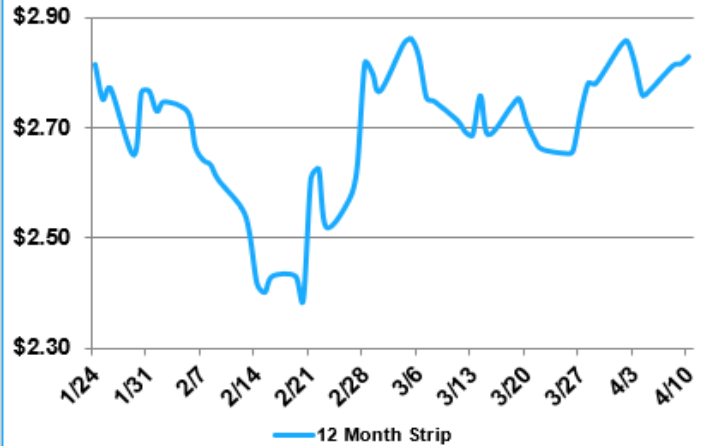
Bearish Factors

- Abundant natural gas storage
- LNG exports down from all-time high
- Mild weather

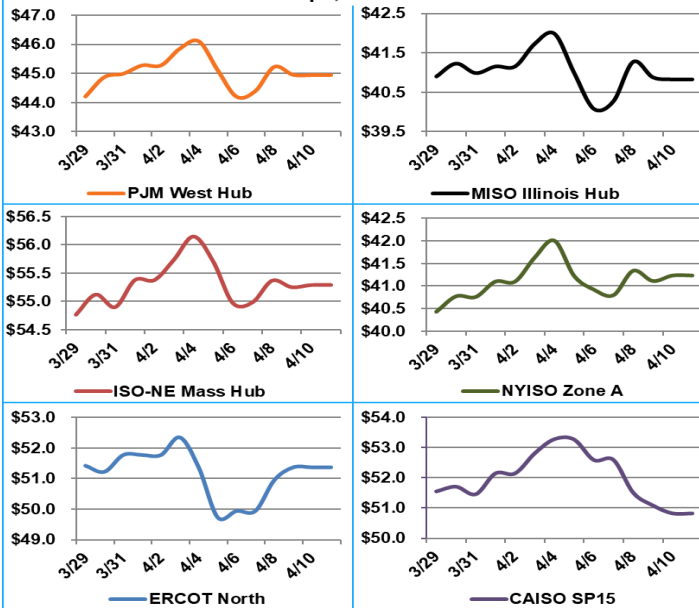
Bullish Factors

- Natural gas production cuts
- Future LNG export growth
- Gas-only rig counts down

NYMEX NG



12 Month Strips, ATC Power Prices



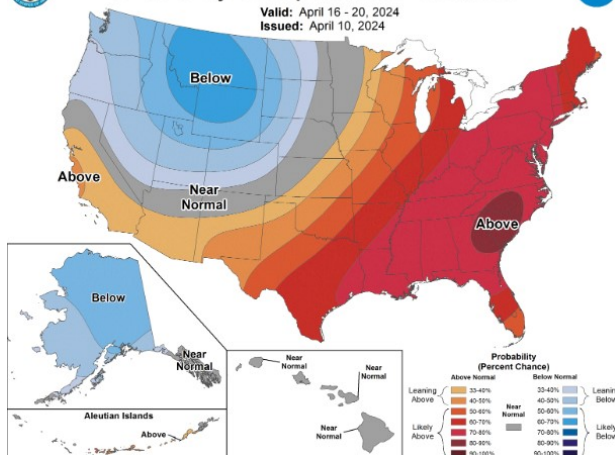
Next Day On-Peak Power (traded for 4/11/2024)

ISO-NE Mass Hub \$28.10	MISO Indiana Hub \$24.12	NYISO Zone G \$29.01
PJM West Hub \$37.70	ERCOT North \$35.97	CAISO SP15 \$8.79
NYMEX NG		Change
May-24	1.885	0.013
Jun-24	2.074	0.010
12-Month	2.829	0.013
Cal 25	3.487	0.014
Cal 26	3.840	0.007

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,259	2,296	1,837	1,626
Diff v. Current		-37	422	633
% Diff			23.0%	38.9%

6-10 Day Temperature Outlook



8-14 Day Temperature Outlook

