

Early Morning Update

The May '24 natural gas contract is trading down \$0.06 at \$1.67. The May '24 crude oil contract is down \$0.69 at \$84.67.

Summary

Yesterday's natural gas trading session saw a decent amount of midday volatility through the near-term as the May 2024 NYMEX contract traded in a 15-cent range, and the balance of 2024 followed closely behind, trading in a 13-cent range. Despite this volatility, overall day-over-day movement remained fairly subdued with both May and the balance of 2024 strip showing just under four cents of upward movement as the prompt month closed at \$1.728/MMBtu. The 12-month strip followed closely behind, moving up three cents, and 2025 gained a penny and a half. The market was flat from 2026 to 2027, but then climbed an average of five and a half cents through the end of the curve in 2036. On the supply and demand side of the natural gas market, U.S. dry production continues to show a declining output, as April month-to-date has averaged just under 101 Bcf/d compared to March's average of 102.4 Bcf/d. If the decline remains, this will represent a year-over-year drop from last April, which finished the month averaging 101.7 Bcf/d. On the demand side, LNG exports remain the only sector lower in the year-over-year perspective from last April and represent a 2.0 Bcf/d decline for the month.

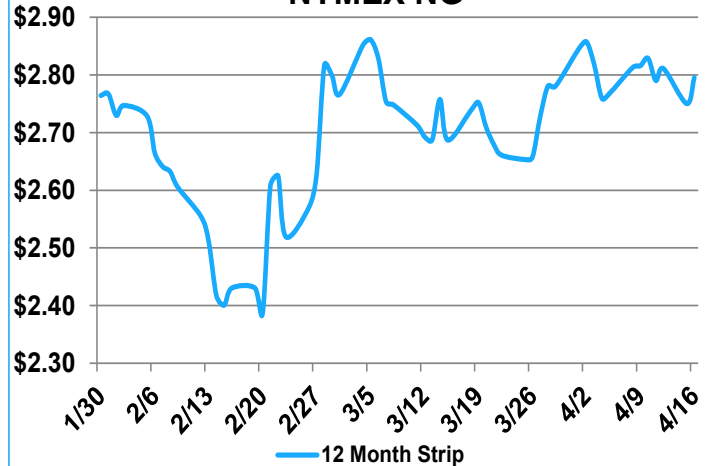
Bearish Factors

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

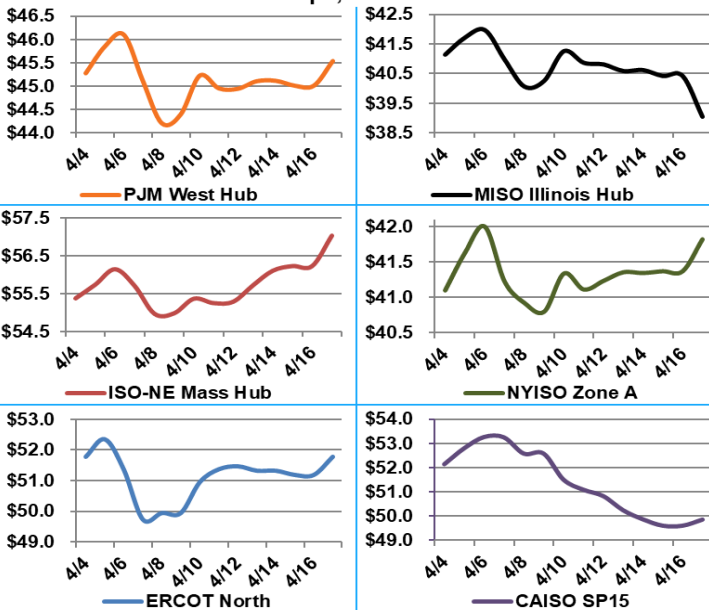
Bullish Factors

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

NYMEX NG



12 Month Strips, ATC Power Prices



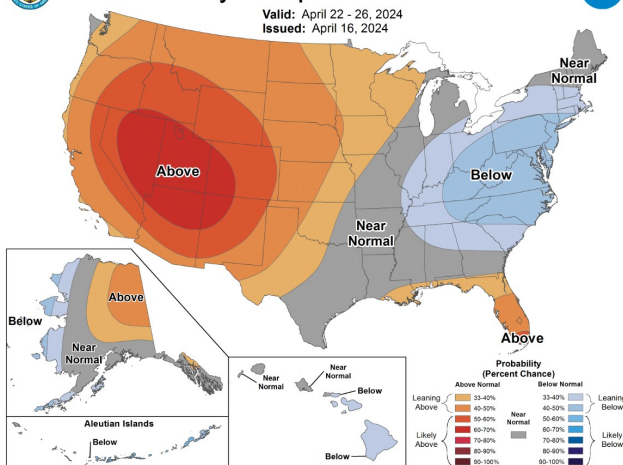
Next Day On-Peak Power (traded for 4/17/2024)

ISO-NE Mass Hub \$26.35	MISO Indiana Hub \$31.08	NYISO Zone G \$26.74
PJM West Hub \$31.85	ERCOT North \$68.62	CAISO SP15 \$0.76
NYMEX NG		Change
May-24	1.732	0.041
Jun-24	1.988	0.042
12-Month	2.795	0.045
Cal 25	3.526	0.027
Cal 26	3.978	0.007

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,283	2,259	1,848	1,650
Diff v. Current		24	435	633
% Diff			23.5%	38.4%

6-10 Day Temperature Outlook



8-14 Day Temperature Outlook

