

Early Morning Update

The May '24 natural gas contract is trading up \$0.05 at \$1.76. The May '24 crude oil contract is up \$0.52 at \$83.21.

Summary

The natural gas prompt month traded up yesterday, stopping the downward trend that we've seen since the beginning of this week and gaining three cents on the day and settling at \$1.712/MMBtu. All other calendar strips for 2025 and outward moved sideways within a penny on the day. Currently, the southern regions of the country are experiencing above-average temperatures, while the Midwest sees below-average. This is expected to shift to more warmer outlooks for the western half of the country next week and continue to move east for some time after that. Natural gas demand has some mixed movement, with the biggest mover being re/com demand gaining 4.0 Bcf/d responding to the drop in temperatures in the northeast region. Power burn dropped 0.7 Bcf/d on the day, while industrial demand only gained 0.3 Bcf/d. The weekly EIA storage report will be published later this morning, which is forecasted to be reported as 48 Bcf injected. This number is coming in lower than what we saw last year, however, the pivot into injection season is lining up very similarly compared to last year's timeline.

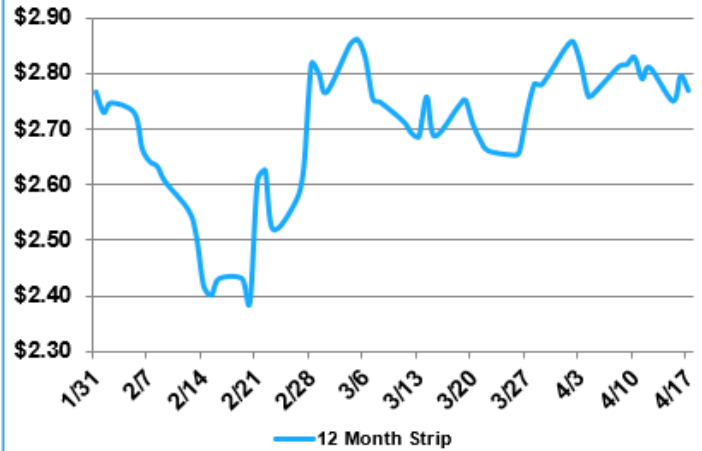
Bearish Factors

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

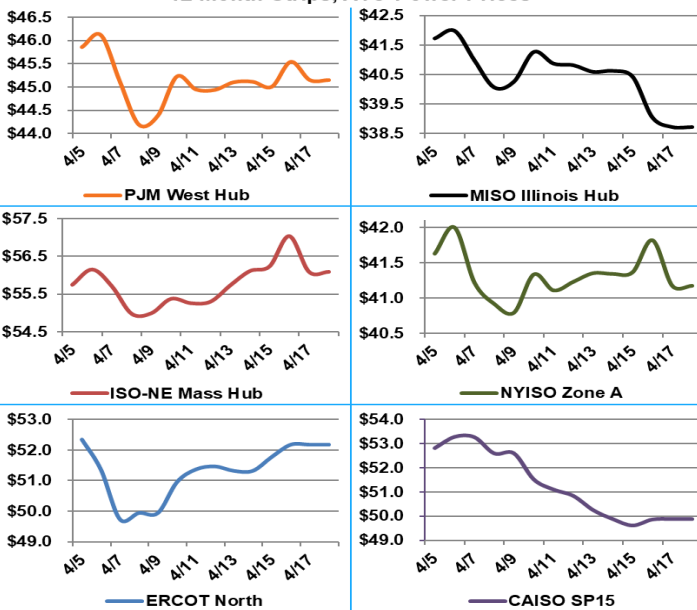
Bullish Factors

- 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 4/18/2024)

ISO-NE Mass Hub \$32.68	MISO Indiana Hub \$33.80	NYISO Zone G \$31.92
PJM West Hub \$40.48	ERCOT North \$20.52	CAISO SP15 \$15.21

NYMEX NG

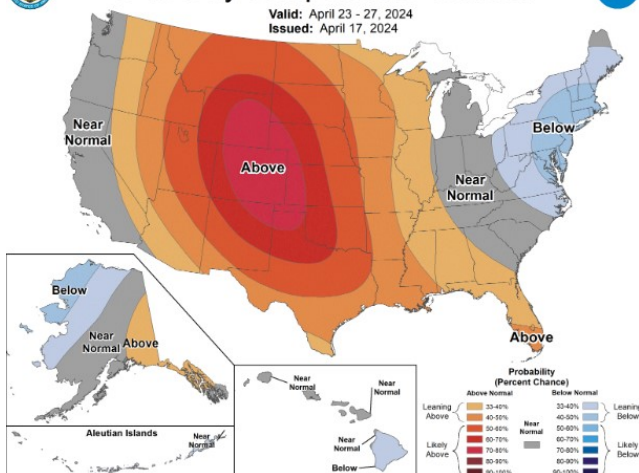
	Close	Change
May-24	1.712	-0.020
Jun-24	1.962	-0.026
12-Month	2.769	-0.026
Cal 25	3.495	-0.031
Cal 26	3.958	-0.020

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

Valid: April 23 - 27, 2024
Issued: April 17, 2024



8-14 Day Temperature Outlook

Valid: April 25 - May 1, 2024
Issued: April 17, 2024

