

## Early Morning Update

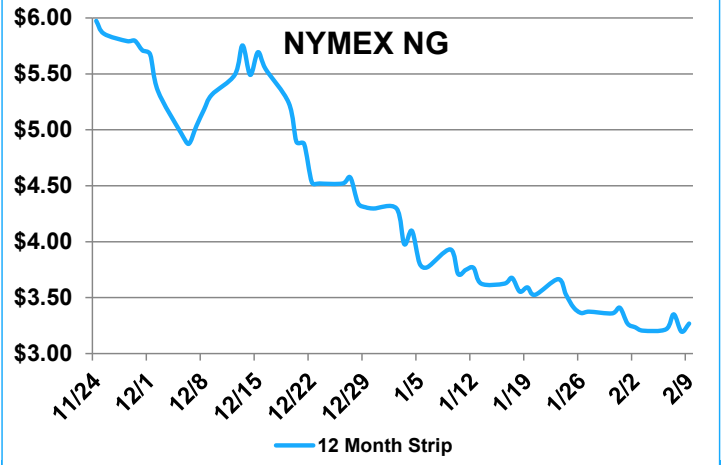
The Mar '23 natural gas contract is trading up \$0.01 at \$2.44. The Mar '23 crude oil contract up \$1.04 at \$79.10.

## Summary

Despite a surprisingly large natural gas withdrawal, the March 2023 contract increased only by +.034/MMBtu by settle, landing at \$2.430/MMBtu. The market did react initially to the 217BCF withdrawal since the forecast was for 197Bcf but quickly returned thereafter. It would appear that the withdrawal impact was offset by the fact that the timing is just later in the winter, leaving less room for compounding effects on storage. Ultimately, storage remains above historical averages which, if maintained at above average levels, will allow for tighter supply/demand balances in the future and reducing risk. With that said, the current state of the market does not dictate future events or pricing. It would still be worth considering locking in a piece of your natural gas or power while prices are low. As shown last year, it can very quickly turn around if fundamentals shift significantly enough.

## Bullish Factors vs Bearish Factors

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• High global gas prices</li> <li>• Western drought</li> <li>• Winter is here</li> </ul> | <ul style="list-style-type: none"> <li>• LNG exports down due to Freeport fire</li> <li>• Robust natural gas production</li> <li>• Moderate seasonal demand</li> </ul> |
|---|--|



## Next Day On-Peak Power (traded for 2/10/2023)

ISO-NE Mass Hub \$31.19	MISO Indiana Hub \$30.21	NYISO Zone G \$30.74
PJM West Hub \$27.13	ERCOT North \$28.50	CAISO SP15 \$42.71

NYMEX NG	Close	Change
Mar-23	2.430	0.034
Apr-23	2.492	0.015
12-Month	3.194	-0.002
Cal 24	3.610	-0.027
Cal 25	3.865	-0.057

## EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	2,366	2,583	2,133	2,249
<b>Diff v. Current</b>		-217	233	117
<b>% Diff</b>			10.9%	5.2%

