

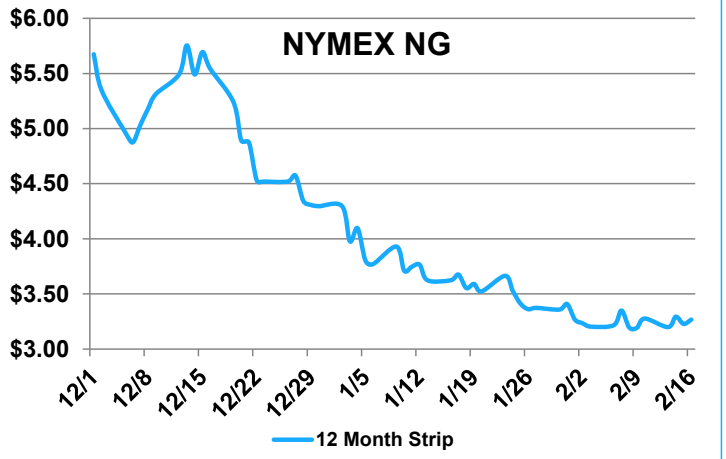
Early Morning Update

The Mar '23 natural gas contract is trading down \$0.04 at \$2.34. The Mar '23 crude oil contract is down \$2.58 at \$75.91.

Summary

Another small decline at the front of the curve as the prompt month closed down \$0.082 to close the day at \$2.389. The market has tried and failed to sustain trading below \$2.35 but that level seems to be a support level, at least for now. The EIA reported a smaller-than-expected draw from storage, which helped to push the market lower. The 100 Bcf draw was roughly 20 Bcf lower than expectations. The small draw reinforced the loose supply/demand balance and the warm weather forecasts along the east coast do nothing to change that outlook. In fact, the estimate for next weeks' report is a draw of just 39 Bcf with the following two draws estimated at 74 and 73. The surplus to the 5-year average will grow sharply over the coming weeks and estimates for end/winter look to be 1.8-1.9 Tcf, a very healthy number.

Bullish Factors	Bearish Factors
<ul style="list-style-type: none"> High global gas prices Western drought Higher power burns anticipated 	<ul style="list-style-type: none"> LNG exports down due to Freeport fire Robust natural gas production Moderate seasonal demand



Next Day On-Peak Power (traded for 2/17/2023)

ISO-NE Mass Hub \$35.97	MISO Indiana Hub \$33.08	NYISO Zone G \$33.38
PJM West Hub \$33.87	ERCOT North \$33.41	CAISO SP15 \$78.61

NYMEX NG	Close	Change
Mar-23	2.389	-0.082
Apr-23	2.485	-0.070
12-Month	3.184	-0.045
Cal 24	3.613	-0.009
Cal 25	3.860	0.000

EIA Natural Gas Storage				
EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,266	2,366	1,938	2,083
Diff v. Current		-100	328	183
% Diff			16.9%	8.8%

