

Early Morning Update

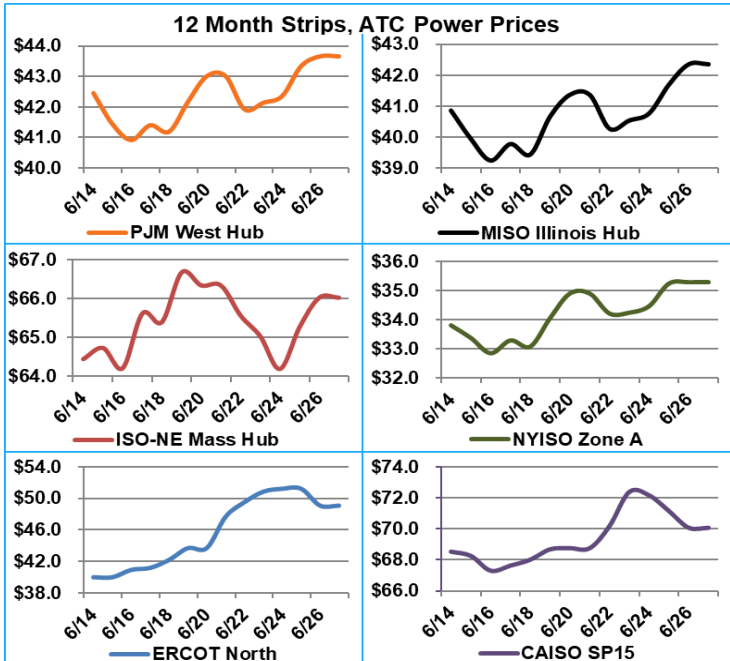
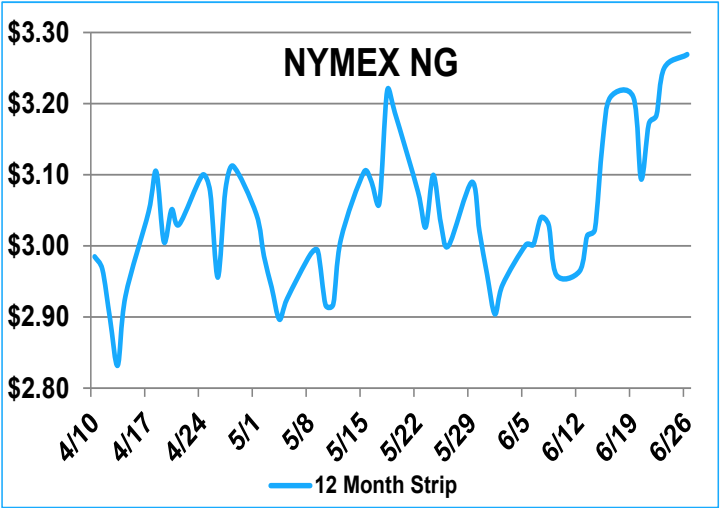
The July '23 natural gas contract is trading flat at \$2.79. The Aug '23 crude oil contract is down \$0.87 at \$68.50.

Summary

Tomorrow is the last day that the July natural gas contract will trade, as August rolls into the prompt month position on Thursday. Week-over-week, the July contract has increased 48 cents, but compared to the start of the year, it has traded down \$1.46/MMBtu. Total demand across the country has been sitting in the low 90 Bcf/d range. Average to below-average temperatures have been the driver of the low demand. Texas, however, is experiencing record-breaking temperatures throughout parts of the state, which has been driving high demand and scarcity pricing in the region. Looking to LNG exports, output is still low. It sat last week around 11 Bcf/d, dipping periodically down to 10 Bcf/d. The Sabine Pass export facility, which is the largest export facility in the world, is exporting close to half of its maximum capacity due to maintenance. The weather outlook is projecting average temperatures for most of the country, with Texas as the exception. The heat dome in Texas is expected to dissipate in the 6-20-day outlook, bringing some much-needed relief to the state.

Bullish Factors vs Bearish Factors

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| <ul style="list-style-type: none"> • Stagnant natural gas production • LNG export growth • Expected demand growth > supply | <ul style="list-style-type: none"> • Cooler seasonal temperatures • Moderating demand for natural gas • Very healthy natural gas storage |
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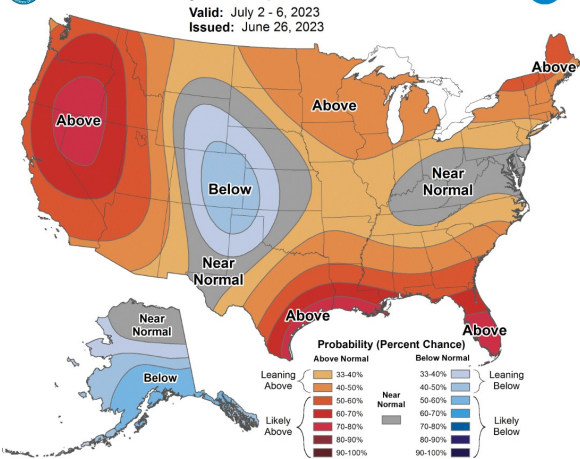
Next Day On-Peak Power (traded for 6/27/2023)

ISO-NE Mass Hub \$68.81	MISO Indiana Hub \$40.00	NYISO Zone G \$39.02	
PJM West Hub \$35.38	ERCOT North \$50.07	CAISO SP15 \$25.49	
NYMEX NG		Close	Change
Jul-23	2.791	0.062	
Aug-23	2.892	0.049	
12-Month	3.269	0.019	
Cal 24	3.551	-0.008	
Cal 25	3.985	-0.030	

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,729	2,634	2,158	2,367
Diff v. Current		95	571	362
% Diff			26.5%	15.3%

6-10 Day Temperature Outlook



8-14 Day Temperature Outlook

