DAILY MARKET UPDATE - August 21, 2026

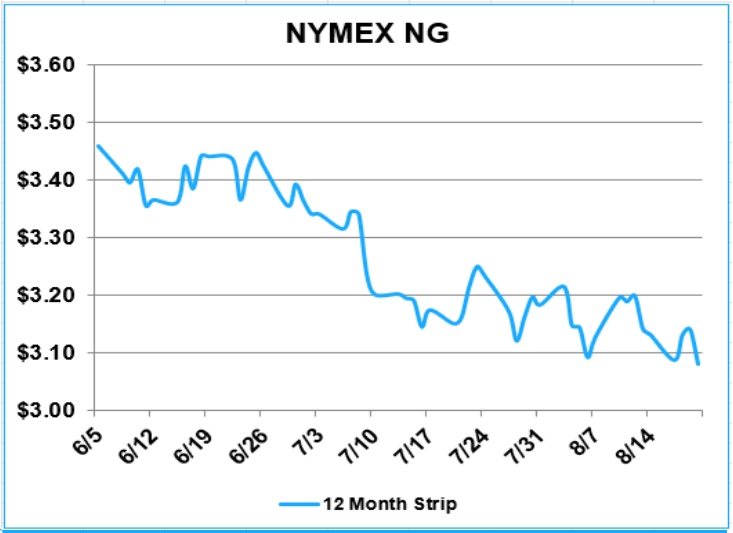
Early Morning Update

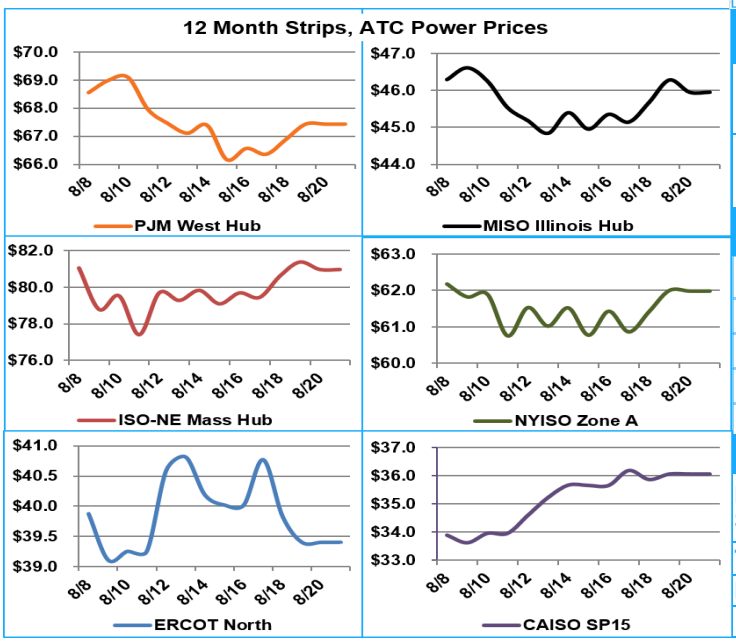
The September '26 natural gas contract is trading up $0.04 at $2.78. The September '26 crude oil contract is up $0.27 at $87.01.

Summary

Yesterday, the Aug '26 natural gas contract fell eight cents, the 12-month strip declined six cents, Cal '27 lost four cents, Cal '28 slipped a penny, and Cal '29 was unchanged as natural gas futures continued to ease amid expectations for strong supply and comfortable storage levels heading toward the end of summer. Recent price action reflects a market balancing resilient demand from LNG exports and the power sector against near record domestic production and storage inventories that remain above historical norms. Natural gas production continues to hold at elevated levels, reinforcing a well supplied market, while LNG feedgas demand remains a key source of support despite periodic maintenance activity at export facilities. Power burn has remained supportive through August, although slightly milder temperature forecasts have tempered expectations for late-season cooling demand. On storage, the EIA reported a 16 Bcf injection for the week ending August 14, exceeding market expectations and comparing with a 19 Bcf build during the same week last year and a 5-year average injection of 29 Bcf. Working gas inventories are currently 3.169 Tcf, which is 0.9% below year ago levels and 6.2% above the 5-year average, highlighting the market's overall supply cushion.

Bearish Factors	Bullish Factors
• Healthy natural gas storage	• U.S./Israel attack on Iran
• Near-record NG production	• Record-high LNG exports
• Forward pricing curve backwardated	• Data center load growth





Next Day On-Peak Power (traded for 8/21/2026)

CAISO SP15 $55.66	ERCOT North Hub $54.11	ISO-NE Mass Hub $47.29
MISO Indiana Hub $48.76	NYISO Zone G $50.47	PJM West Hub $49.40

NYMEX NG	Close	Change
Sep-26	2.733	-0.081
Oct-26	2.760	-0.066
12-Month	3.080	-0.060
Cal 27	3.266	-0.044
Cal 28	3.680	-0.005

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,169	3,153	3,197	2,984
Diff v. Current		16	-28	185
% Diff			-0.9%	6.2%

