

**Early Morning Update**

The Nov '21 natural gas contract is trading down \$0.13 at \$5.22. The Nov '21 crude oil contract is up \$0.08 at \$80.60.

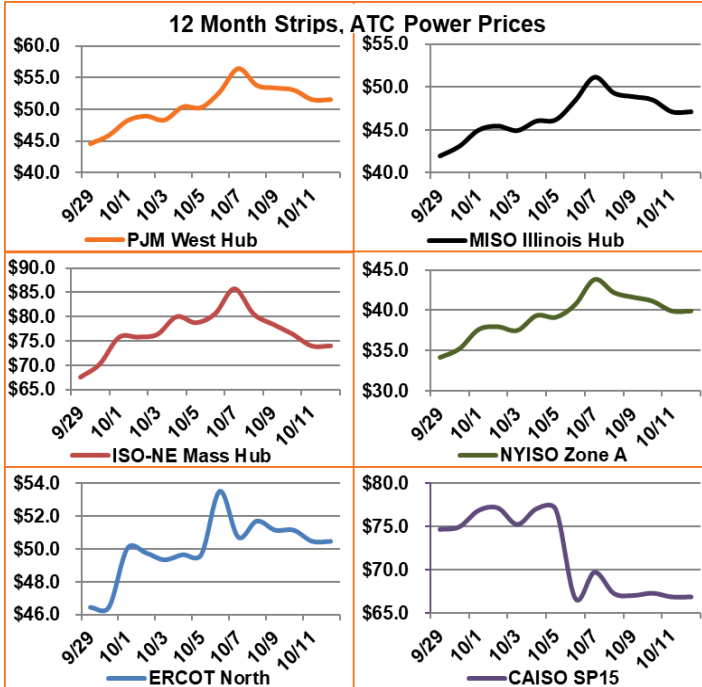
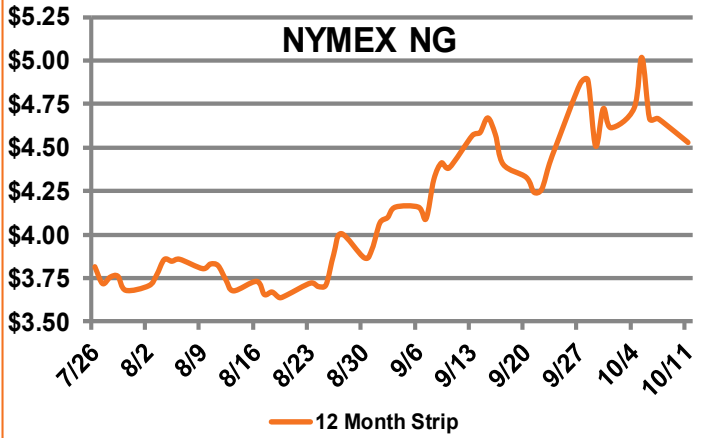
**Summary:** Monday brought around further volatility in the NYMEX natural gas market as the prompt month saw a wild \$0.50/MMBtu trading range before 10 AM EST. By the end of the day, the prompt fell \$0.22 to settle at \$5.345/MMBtu. Week-over-week changes in the fundamentals did include an increase of production back up to 92 Bcf/d following a hiatus due to Hurricane Ida. This increase also allowed for the larger-than-normal storage injection, which landed at 118 Bcf for the week. Looking forward, the market expects anywhere from 4-6 more injections before cold temperatures begin to take hold and increase heating demand from natural gas to the point where withdrawals from storage are necessary. Current predictions of end-of-season storage moved up to approximately 3.6 Tcf following the increase in production. One other thing of note is that winter weather forecasts are set to begin hitting the public sphere this week, with a couple forecasts released last Friday calling for a potential La Nina. This would indicate a colder winter for the Northeast and Northwest, and a bit more warmth for southern states like Texas. However, take all predictions with a grain of salt as winter forecasts this early in the season are still considered to have low confidence.

**Bullish Factors**

- Struggling natural gas production
- Extremely high global gas markets
- High exports to Mexico

**Bearish Factors**

- Mild shoulder season temps
- Year-to-date power burn below 2020
- Flat industrial demand



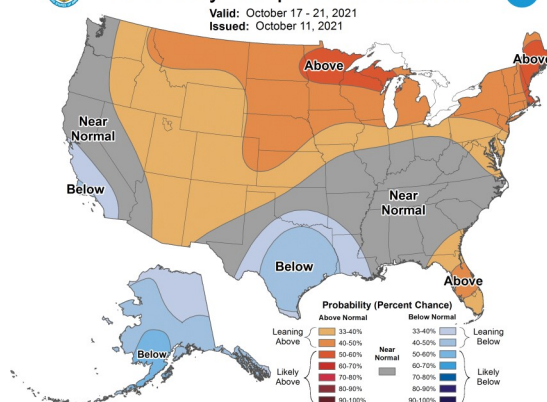
**Next Day On-Peak Power (traded for 10/12/2021)**

ISO-NE Mass Hub \$67.78	MISO Indiana Hub \$70.00	NYISO Zone G \$64.68	
PJM West Hub \$71.36	ERCOT North \$48.44	CAISO SP15 \$52.16	
NYMEX NG		Close	Change
Nov-21		5.345	-0.220
Dec-21		5.502	-0.208
12-Month		4.528	-0.108
Cal 22		4.305	-0.077
Cal 23		3.504	0.005

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,288	3,170	3,820	3,464
Diff v. Current		118	-532	-176
% Diff			-13.9%	-5.1%

**6-10 Day Temperature Outlook**



**8-14 Day Temperature Outlook**

