

Early Morning Update:

The Jul17 natural gas contract is trading up \$0.03 at \$2.93. The Aug17 crude contract is up \$0.32 at \$43.06.

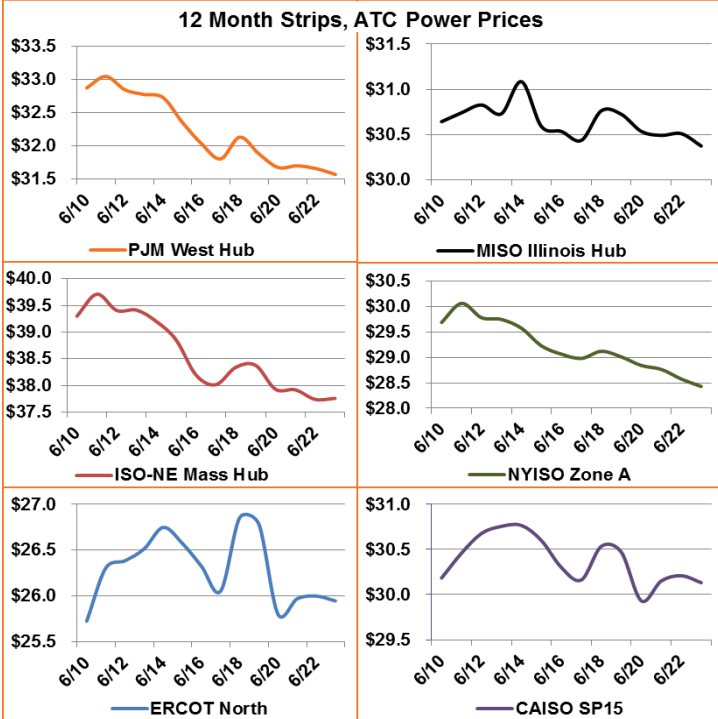
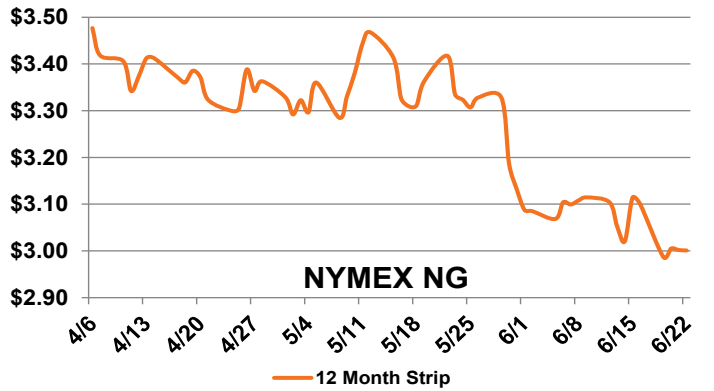
Summary: A very quiet day yesterday as the EIA reported a fairly bearish build into storage. 61 Bcf was reported as the build for the week ending 6/16, slightly higher than expectations which had been set in the mid to upper 50's. The market initially rode a few cents but tailed off through the course of the day and ultimately finished nearly unchanged. The entire forward curve seems to have found a good home lately as pricing has seen very little movement over the course of the last few days. Prompt month and longer term strips have barely moved. The market may be waiting for more clarity on the balance of summer weather. It's been mild for much of the country (southwest excluded) and demand levels from power burns have been low.

Bullish Factors

- Stagnant production
- Exports to Mexico at record high
- Growing LNG exports

Bearish Factors

- Power burn down year-over-year
- Increased renewable energy generation
- Producer hedging

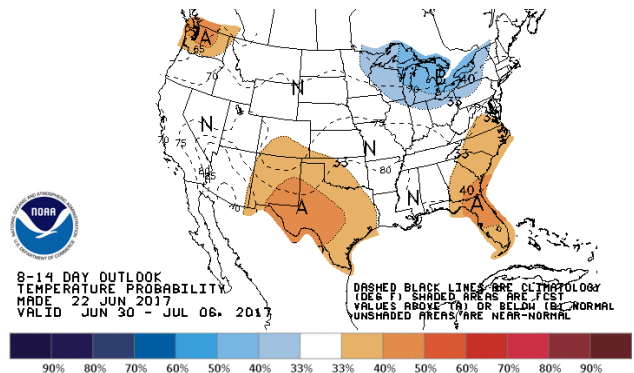
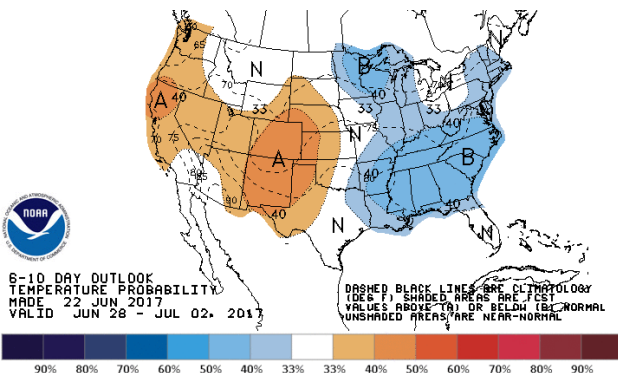


Next Day On-Peak Power (traded for 6/23/2017)

ISO-NE Mass Hub \$37.51	MISO Indiana Hub \$31.10	NYISO Zone G \$40.00
PJM West Hub \$31.91	ERCOT North \$34.00	CAISO SP15 \$40.12
NYMEX NG	Close	Change
Jul-17	2.894	0.001
Aug-17	2.915	0.000
12 Month	3.001	-0.001
Cal 18	2.964	-0.002
Cal 19	2.869	-0.001

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,770	2,709	3,094	2,563
Diff v. Current		61	-324	207
% Diff			-10.5%	8.1%



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