

**Early Morning Update:**

The Aug17 natural gas contract is trading down \$0.03 at \$2.91. The Sep17 crude contract is up \$0.41 at \$48.30.

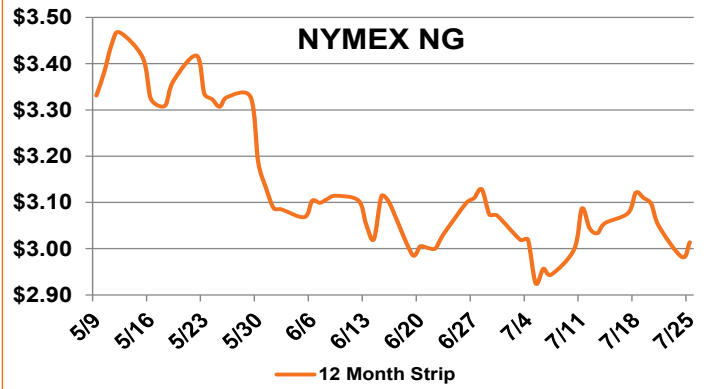
**Summary:** The NYMEX NG prompt month gained back 4.5 cents yesterday, putting an end to a four-session consecutive losing streak, to settle at \$2.944/MMBtu. With no change to overall bearish market fundamentals, yesterday's gains could have been incentivized by bargain hunting and position covering with the August contract set to expire this week. August 2017 will roll off as the prompt month this Thursday, the same day as the EIA's natural gas storage report, which could provide additional volatility to a prompt month expiration day.

**Bullish Factors**

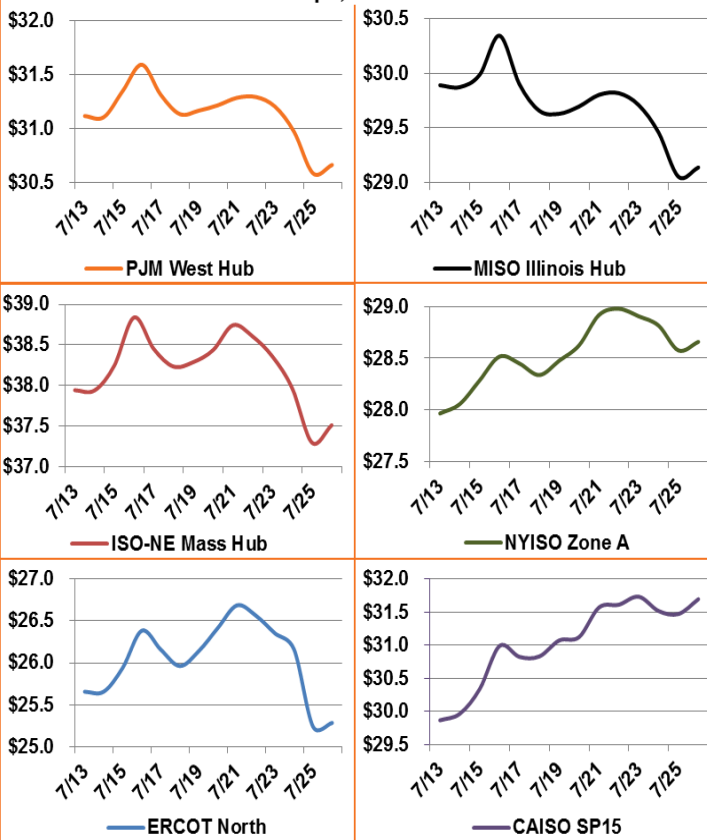
- Slow-growing production
- Exports to Mexico at record high
- Growing LNG exports

**Bearish Factors**

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



**12 Month Strips, ATC Power Prices**



**Next Day On-Peak Power (traded for 7/26/2017)**

<b>ISO-NE Mass Hub</b> \$25.70	<b>MISO Indiana Hub</b> \$35.00	<b>NYISO Zone G</b> \$30.60
<b>PJM West Hub</b> \$30.88	<b>ERCOT North</b> \$35.29	<b>CAISO SP15</b> \$42.98
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
<b>Aug-17</b>	2.944	0.045
<b>Sep-17</b>	2.931	0.049
<b>12 Month</b>	3.014	0.032
<b>Cal 18</b>	2.968	0.019
<b>Cal 19</b>	2.800	0.015

**EIA Natural Gas Storage**

<b>EIA Reported Storage (Bcf)</b>	<b>This Week</b>	<b>Last Week</b>	<b>Last Year</b>	<b>5-Year Avg.</b>
<b>Total</b>	2,973	2,945	3,272	2,832
<b>Diff v. Current</b>		28	-299	141
<b>% Diff</b>			-9.1%	5.0%

