

**Early Morning Update:**

The Sep17 natural gas contract is trading up \$0.03 at \$2.84.

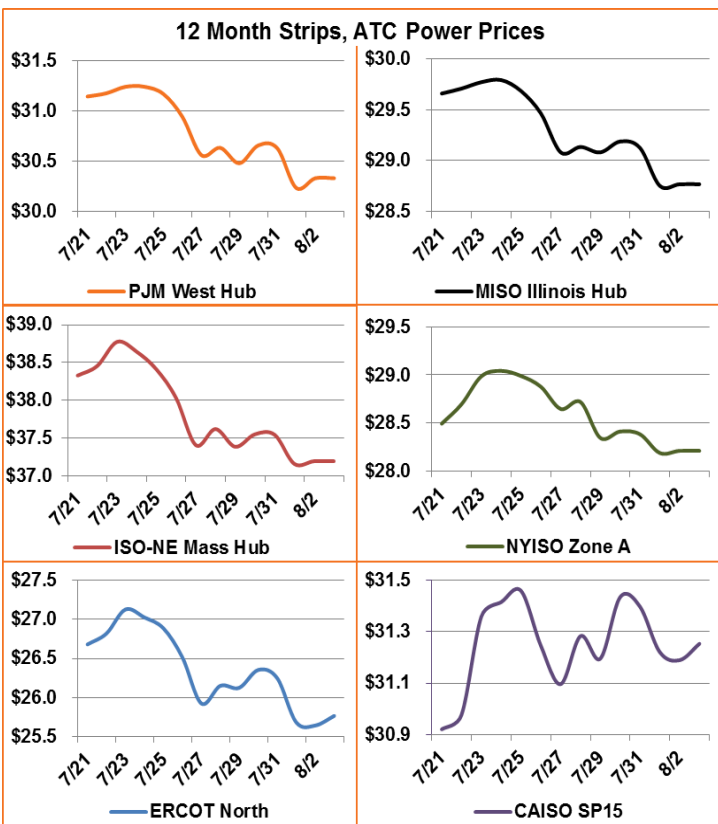
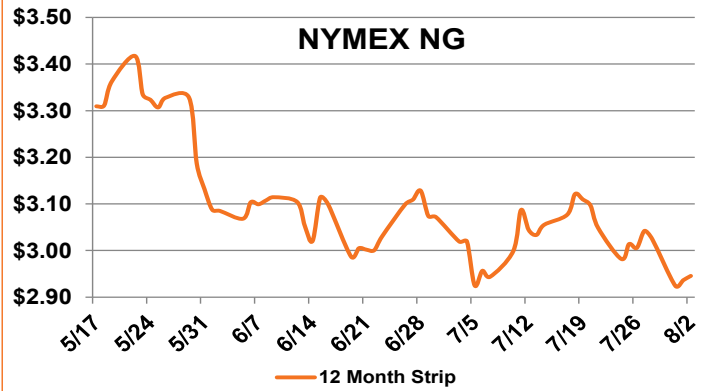
**Summary:** The Sep17 natural gas contract saw little volatility in trading on Wednesday, and closed the session down less than a penny, settling at \$2.811. Near-term weather forecasts are looking quite bearish, with both the 6-10 and 8-14 day forecasts showing below-average temperatures across the eastern two-thirds of the country, with much-below-average weather focused on the central U.S. The Energy Information Administration posts their weekly storage number later this morning. The consensus of current estimates is hovering right around a 19 Bcf injection, which is well below the 5-year average of 44 Bcf. End-of-season projections have trended lower in recent weeks and are currently near 3.8 Tcf. With the prospects for cooler weather extending into mid-August, we may see the end-of-season projections begin trending back towards the 5-year average of 3.87 Tcf.

**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



**Next Day On-Peak Power (traded for 8/3/2017)**

<b>ISO-NE Mass Hub</b> \$39.94	<b>MISO Indiana Hub</b> \$32.44	<b>NYISO Zone G</b> \$40.00
<b>PJM West Hub</b> \$34.99	<b>ERCOT North</b> \$32.78	<b>CAISO SP15</b> \$82.16
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
Sep-17	2.811	-0.008
Oct-17	2.851	-0.004
12 Month	2.946	0.009
Cal 18	2.942	0.019
Cal 19	2.827	0.020

**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>	2,990	2,973	3,292	2,879
<b>Diff v. Current</b>		17	-302	111
<b>% Diff</b>			-9.2%	3.9%

