

Early Morning Update:

The Sep18 natural gas contract is trading down \$0.02 at \$2.92. The Sep18 crude contract is down \$0.23 at \$67.40.

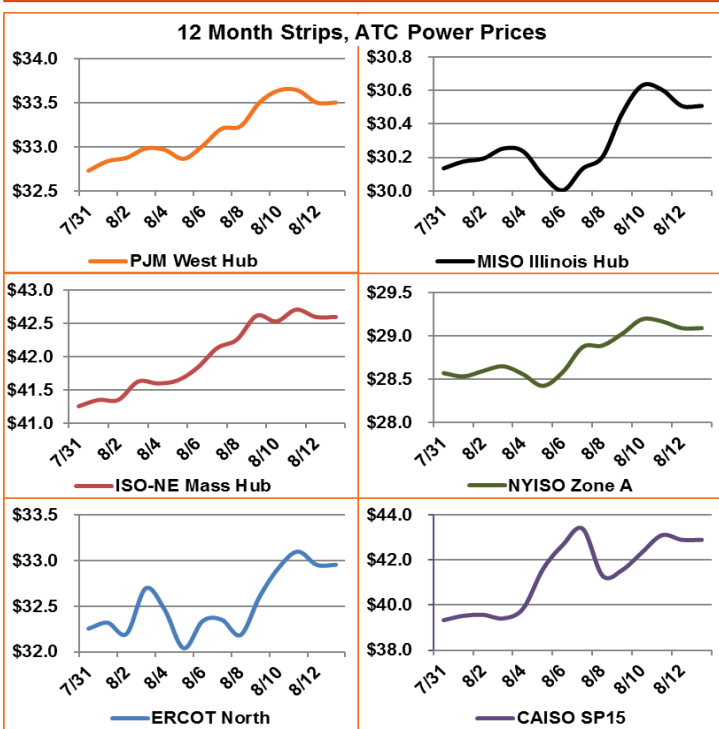
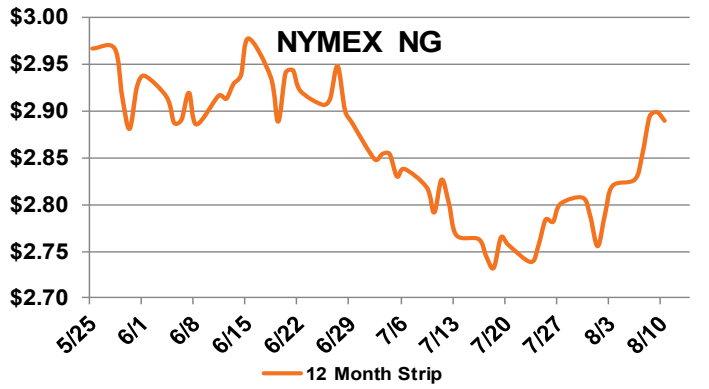
Summary: On Friday, the September 2018 NYMEX natural gas futures price fell slightly by 1.1 cents on the day to settle at \$2.944/MMBtu. The prompt month gained about nine cents versus the previous Friday, despite total U.S. demand for natural gas falling due to mostly mild temperatures and a decrease in power burns. Total U.S. demand hit a low of 67.7 Bcf/d over the weekend, the lowest in the past week, but is anticipated to increase with warming temperatures. The 1-5 day forecast shows some much needed relief for Texas, with below-average temperatures, and the heat contained to the northern half of the country, mostly in the Northwest. The end-of-season storage deficit to historical benchmarks still remains wide after last week's EIA storage report of a 46 Bcf injection, bringing levels to 20% below the five-year average. U.S. dry production fell due to pipeline maintenance, but continues to remain healthy above 80 Bcf/d.

Bullish Factors

- High power burns
- LNG exports ramping up
- Warmer-than-normal weather

Bearish Factors

- Record NG production
- Growing renewable energy generation
- Higher associated gas production

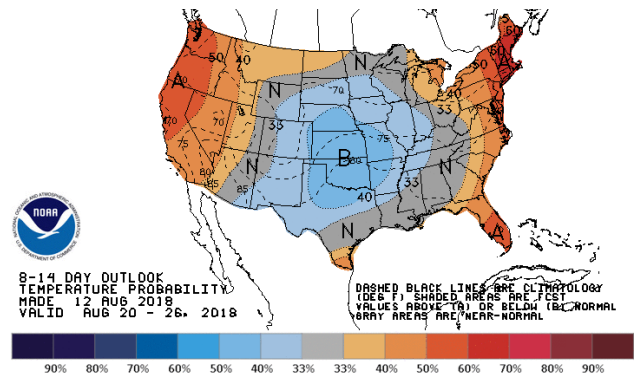
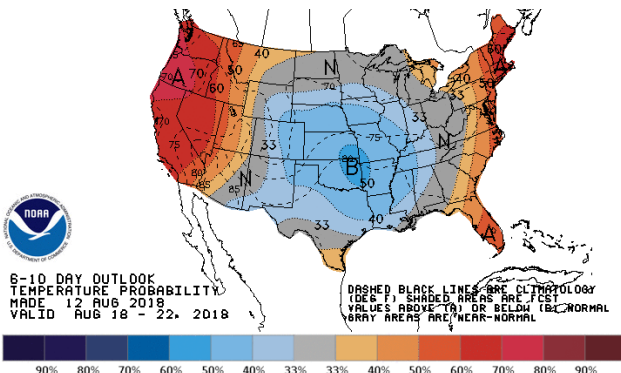


Next Day On-Peak Power (traded for 8/13/2018)

ISO-NE Mass Hub \$37.92	MISO Indiana Hub \$40.00	NYISO Zone G \$41.18
PJM West Hub \$36.20	ERCOT North \$27.31	CAISO SP15 \$89.78
NYMEX NG		
	Close	Change
Sep-18	2.944	-0.011
Oct-18	2.949	-0.010
12 Month	2.890	-0.009
Cal 19	2.817	-0.008
Cal 20	2.656	0.002

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,354	2,308	3,025	2,926
Diff v. Current		46	-671	-572
% Diff			-22.2%	-19.5%



This document is for informational purposes only. All the information provided is "as is" and is not intended for trading purposes or advice. Direct Energy makes no representations or warranties, express or implied, as to the quality, accuracy, completeness, or reliability of the information provided in this newsletter. Further, Direct Energy is not liable for any informational errors or incompleteness or for any actions taken in reliance on information contained herein. Direct Energy® and the Energy Bolt design are registered trademarks of Direct Energy Marketing Limited.