

Early Morning Update:

The Oct17 natural gas contract is trading down \$0.03 at \$2.95. Oct17 crude is down \$0.44 at \$46.00.

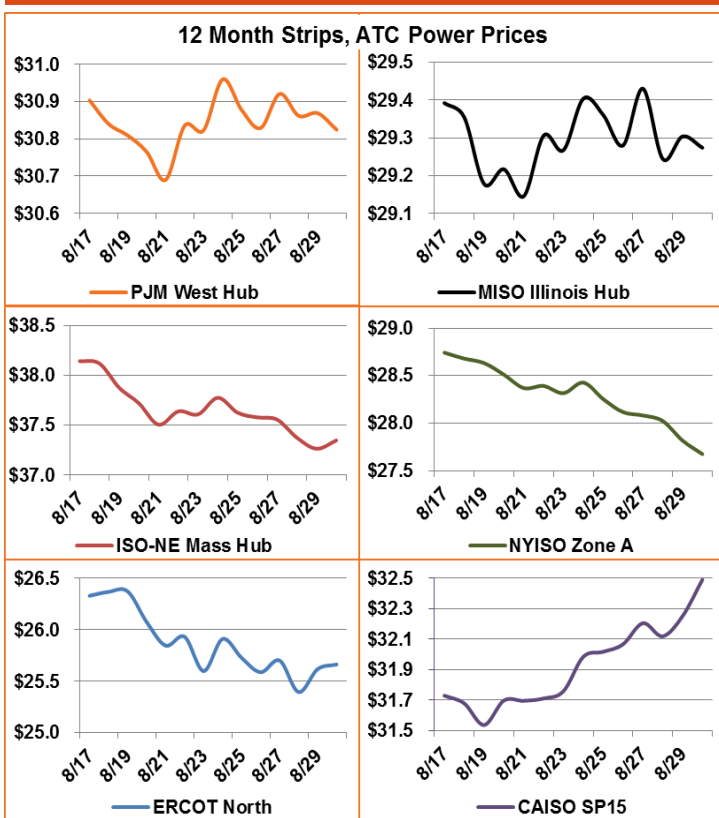
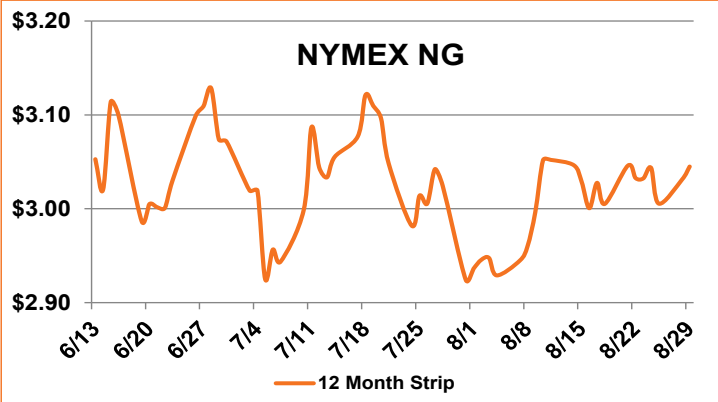
Summary: On its final day of trading, the September NYMEX natural gas contract increased by 3.6 cents, expiring at \$2.961/MMBtu, marking the tenth consecutive month that prompt month gas traded higher on expiration day. Market liquidity has been limited due to Hurricane Harvey, which, depending on the area, dumped anywhere from 29"-50" of rain in Houston over the past five days, and likely influenced the September contract to trade higher yesterday afternoon as traders balanced positions. Despite the devastation Harvey dealt to the gas production region, the market has maintained relative stability, only increasing 1.2 cents since Friday's close. Analysts are still determining the full impact Harvey has had on market fundamentals, and market participants hope the EIA storage report tomorrow provides more clarity.

Bullish Factors

- Return of warmer temperatures
- Exports to Mexico at record high
- Growing LNG exports

Bearish Factors

- Power burn down year-over-year
- Increased renewable energy generation
- NG production increases



Next Day On-Peak Power (traded for 8/30/2017)

ISO-NE Mass Hub \$24.00	MISO Indiana Hub \$30.15	NYISO Zone G \$25.65
PJM West Hub \$27.83	ERCOT North \$28.50	CAISO SP15 \$76.77
NYMEX NG		
	Close	Change
Sep-17	2.961	0.036
Oct-17	2.983	0.022
12 Month	3.045	0.014
Cal 18	3.021	0.007
Cal 19	2.850	0.010

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,125	3,082	3,348	3,081
Diff v. Current		43	-223	45
% Diff			-6.7%	1.5%

