

Early Morning Update:

The Oct18 natural gas contract is trading down \$0.01 at \$2.80. The Oct18 crude contract is up \$0.21 at \$68.80.

Summary: A very quiet day on the NYMEX yesterday with the prompt month contract falling \$0.012 to close at \$2.817. Long-term markets also saw very little change as the storage report provoked no reaction from the market. The EIA did report a build into storage of 69 Bcf but it was inline with expectations so there was little reason for pricing to move.

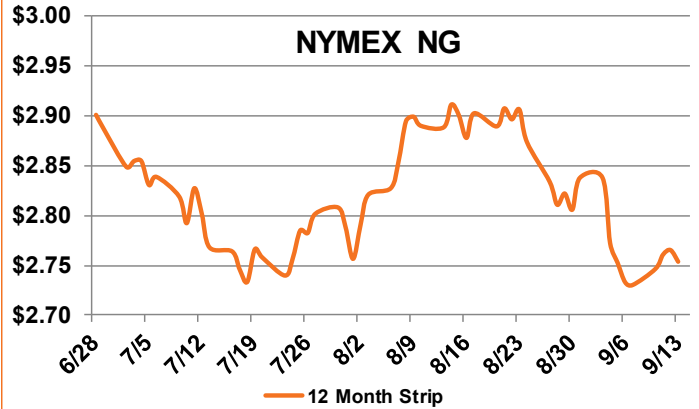
The market is monitoring Hurricane Florence as it makes its way on shore. Widespread flooding is occurring across North and South Carolina, and that is forecast to continue for several days. Wind and rains are likely to move north into the PJM territory, which could bring power outages and equipment damage. After the storm, weather forecasts continue to show higher than average temperatures and humidity, continuing the pattern that has been in place for many weeks now. Many power markets have been creeping higher as this summer drags on, with the concern now being that we'll go right from summer to winter.

Bullish Factors

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

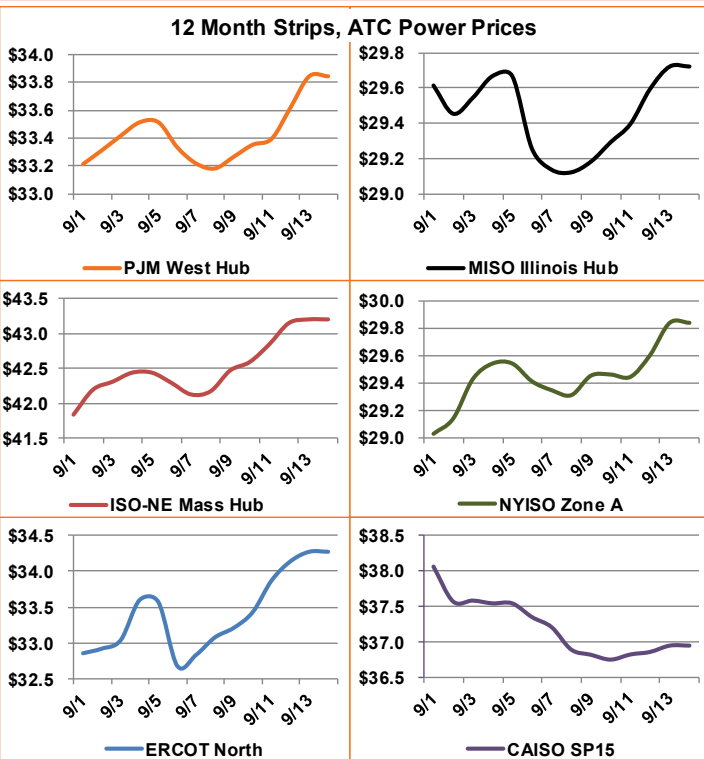
Bearish Factors

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



Next Day On-Peak Power (traded for 9/14/2018)

ISO-NE Mass Hub \$33.71	MISO Indiana Hub \$42.25	NYISO Zone G \$36.43
PJM West Hub \$45.15	ERCOT North \$30.90	CAISO SP15 \$34.46
NYMEX NG		
	Close	Change
Oct-18	2.817	-0.012
Nov-18	2.800	-0.020
12 Month	2.753	-0.012
Cal 19	2.723	-0.009
Cal 20	2.624	-0.001



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,636	2,567	3,298	3,232
Diff v. Current		69	-662	-596
% Diff			-20.1%	-18.4%

