

**Early Morning Update:**

The Oct17 natural gas contract is trading up \$0.10 to \$3.12. Oct17 crude is down \$0.19 at \$49.70.

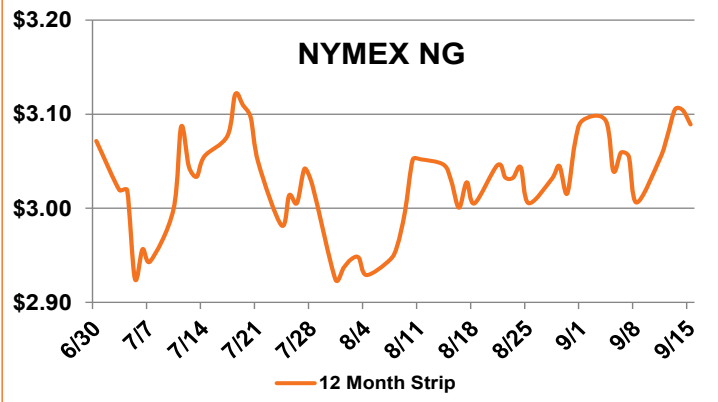
**Summary:** On Friday, the NYMEX natural gas futures price for October fell by 4.6 cents, settling at \$3.024/MMBtu, possibly due to some profit-taking. This morning, however, prices have seen some upward pressure due to new bullish fundamentals. Revised weather forecasts for the majority of the eastern and central part of the country are calling for a wave of warmer-than-normal temperatures, with some areas showing as high as eight degrees above the 30-year normal. Late-season cooling demand is now anticipated through the beginning of October, with a bump in associated power burn levels, as well. Last week's storage report by the EIA showed the second highest weekly storage build since the beginning of this injection season, but future injections could be affected by the increase in demand, pushing down the amount available to add to natural gas inventories. On the other hand, after Hurricane Harvey and Irma, the market may still see lower demand in the Southeast, as restoration continues in the affected areas. Hurricane Jose is the most recent threat to the East Coast, although, at this point, it is not expected to make landfall in the U.S.

**Bullish Factors**

- Growing LNG exports
- Exports to Mexico at record high
- Hurricane season unpredictability

**Bearish Factors**

- Power burn down year-over-year
- Increased renewable energy generation
- NG production at record levels



**Next Day On-Peak Power (traded for 9/18/2017)**

<b>ISO-NE Mass Hub</b> \$28.51	<b>MISO Indiana Hub</b> \$39.00	<b>NYISO Zone G</b> \$32.11
<b>PJM West Hub</b> \$36.38	<b>ERCOT North</b> \$28.20	<b>CAISO SP15</b> \$32.65
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
<b>Oct-17</b>	3.024	-0.046
<b>Nov-17</b>	3.085	-0.042
<b>12 Month</b>	3.089	-0.015
<b>Cal 18</b>	3.075	-0.003
<b>Cal 19</b>	2.912	0.008

**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>	3,311	3,220	3,490	3,268
<b>Diff v. Current</b>		91	-179	43
<b>% Diff</b>			-5.1%	1.3%

