

**Early Morning Update:**

The Nov17 natural gas contract is trading down \$0.02 at \$2.90. Nov17 crude is down \$0.28 at \$50.30.

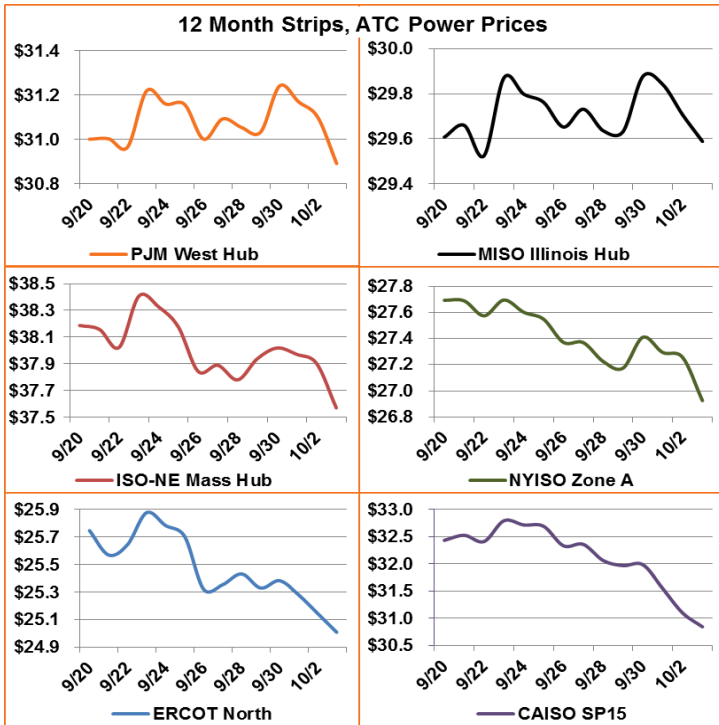
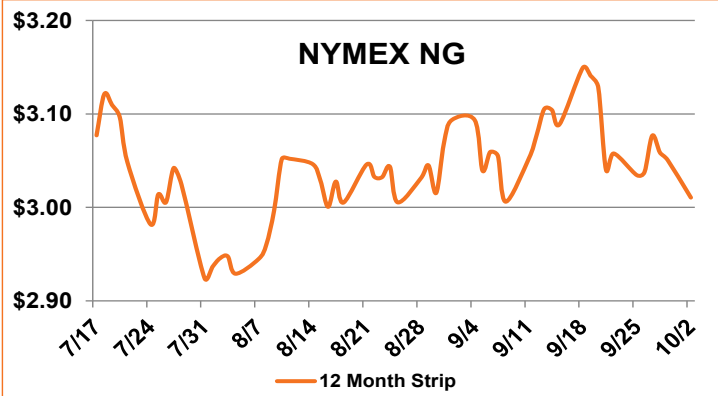
**Summary:** Mixed weather forecasts and abundant supply pressured the November prompt month down 9.1 cents on Monday, which closed at \$2.916/MMBtu. Calendar 2018 lost nearly three cents to \$3.02, and years 2019-2022 all moved less than a penny in either direction, between \$2.84-\$2.89. The Midwest will finally see some relief from their record-breaking late-season heat, as near-normal temperatures are expected to emerge in the six to ten day forecast. The East Coast is still expected to run with highs in the upper 70s to low 80s until mid-next week, while the West Coast is continuing its reprieve from the scorching summer months. Production has remained strong, averaging above 74 Bcf/d for the last week. Demand has been recovering from the destruction of Hurricanes Harvey and Irma, and we've seen that echoed in the storage injections that were published last week and the 46 Bcf expected to be announced this Thursday.

**Bullish Factors**

- Growing LNG exports
- Exports to Mexico at record high
- Attention turning toward winter

**Bearish Factors**

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



**Next Day On-Peak Power (traded for 10/3/2017)**

<b>ISO-NE Mass Hub</b> \$24.76	<b>MISO Indiana Hub</b> \$40.11	<b>NYISO Zone G</b> \$23.88
<b>PJM West Hub</b> \$31.84	<b>ERCOT North</b> \$24.50	<b>CAISO SP15</b> \$33.10
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Nov-17	2.916	-0.091
Dec-17	3.106	-0.075
12 Month	3.011	-0.040
Cal 18	3.019	-0.028
Cal 19	2.884	-0.004

**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>	3,466	3,408	3,593	3,425
<b>Diff v. Current</b>		58	-127	41
<b>% Diff</b>			-3.5%	1.2%

