

**Early Morning Update:**

The Nov17 natural gas contract is trading up \$0.04 at \$2.93. The Nov17 crude contract is down \$0.70 at \$50.60.

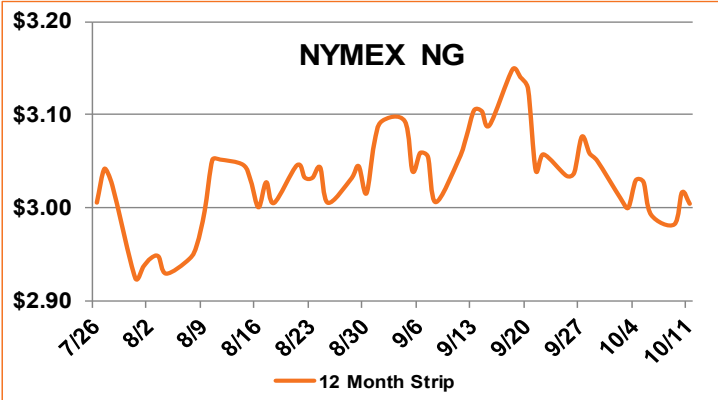
**Summary:** In trading on Wednesday, the Nov17 natural gas contract opened the session up almost six cents before losing stream mid-day and ultimately closing near flat to the previous day's close at \$2.889/MMBtu. Weather forecasts continue to show a warmer-than-normal trend keeping the month of October on track to be one of the warmest Octobers on record across the Northeast. Meanwhile, a weak cold front pushed into Texas this week, reducing power-related gas demand. The 6-10 day and 8-14 day outlooks, published by the National Weather Service, show above to much-above-normal temperatures across the United States for all areas east of the Rocky Mountains, delaying the onset of winter and keeping heating demand at bay for the time-being. The market is expecting an 86 Bcf injection into storage this week, which is in line with the 5-year average of 87 Bcf. End-of-season storage estimates continue to hover near 3.83 Tcf.

**Bullish Factors**

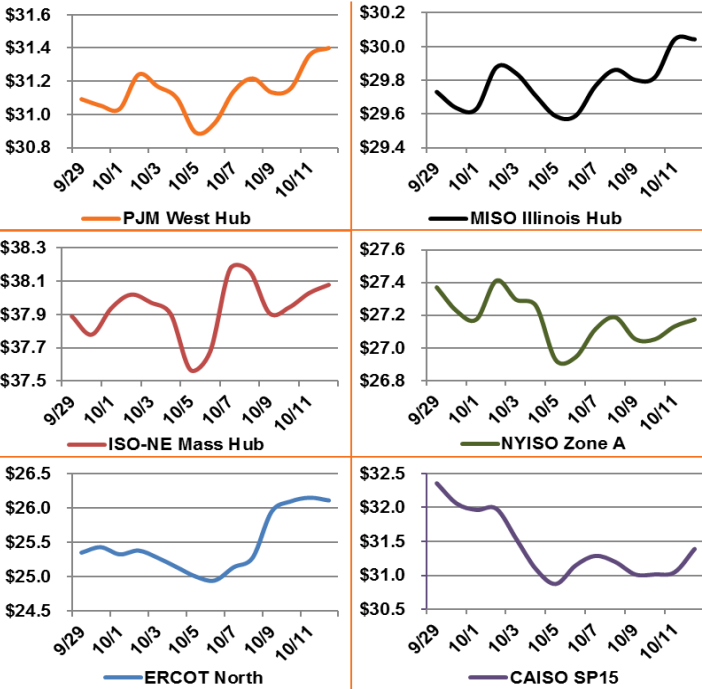
- Rising NG production costs
- Exports to Mexico at record high
- Attention turning toward winter

**Bearish Factors**

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



**12 Month Strips, ATC Power Prices**



**Next Day On-Peak Power (traded for 10/12/2017)**

<b>ISO-NE Mass Hub</b> \$28.39	<b>MISO Indiana Hub</b> \$33.75	<b>NYISO Zone G</b> \$26.72
<b>PJM West Hub</b> \$30.84	<b>ERCOT North</b> \$26.00	<b>CAISO SP15</b> \$33.25
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Nov-17	2.889	-0.002
Dec-17	3.066	-0.005
12 Month	3.004	-0.012
Cal 18	3.022	-0.015
Cal 19	2.894	-0.016

**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>	3,508	3,466	3,669	3,516
<b>Diff v. Current</b>		42	-161	-8
<b>% Diff</b>			-4.4%	-0.2%

