

Early Morning Update:

The Nov17 natural gas contract is flat at \$2.87. The Nov17 crude contract is down \$0.37 at \$50.92.

Summary: The EIA reported a build into storage of 51 Bcf, slightly below expectations. The market slid a little on the news but moved up throughout the day and ultimately finished up by \$.019 to close the day at \$2.873. Longer-term NG also continued its trend higher with the Cal '19 and '20 strips moving higher. It's been a slow grind higher with those terms up roughly 4% over the past 2 months.

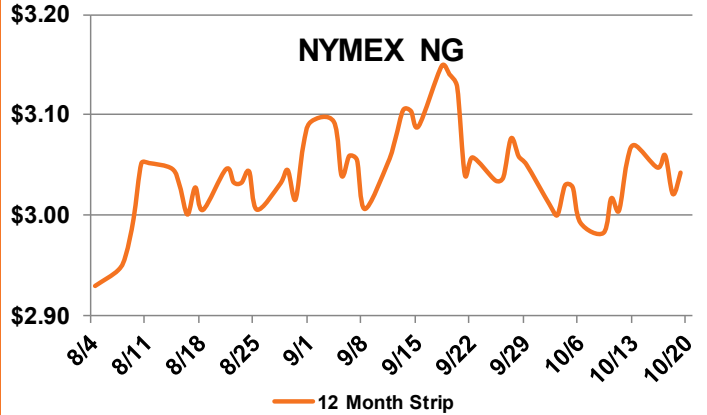
We're seeing some weather volatility with some colder weather on the horizon for next week for the east coast after long periods of above-average temperatures. Longer-term weather forecasts appear to be trending cooler with a greater chance of precipitation along the east coast due to the La Nina weather conditions.

Bullish Factors

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

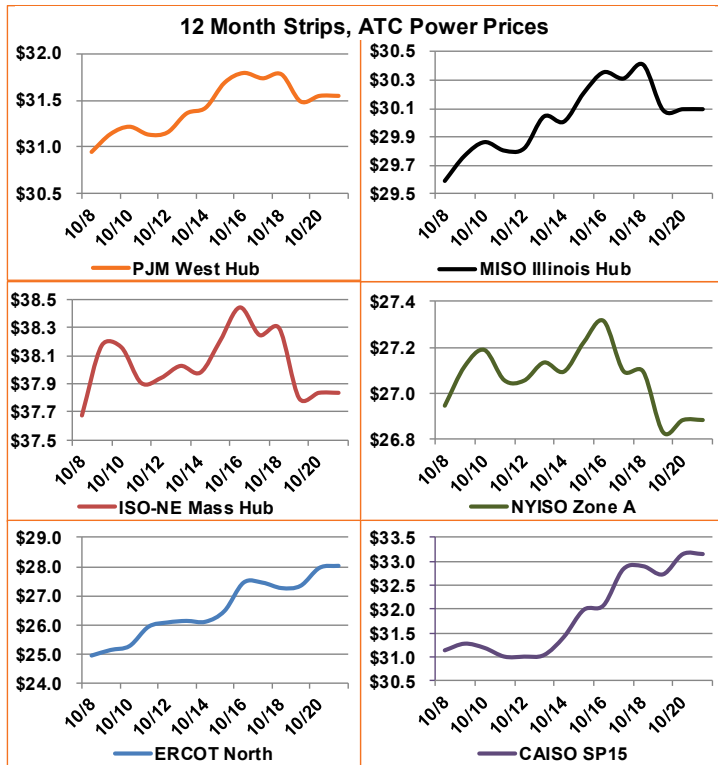
Bearish Factors

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



Next Day On-Peak Power (traded for 10/20/2017)

ISO-NE Mass Hub \$31.08	MISO Indiana Hub \$30.80	NYISO Zone G \$28.00
PJM West Hub \$27.66	ERCOT North \$20.43	CAISO SP15 \$35.26
NYMEX NG	Close	Change
Nov-17	2.873	0.019
Dec-17	3.086	0.021
12 Month	3.043	0.022
Cal 18	3.069	0.021
Cal 19	2.926	0.011



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,646	3,595	3,825	3,681
Diff v. Current		51	-179	-35
% Diff			-4.7%	-1.0%

