

Early Morning Update:

The Dec18 natural gas contract is trading down \$0.06 at \$3.17. The Dec18 crude contract is down \$0.36 at \$63.33.

Summary: NYMEX prompt month prices slipped slightly yesterday, closing down \$.024 to end the day at \$3.237. News of a slightly disappointing storage report (+48 vs +52) appeared to have little impact on pricing. Pricing for longer term NYMEX again saw little change and closed nearly flat. The prompt month has been stuck in a tight trading range for a month now. Price for Dec18 have been stuck between \$3.20 and \$3.30 with little activity outside that range. The market has a close eye on short-term weather forecasts, currently through the third week in Nov, and when they start appearing for Dec.

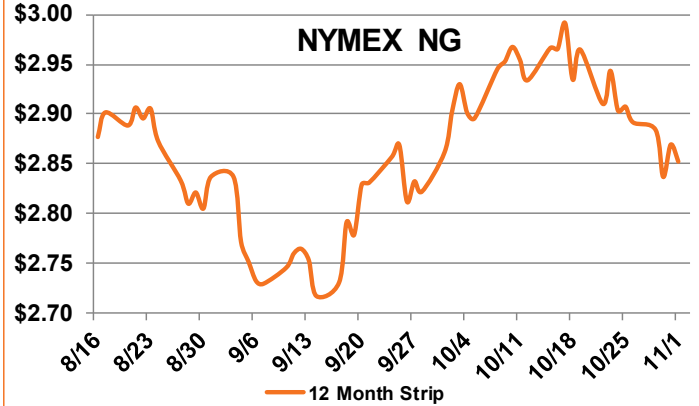
Power pricing for eastern markets ticked higher yesterday while western markets saw little change. Looking at weather, forecasts show above average temps along the east coast for the next week, with a large area of below-average temps in the mid-con, and down into Texas.

Bullish Factors

- High power burns
- LNG exports ramping up
- Lowest EOS storage level in decade

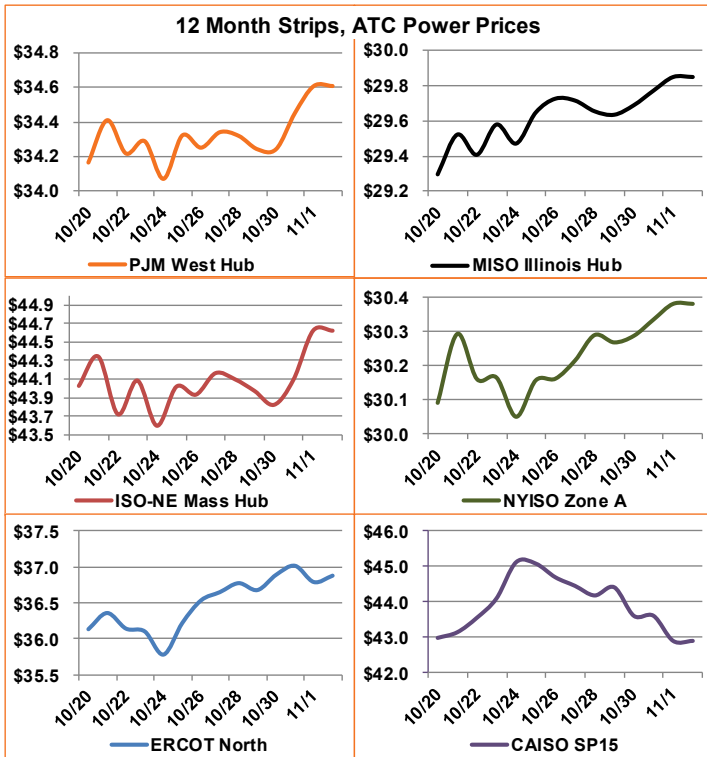
Bearish Factors

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



Next Day On-Peak Power (traded for 11/2/2018)

ISO-NE Mass Hub \$33.66	MISO Indiana Hub \$36.44	NYISO Zone G \$34.85
PJM West Hub \$34.62	ERCOT North \$29.61	CAISO SP15 \$39.75
NYMEX NG		Change
Dec-18	3.237	-0.024
Jan-19	3.275	-0.027
12 Month	2.853	-0.017
Cal 19	2.826	-0.016
Cal 20	2.670	-0.007



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,143	3,095	3,766	3,781
Diff v. Current		48	-623	-638
% Diff			-16.5%	-16.9%

