

**Early Morning Update:**

The Dec17 natural gas contract is trading up \$0.04 at \$2.97. The Dec17 crude contract is up \$0.25 at \$54.79.

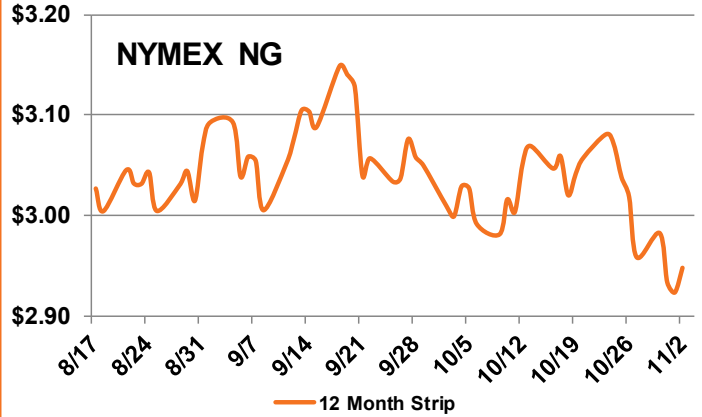
**Summary:** The prompt NG contract saw a small rebound in pricing after falling steadily since mid-October. The prompt contract finished up \$.042 to close at \$2.935. This comes after the EIA reported a build into storage of 65 Bcf, roughly in-line with expectations. Whether this move is the 'dead cat bounce', or part of a larger move higher is yet to be determined. The market has had its fair share of bearish news lately as NG production seems to set a new record every day, and weather related demand looks to be lower with the current November forecasts showing above-average temperatures for the major heating-demand centers. But there is widespread disagreement over the weather direction for this coming winter. While most forecasters feel there will be a La Nina weather pattern, its exact effect is not yet known.

**Bullish Factors**

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

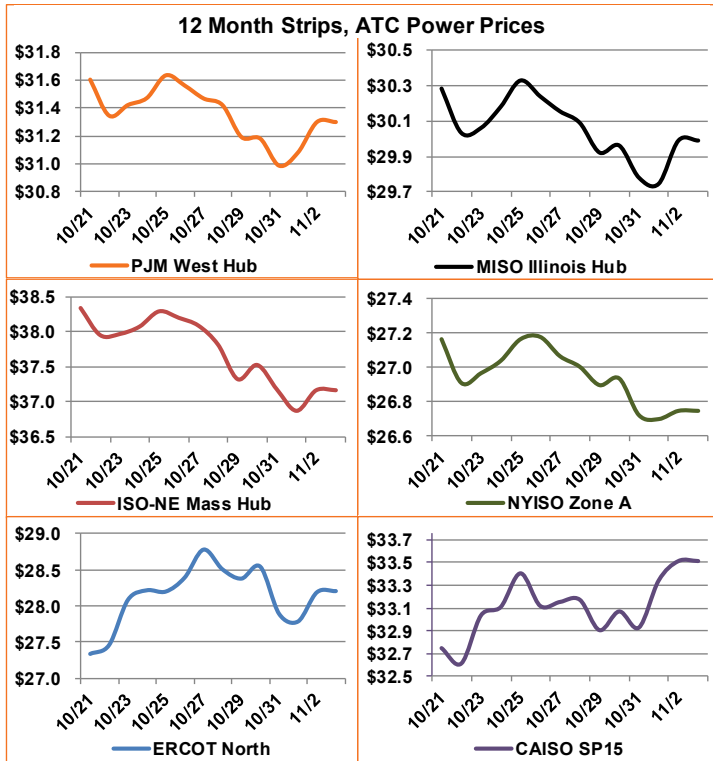
**Bearish Factors**

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



**Next Day On-Peak Power (traded for 11/3/2017)**

<b>ISO-NE Mass Hub</b> \$19.87	<b>MISO Indiana Hub</b> \$31.00	<b>NYISO Zone G</b> \$23.93
<b>PJM West Hub</b> \$34.19	<b>ERCOT North</b> \$30.38	<b>CAISO SP15</b> \$43.28
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
<b>Dec-17</b>	2.935	0.042
<b>Jan-18</b>	3.051	0.034
<b>12 Month</b>	2.949	0.024
<b>Cal 18</b>	2.965	0.022
<b>Cal 19</b>	2.901	0.007



**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>	3,775	3,710	3,955	3,816
<b>Diff v. Current</b>		65	-180	-41
<b>% Diff</b>			-4.6%	-1.1%

