

Daily Market Update

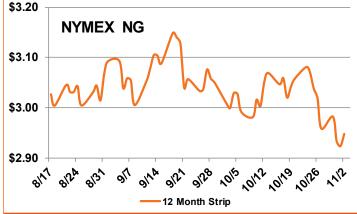
November 3, 2017

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 aboveaverage 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 Bearish Factors •Rising NG production costs Power burn down year-over-year Exports to Mexico at record high •Increased renewable energy generation Attention turning toward winter NG production at record levels

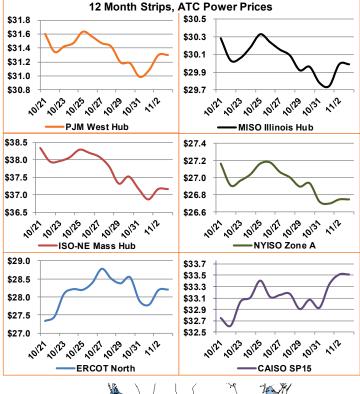


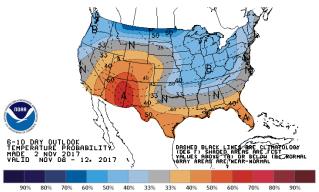
Next Day On-Peak Power (traded for 11/3/2017) **ISO-NE Mass Hub** MISO Indiana Hub **NYISO Zone G** \$19.87 \$31.00 \$23.93 **PJM West Hub ERCOT North** CAISO SP15 \$34.19 \$30.38 \$43.28 **NYMEX NG** Close Change Dec-17 2.935 3.051 Jan-18

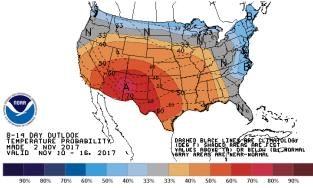
12 Month		2.949		0.	0.024	
Cal 18		2.965		0.022		
Cal 19		2.901		0.	0.007	
EIA Natural Gas Storage						
EIA Reported Storage (Bcf)	This Week		Last Week	Last Year	5-Year Avg.	
Total	3,775		3,710	3,955	3,816	
Diff v. Current			65	-180	-41	
% Diff				-4.6%	-1.1%	

0.042

0.034







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