

**Early Morning Update:**

The Dec18 natural gas contract is trading up \$0.27 at \$4.37!  
The Dec18 crude contract is up \$0.86 at \$56.55.

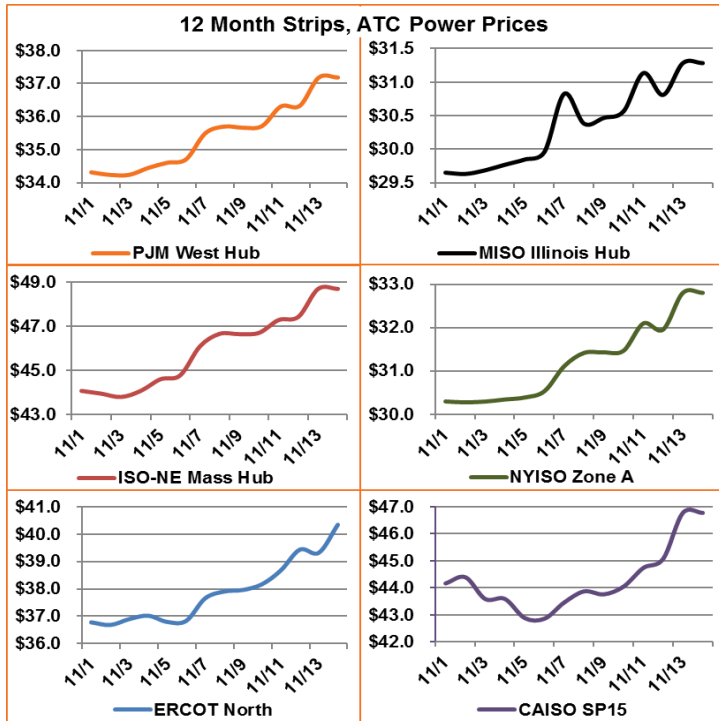
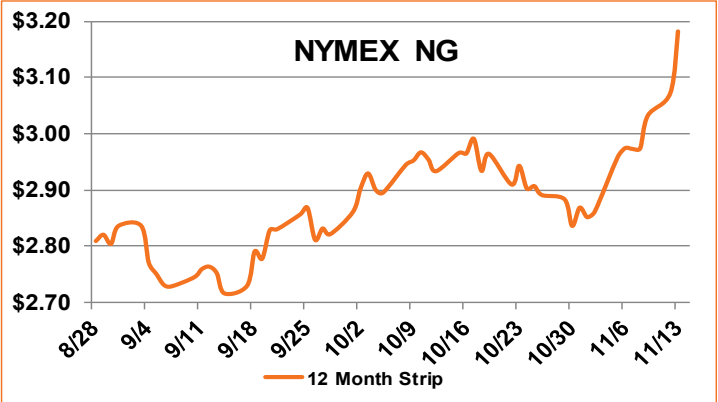
**Summary:** Supported by near-term weather outlooks, export growth, and no sign of production recovery, the December 2018 NYMEX natural gas contract gained another 31.3 cents yesterday, blowing through the \$4 resistance level and settling at \$4.101/MMBtu. Since debuting as the prompt month, the December 2018 contract has managed to gain 91.6 cents! Yesterday marked the first time a prompt month contract settled above \$4 since December 1, 2014, when the January 2014 contract settled at \$4.007/MMBtu. After today, demand is forecast to ease a little, though still expected to average 3.2 Bcf/d higher than the second half of November 2017. Most analysts believe production should grow by the end of the year. However, since hitting an all-time high of 85.5 Bcf on October 31, production has averaged ~1.0 Bcf/d lower over the past two weeks. All factors are leading to an estimated 120 Bcf withdrawal for next week's storage report, which should be published on Wednesday, November 21 due to the Thanksgiving holiday.

**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 11/14/2018)**

ISO-NE Mass Hub \$69.15	MISO Indiana Hub \$49.69	NYISO Zone G \$45.00
PJM West Hub \$50.01	ERCOT North \$56.30	CAISO SP15 \$63.67
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
Dec-18	4.101	0.313
Jan-19	4.147	0.347
12 Month	3.183	0.109
Cal 19	3.088	0.080
Cal 20	2.704	-0.019

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	<b>3,208</b>	<b>3,143</b>	<b>3,788</b>	<b>3,829</b>
<b>Diff v. Current</b>		<b>65</b>	<b>-580</b>	<b>-621</b>
<b>% Diff</b>			<b>-15.3%</b>	<b>-16.2%</b>

