

Early Morning Update:

The Dec18 natural gas contract is trading up \$0.30 at \$4.57.
The Dec18 crude contract is down \$0.46 at \$56.00.

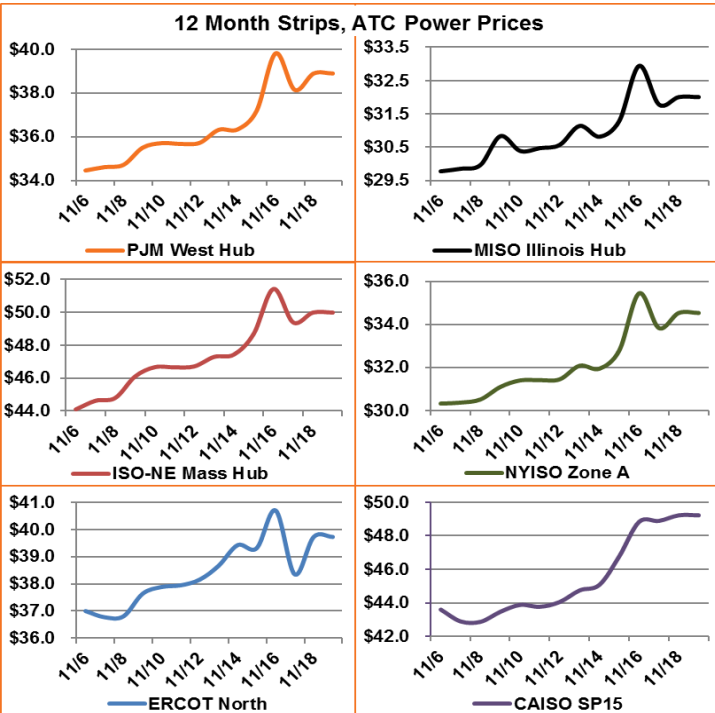
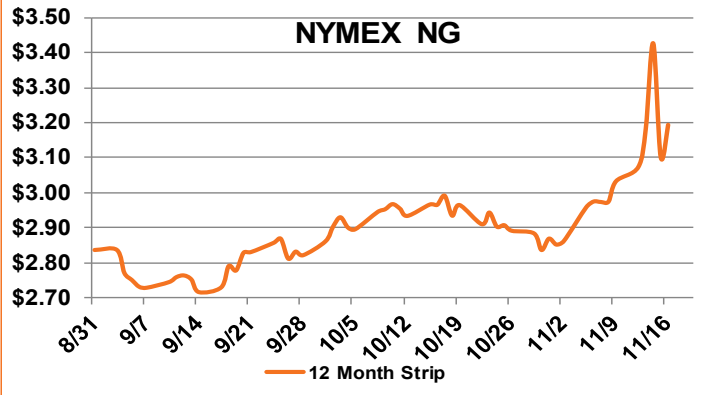
Summary: On Friday, the December 2018 NYMEX natural gas futures price continued its volatile trend, moving up 23.4 cents on the day to settle at \$4.272/MMBtu. The prompt month was rangebound throughout the day between \$3.907/MMBtu and \$4.39/MMBtu. The focus of the market remains weather-sensitive to this winter, and, unfortunately, we continue to see weather forecasts with a cooler-than-normal temperature trend moving into the beginning of next month. Weather forecasts show colder-than-normal temperatures for Texas and the majority of the eastern half of the country, with some relief expected this weekend and the beginning of next week. Demand for natural gas has been high, not only for heating demand, but also for LNG exports. Demand for exports will only move higher, as the Corpus Christi LNG export facility in Texas begins service and the fifth train at Sabine Pass is in its commissioning phase. U.S. dry production remains at a healthy level, up slightly from Friday, and hovering around 85 Bcf/d.

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

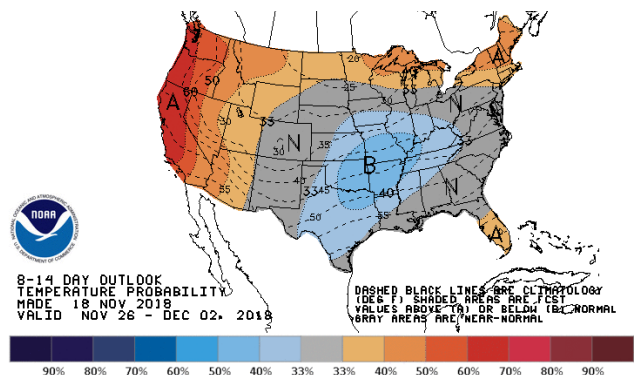
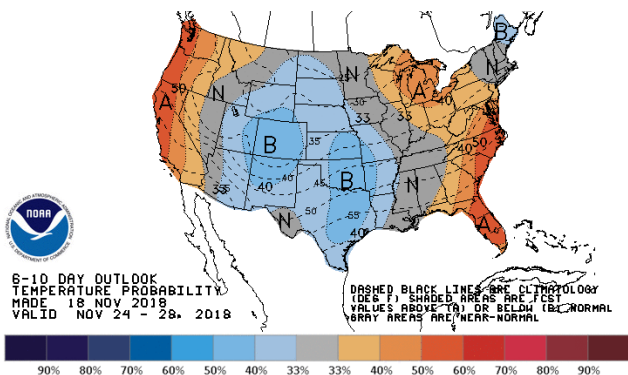


Next Day On-Peak Power (traded for 11/19/2018)

ISO-NE Mass Hub \$90.63	MISO Indiana Hub \$43.63	NYISO Zone G \$47.79
PJM West Hub \$45.08	ERCOT North \$38.00	CAISO SP15 \$64.67
NYMEX NG	Close	Change
Dec-18	4.272	0.234
Jan-19	4.291	0.248
12 Month	3.194	0.092
Cal 19	3.080	0.072
Cal 20	2.665	-0.001

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,247	3,208	3,775	3,848
Diff v. Current		39	-528	-601
% Diff			-14.0%	-15.6%



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