

Early Morning Update:

The Jan19 natural gas contract is trading up \$0.04 at \$4.36.
The Jan19 crude contract is up \$2.30 at \$53.79.

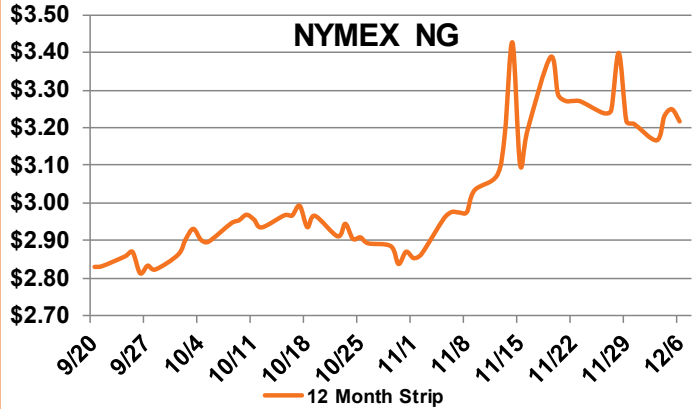
Summary: The volatility continues as the NYMEX prompt month contract falls \$0.142 to close at \$4.327. The market does seem to be trying to find a range, maybe \$4.30 to \$4.50? We've been there all week and perhaps clarity on January weather will provide more direction to pricing. The EIA will release it's storage report today, delayed one day due to the passing of George H.W. Bush. The latest estimates call for a draw in the low 50's Bcf. Estimates for the next three draws are -80, -142 and -74. Weather forecasts continue to show milder temps starting mid-next week. These mild forecasts have helped the market stay range-bound and limit the impact of the low storage reserves. The market will be keenly interested if these forecasts continue into January as the potential for lower demand will be a welcome relief to those on the buy-side of the equation.

Bullish Factors

- Cold weather
- LNG exports ramping up
- Low storage levels

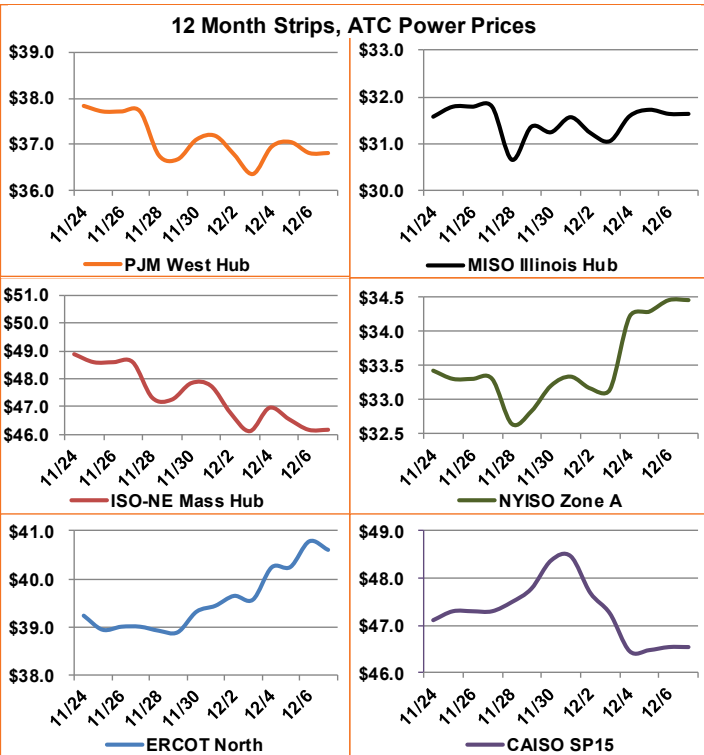
Bearish Factors

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



Next Day On-Peak Power (traded for 12/7/2018)

ISO-NE Mass Hub \$68.59	MISO Indiana Hub \$49.00	NYISO Zone G \$52.33
PJM West Hub \$44.03	ERCOT North \$38.57	CAISO SP15 \$75.03
NYMEX NG		
Jan-19	Close 4.327	Change -0.142
Feb-19	4.217	-0.113
12 Month	3.216	-0.032
Cal 19	3.216	-0.032
Cal 20	2.694	0.007



EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,054	3,113	3,698	3,774
Diff v. Current		-59	-644	-720
% Diff			-17.4%	-19.1%

