

**Early Morning Update:**

The Aug19 natural gas contract is trading down \$0.06 at \$2.24. The Sep19 crude oil contract is up \$0.33 at \$57.10.

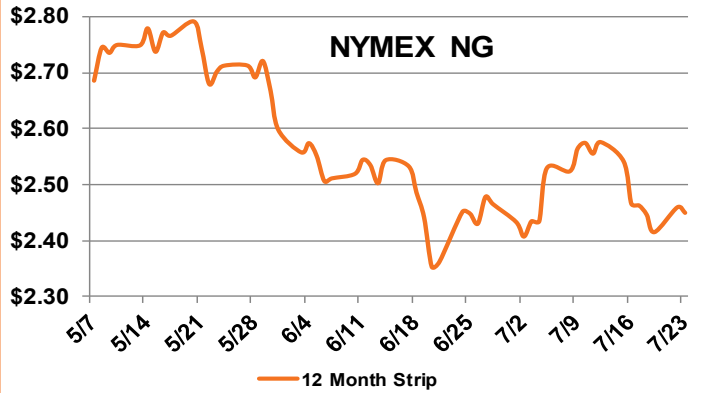
**Summary:** After climbing to start the week on Monday, NYMEX moved slightly downward during yesterday's trading session, as the prompt month contract lost 1.2 cents to close right at \$2.30/MMBtu. The largest drop was concentrated in the balance of the 2019 strip, as it lost 1.6 cents to close at 2.367/MMBtu, with the 12-month strip following behind, losing a penny to close at \$2.45/MMBtu. Beyond the near-term months, calendar strips 2020 through 2023 all remained essentially flat on the day. Total natural gas demand has continued to decline as we move through the week, led by the power burn sector, which has fallen 7.4 Bcf/d from the high point set last Friday to yesterday. While the mild weather over the next week is looking to turn to the hot side again for the Northeast, updated forecasts suggest that the first half of August could be milder than originally expected. The U.S. Energy Information Administration's natural gas storage report scheduled for release tomorrow is expected to be larger than last year's report for the same period, but will be the second in a row that falls short of the 5-year average.

**Bullish Factors**

- High LNG exports
- Record demand levels
- Warmer weather forecast

**Bearish Factors**

- Record NG production
- Higher associated gas production
- Above-average storage injections

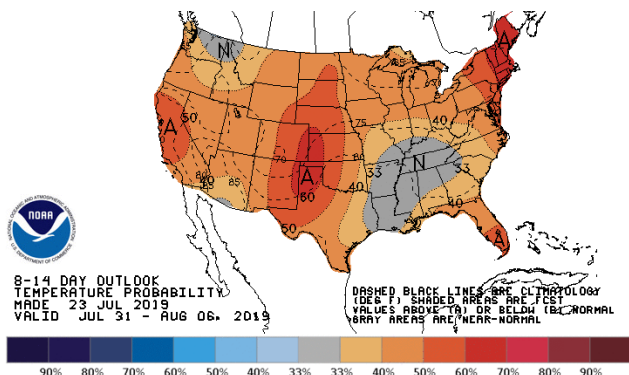
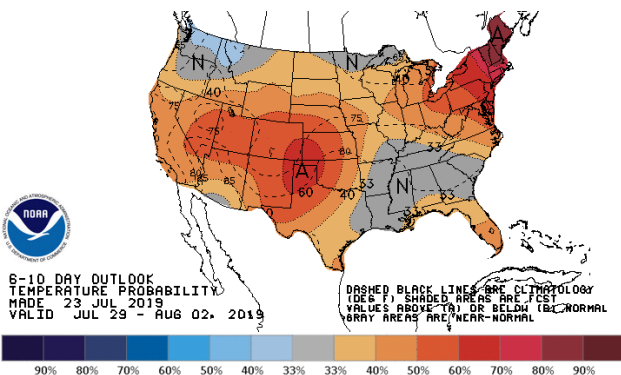
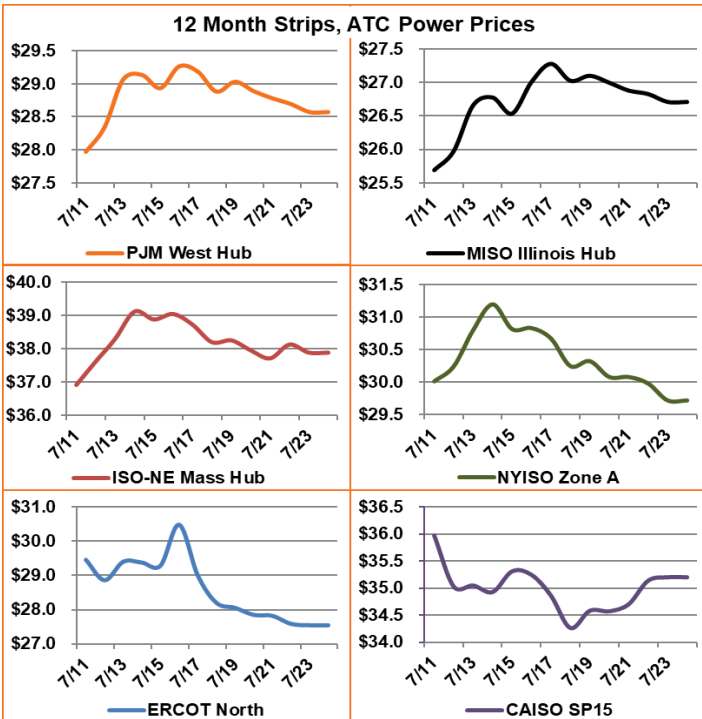


**Next Day On-Peak Power (traded for 7/24/2019)**

ISO-NE Mass Hub \$26.68	MISO Indiana Hub \$26.26	NYISO Zone G \$25.50
PJM West Hub \$25.02	ERCOT North \$27.00	CAISO SP15 \$63.48
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
Aug-19	2.300	-0.012
Sep-19	2.275	-0.018
12 Month	2.450	-0.010
Cal 20	2.517	-0.003
Cal 21	2.558	-0.001

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,533	2,471	2,242	2,676
Diff v. Current		62	291	-143
% Diff			13.0%	-5.3%



This document is for informational purposes only. All the information provided is "as is" and is not intended for trading purposes or advice. Direct Energy makes no representations or warranties, express or implied, as to the quality, accuracy, completeness, or reliability of the information provided in this newsletter. Further, Direct Energy is not liable for any informational errors or incompleteness or for any actions taken in reliance on information contained herein. Direct Energy® and the Energy Bolt design are registered trademarks of Direct Energy Marketing Limited.