

Early Morning Update

The Sep19 natural gas contract is trading up \$0.02 at \$2.14. The Sep19 crude oil contract is up \$0.30 at \$54.80.

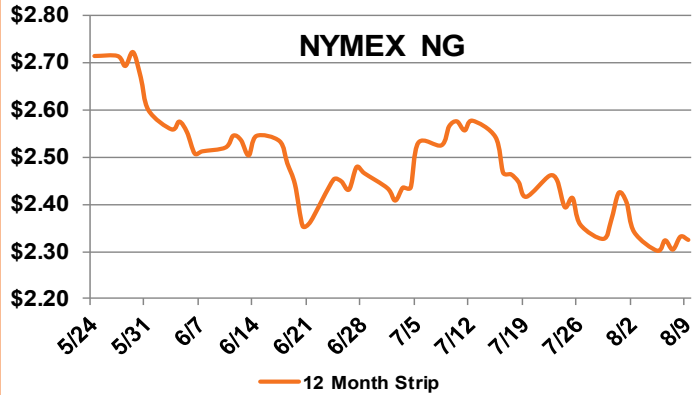
Summary: On Friday, the September 2019 NYMEX natural gas futures price showed little movement, falling just 0.9 cent on the day to settle at \$2.119/MMBtu. U.S. dry production remains at impressive levels, averaging over 90 Bcf/d last week, before reaching a fresh all-time high of 91.0 Bcf/d on Sunday, with the majority of the increase coming from the Northeast and Southeast regions. While supply continues to grow, demand for natural gas has fallen slightly. LNG exports are down - Sabine Pass is doing maintenance on trains 3 and 4, along with a drop in Corpus Christi volumes, most likely due to final testing before starting commercial service later this month. Heat has returned to weather forecasts. This week, the majority of the warmer-than-normal temps will cover Texas and the Southeast. In the 6-10 day forecast through the end of this month, the heat reemerges in the Northeast, a major demand center for natural gas, and the West, mainly California. The market doesn't seem to be reacting to these warming forecasts (yet).

Bullish Factors

- High LNG exports
- Record demand levels

Bearish Factors

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

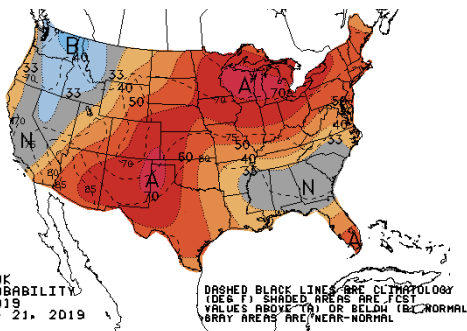
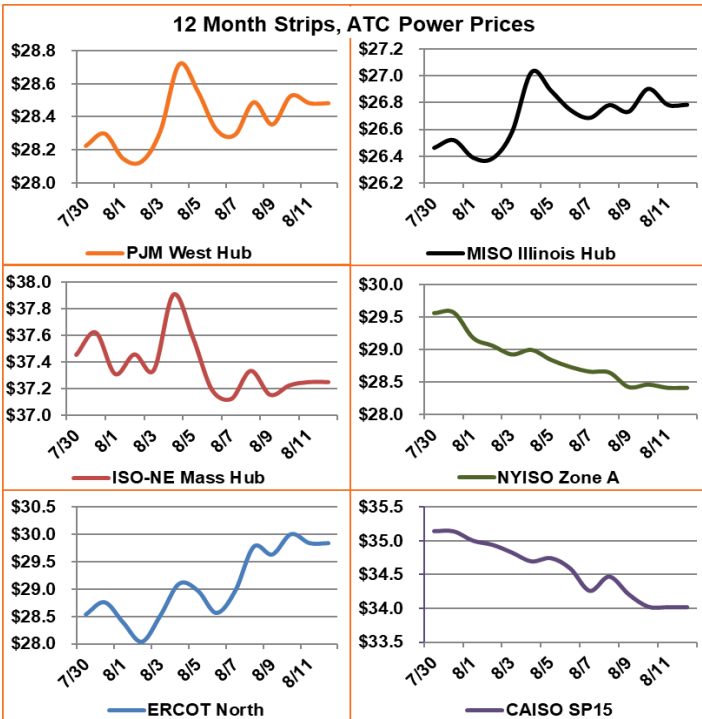


Next Day On-Peak Power (traded for 8/12/2019)

ISO-NE Mass Hub \$29.66	MISO Indiana Hub \$32.25	NYISO Zone G \$27.50
PJM West Hub \$31.40	ERCOT North \$33.67	CAISO SP15 \$35.52
NYMEX NG	Close	Change
Sep-19	2.119	-0.009
Oct-19	2.133	-0.013
12 Month	2.324	-0.007
Cal 20	2.395	-0.004
Cal 21	2.480	-0.008

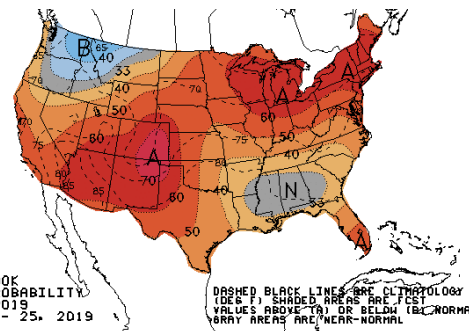
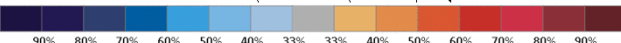
EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,689	2,634	2,346	2,800
Diff v. Current		55	343	-111
% Diff			14.6%	-4.0%



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 11 AUG 2019
VALID AUG 17 - 21, 2019

DASHED BLACK LINES ARE CLIMATOLOGY
(DE & F). SHADED AREAS ARE FCAST
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE 'NEAR-NORMAL'



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 11 AUG 2019
VALID AUG 19 - 25, 2019

DASHED BLACK LINES ARE CLIMATOLOGY
(DE & F). SHADED AREAS ARE FCAST
VALUES ABOVE (A) OR BELOW (B) NORMAL
GRAY AREAS ARE 'NEAR-NORMAL'

