

Early Morning Update

The Sep19 natural gas contract is trading down \$0.01 at \$2.19. The Oct19 crude oil contract is up \$0.66 at \$54.30.

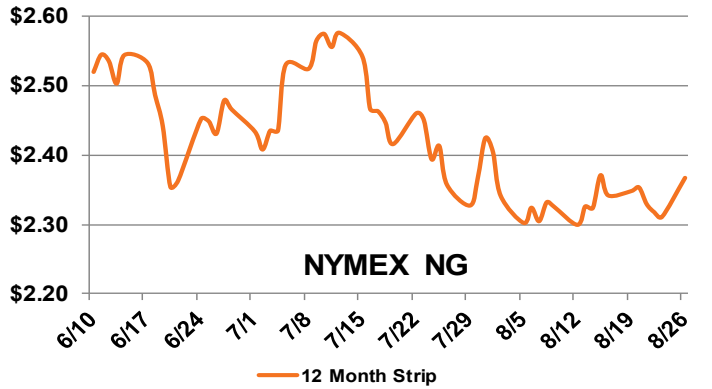
Summary: Higher demand levels yesterday caused the near-term NYMEX natural gas contracts to rise slightly throughout yesterday's trading activity. Record LNG exports and rising U.S. power burns both provided support to the September NYMEX contract yesterday. The prompt month rose to its highest mark over the last four sessions and settled up over seven cents on the day at \$2.225/MMBtu. LNG exports hit nearly 6.8 Bcf/d over the weekend, well on their way to the expected export level of nearly 8 Bcf/d by the end of the year. Power burns increased about 1.5 Bcf/d to 36.6 Bcf/d, contributing to the higher year-over-year average of nearly 41 Bcf/d. The balance of the month contracts all rose more than a nickel each, as well.

Bullish Factors

- High LNG exports
- Record demand levels
- Hot weather

Bearish Factors

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



Next Day On-Peak Power (traded for 8/27/2019)

ISO-NE Mass Hub \$23.00	MISO Indiana Hub \$25.00	NYISO Zone G \$23.09
PJM West Hub \$24.07	ERCOT North \$59.30	CAISO SP15 \$46.15
NYMEX NG	Close	Change
Sep-19	2.230	0.078
Oct-19	2.233	0.077
12 Month	2.367	0.057
Cal 20	2.410	0.043
Cal 21	2.440	0.022

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	2,797	2,738	2,428	2,900
Diff v. Current		59	369	-103
% Diff			15.2%	-3.6%

