

**Early Morning Update**

The Oct19 natural gas contract is trading up \$0.02 at \$2.31. The Oct19 crude oil contract is down \$1.30 at \$53.80.

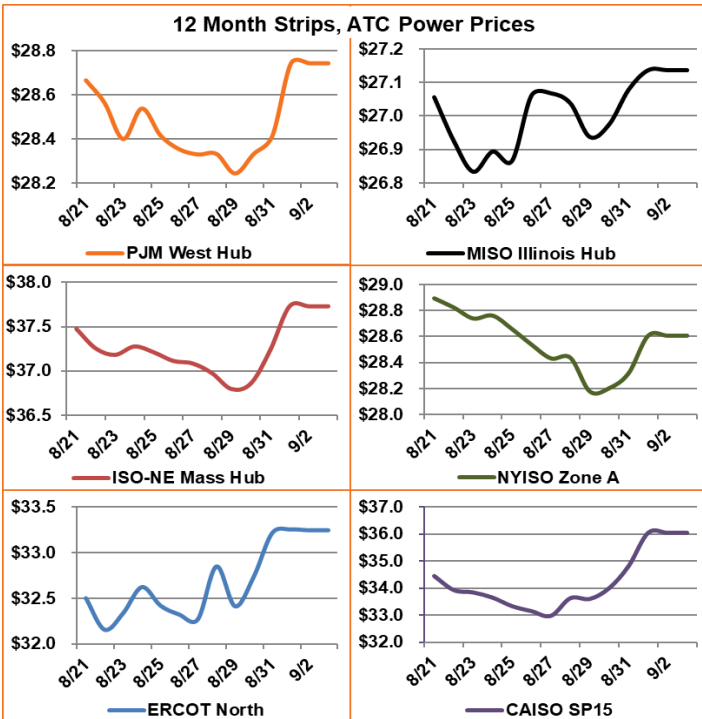
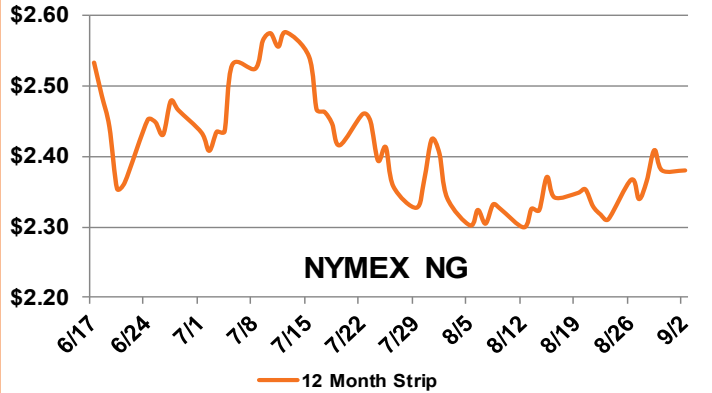
**Summary:** On Friday, the October prompt month settled at \$2.285/MMBtu, down 1.1 cents from the previous day. The short-term natural gas market strengthened over the weekend, with the October through December contracts climbing back up to their price levels from mid-July. Above-normal weather forecasts for the next 20 days could be the largest factor driving the rally. Current temperature forecasts for the next 20 days are three to five degrees above the 30-year normal, pointing to increased cooling demand and power burns. Calendar strips '20 and '21 have moved less than a penny and are still very close to their all-time lows at \$2.42 and \$2.45, respectively. These low pricing levels continue to raise questions about future supply growth, as more oil and gas bankruptcies continue to make headlines.

**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 9/3/2019)**

<b>ISO-NE Mass Hub</b> \$27.00	<b>MISO Indiana Hub</b> \$32.83	<b>NYISO Zone G</b> \$26.88
<b>PJM West Hub</b> \$32.43	<b>ERCOT North</b> \$115.00	<b>CAISO SP15</b> \$42.97
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Oct-19	2.285	-0.011
Nov-19	2.324	-0.018
12 Month	2.380	-0.029
Cal 20	2.402	-0.032
Cal 21	2.455	-0.022

**EIA Natural Gas Storage**

<b>EIA Reported Storage (Bcf)</b>	<b>This Week</b>	<b>Last Week</b>	<b>Last Year</b>	<b>5-Year Avg.</b>
<b>Total</b>	2,857	2,797	2,494	2,957
<b>Diff v. Current</b>		60	363	-100
<b>% Diff</b>			14.6%	-3.4%

