

**Early Morning Update**

The Oct19 natural gas contract is trading down \$0.01 at \$2.42. The Oct19 crude oil contract is down \$0.88 at \$55.42.

**Summary:** The NYMEX prompt month contract saw a relatively quiet day despite a bearish storage report, closing down \$.01 to close at \$2.435. This comes after two days where the prompt month moved up from \$2.285 to \$2.445. The prompt month was as low as \$2.156 on 8/23. As the market turns its attention towards long-term NG production concerns and the upcoming winter, price support is growing. Whether the bottom of the market is behind us has yet to be seen, but to return to the \$2.10-\$2.20 price range seems like it will require milder winter weather forecasts.

In the meantime, the EIA yesterday reported a bearish injection of 84 Bcf. The consensus of estimates was 77 Bcf and this report shrunk the deficit to the 5-year average to a mere 82 Bcf.

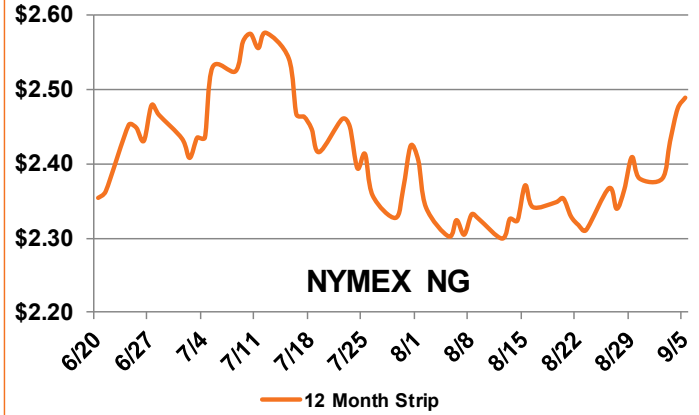
Dorian update: The storm has weakened to a Cat. 2 storm but nearly 300,000 people are without power. The Elba Island LNG export facility has been evacuated due to the storm, taking gas demand to zero over the past 2 days.

**Bullish Factors**

- Growing LNG exports
- Record demand levels
- Hot weather

**Bearish Factors**

- Record NG production
- Higher associated gas production
- Healthy storage levels



**Next Day On-Peak Power (traded for 9/6/2019)**

<b>ISO-NE Mass Hub</b> \$21.94	<b>MISO Indiana Hub</b> \$28.94	<b>NYISO Zone G</b> \$20.11
<b>PJM West Hub</b> \$24.91	<b>ERCOT North</b> \$847.62	<b>CAISO SP15</b> \$42.91

NYMEX NG	Close	Change
Oct-19	2.435	-0.010
Nov-19	2.491	-0.001
12 Month	2.489	0.015
Cal 20	2.483	0.020
Cal 21	2.476	0.013

EIA Natural Gas Storage				
EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	<b>2,941</b>	<b>2,857</b>	<b>2,558</b>	<b>3,023</b>
<b>Diff v. Current</b>		<b>84</b>	<b>383</b>	<b>-82</b>
<b>% Diff</b>			<b>15.0%</b>	<b>-2.7%</b>

