

Early Morning Update

The Oct19 natural gas contract is trading down \$0.04 at \$2.54. The Oct19 crude oil contract is up \$0.60 at \$58.00.

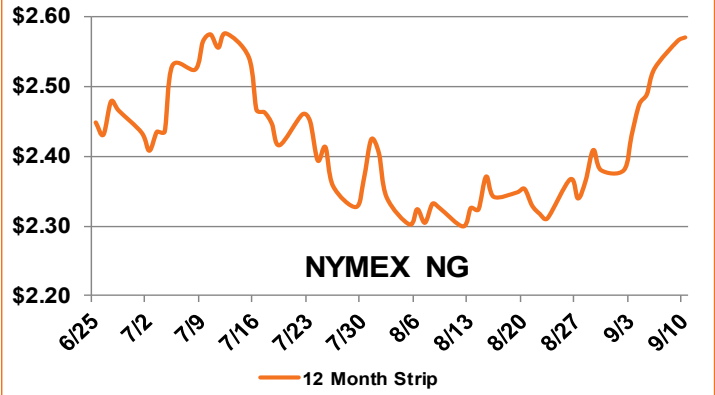
Summary: The NYMEX natural gas prompt month contract shed less than a penny yesterday, opening at the trading day at \$2.585/MMBtu and closing at \$2.580/MMBtu. Demand from power burn is surging for this time of year, as a heat wave engulfs much of the East Coast, Midwest, and Texas. Demand from the power burn sector breached the 40.0 Bcf/day mark yesterday, and is projected to reach 40.0 Bcf/day again today. All the while, production has remained strong. Though the month of September is still young, natural gas production has been 90.6 Bcf/day for the month-to-date average so far. Looking ahead, tomorrow's EIA storage report is expected to report an injection higher than both last year and the 5-year average.

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 9/11/2019)

ISO-NE Mass Hub \$32.31	MISO Indiana Hub \$40.40	NYISO Zone G \$28.00
PJM West Hub \$41.93	ERCOT North \$27.62	CAISO SP15 \$36.43
NYMEX NG		
Oct-19	Close 2.580	Change -0.005
Nov-19	2.620	-0.005
12 Month	2.571	0.005
Cal 20	2.539	0.005
Cal 21	2.469	0.005

EIA Natural Gas Storage

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

