

**Early Morning Update**

The Oct19 natural gas contract is trading up \$0.06 at \$2.67. The Oct19 crude oil contract is up \$5.55 at \$60.40.

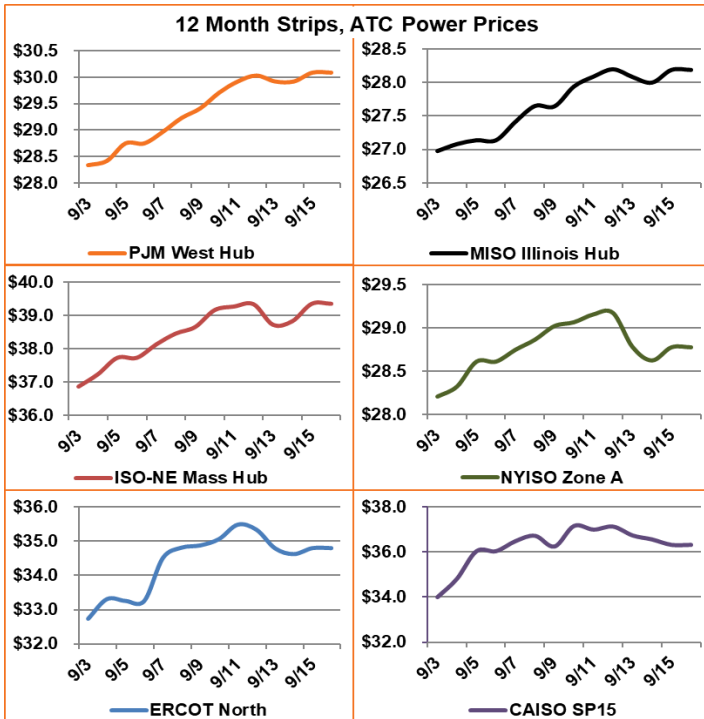
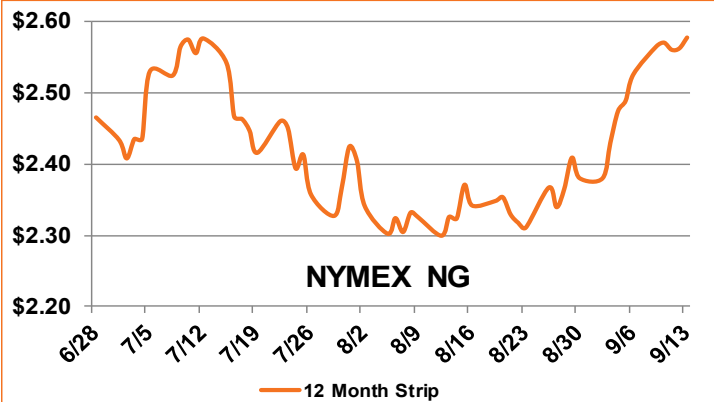
**Summary:** Warmer-than-normal temperatures across most of the U.S. have been keeping demand for natural gas elevated, which, in turn, has been providing plenty of upward price pressure to the front of the NYMEX natural gas curve. The prompt month finished the week at \$2.614/MMBtu, up four cents on the day, while the 2020 calendar strip rose 1.7 cents, settling at \$2.539. However, the 2021-2023 calendar strips, being unaffected by short-term fundamentals, all fell between one and two cents. According to the National Weather Service, above-average temperatures will envelop the entire country in their 8-14 day outlook, which should keep demand up, especially in the power burn sector. Total U.S. demand has averaged 72.4 Bcf/d so far this month, beating out last September's 69.6 Bcf/d average. Demand is projected to taper off some this week, as some regions of the country return to normal temps, but this dip will most likely be short-lived. Production, meanwhile, has been relatively steady, averaging 90.5 Bcf/d, up 5.7 Bcf/d from last year at this time, but down 1.0 Bcf/d from the all-time high set on Sep. 2.

**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 9/16/2019)**

<b>ISO-NE Mass Hub</b> \$24.66	<b>MISO Indiana Hub</b> \$43.00	<b>NYISO Zone G</b> \$28.16
<b>PJM West Hub</b> \$41.49	<b>ERCOT North</b> \$41.96	<b>CAISO SP15</b> \$34.69
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Oct-19	2.614	0.040
Nov-19	2.653	0.048
12 Month	2.578	0.015
Cal 20	2.539	0.002
Cal 21	2.457	-0.017

**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>	3,019	2,941	2,626	3,096
<b>Diff v. Current</b>		78	393	-77
<b>% Diff</b>			15.0%	-2.5%

