

### Early Morning Update

The Nov19 natural gas contract is trading down \$0.05 at \$2.35. The Nov19 crude oil contract is down \$0.71 at \$55.20.

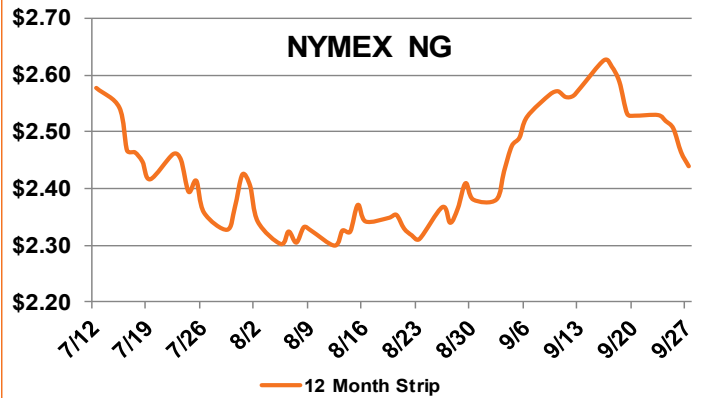
**Summary:** The price of natural gas for delivery in November continued its slide on Friday, falling another 3.9 cents to close out the week at \$2.404/MMBtu. Mild weather outlooks and a very large storage injection reported by the U.S. Energy Information Administration were mostly to blame, with warmer-than-normal temperatures forecast for most of the U.S. in the National Weather Service's 8-14 day outlook. For the week to Sep. 20, the EIA reported that natural gas storage facilities increased their holdings by 102 Bcf, beating out market expectations, as well as historical averages. As milder temperatures settle across the country, the amount of gas needed for electric generation has been declining, with power burn projected at 33.2 Bcf/d today, down almost 3.0 Bcf/d from the average seen so far this month. To add to the bearishness of the market, U.S. dry production reached a fresh all-time high of 91.9 Bcf/d on Sunday, with most of the increase coming from higher output from the Permian Basin, as well as the Northeast, which also set a new record high of 33.1 Bcf/d.

### Bullish Factors

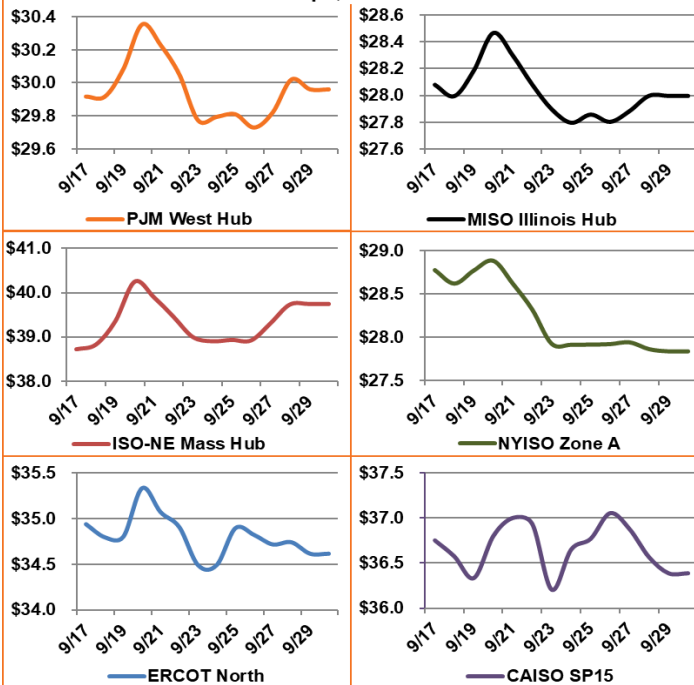
- Growing LNG exports
- Record demand levels
- Hot weather

### Bearish Factors

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



### 12 Month Strips, ATC Power Prices



### Next Day On-Peak Power (traded for 9/30/2019)

ISO-NE Mass Hub \$22.56	MISO Indiana Hub \$52.25	NYISO Zone G \$20.00
PJM West Hub \$38.04	ERCOT North \$28.25	CAISO SP15 \$30.40
NYMEX NG	Close	Change
Nov-19	2.404	-0.039
Dec-19	2.565	-0.031
12 Month	2.439	-0.023
Cal 20	2.447	-0.019
Cal 21	2.451	-0.010

### EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,205	3,103	2,761	3,252
Diff v. Current		102	444	-47
% Diff			16.1%	-1.4%

