

**Early Morning Update**

The Nov19 natural gas contract is trading down \$0.03 at \$2.32. The Nov19 crude oil contract is up \$0.69 at \$53.50.

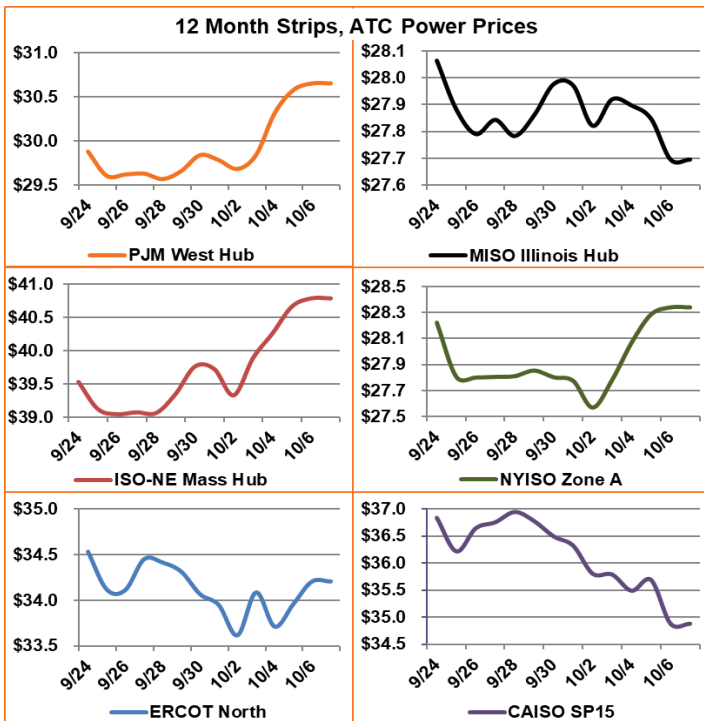
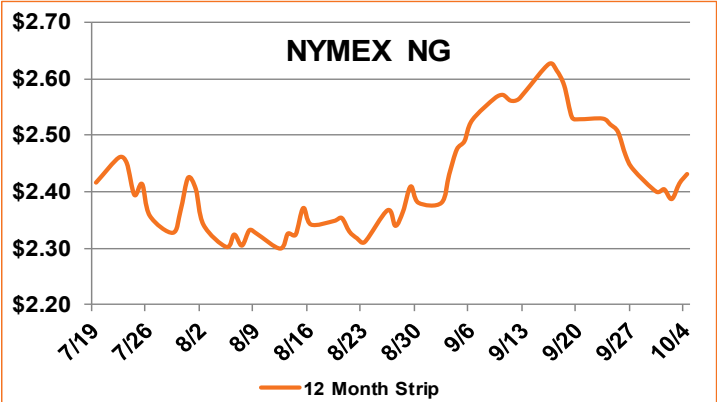
**Summary:** On Friday, the November 2019 NYMEX natural gas futures price switched directions compared to the previous days trend, and rose 2.3 cents on the day to settle at \$2.352/MMBtu. As the focus has switched to winter, we could potentially see this upward trend continue, as we await preliminary winter weather forecasts. Direct Energy will send out its preliminary winter forecast on October 15th. After last week's unseasonably warm temperatures for Texas and the Northeast, forecasts have moderated slightly. However, these forecasts still show warmer-than-normal temperatures for the Eastern Seaboard, and cooler-than-normal temps remaining for the rest of the country. On Friday, news was released regarding the Atlantic Coast gas pipeline, as the U.S. Supreme Court agreed to review the Fourth Circuit's invalidation of the U.S. Forest Service's authorization, with the pipeline's developers claiming this issue could slow the energy infrastructure development along the East Coast. U.S. dry production is averaging just under 91.0 Bcf/d so far this month, with a slight dip to levels at the end of last week.

**Bullish Factors**

- Growing LNG exports
- Record demand levels
- Lingering warm weather

**Bearish Factors**

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



**Next Day On-Peak Power (traded for 10/7/2019)**

<b>ISO-NE Mass Hub</b> \$20.25	<b>MISO Indiana Hub</b> \$27.75	<b>NYISO Zone G</b> \$17.38
<b>PJM West Hub</b> \$26.90	<b>ERCOT North</b> \$24.80	<b>CAISO SP15</b> \$41.15
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Nov-19	2.352	0.023
Dec-19	2.524	0.024
12 Month	2.431	0.017
Cal 20	2.449	0.014
Cal 21	2.459	0.004

**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>	3,317	3,205	2,852	3,335
<b>Diff v. Current</b>		112	465	-18
<b>% Diff</b>			16.3%	-0.5%

