

**Early Morning Update**

The Nov19 natural gas contract is trading up \$0.02 at \$2.25. The Nov19 crude oil contract is up \$0.66 at \$53.25.

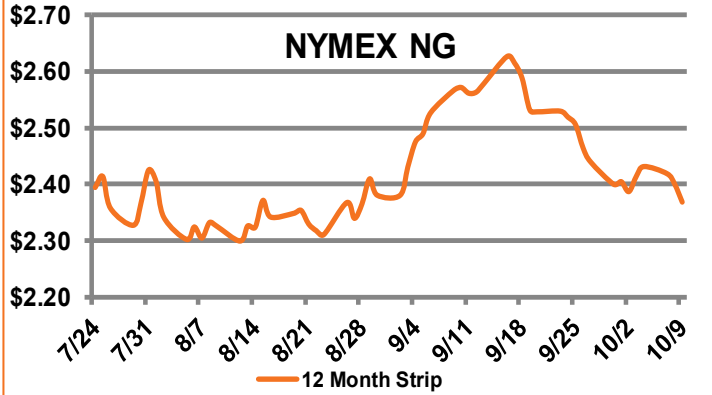
**Summary:** The bearishness in the market right now has helped the Nov19 natural gas contract continue its downward slide, shedding over a nickel on Wednesday and ultimately settling at \$2.234/MMBtu. Pricing hasn't been this low for the prompt month contract since August of this year when the market took a nose dive. Cal '20 and Cal '21 also lost 2.5 cents and 1.0 cent, respectively, throughout yesterday's trading, and Cal '24 found a new all-time low. This is offering a great buying opportunity for consumers with open positions to lock them in at historically low prices. To further add to the bearishness, the EIA just released their Short-Term Energy and Winter Fuels Outlook, where they are forecasting gas storage levels to be 2% higher than the 5-year average and 17% higher than October 2018 levels by the end of this month. Also forecast in that Winter Fuels Outlook is a 5% increase in natural gas production this winter compared to last winter, which should translate into plenty of supply to combat growing exports and any potential extreme winter weather. This morning, the EIA will be releasing their storage report for the week ending Oct. 4, which the market is estimating to be in the neighborhood of 98 Bcf.

**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 10/10/2019)**

<b>ISO-NE Mass Hub</b> \$23.94	<b>MISO Indiana Hub</b> \$27.00	<b>NYISO Zone G</b> \$20.96
<b>PJM West Hub</b> \$23.80	<b>ERCOT North</b> \$56.86	<b>CAISO SP15</b> \$29.48
<b>NYMEX NG</b>		
	<b>Close</b>	<b>Change</b>
Nov-19	2.234	-0.054
Dec-19	2.436	-0.055
12 Month	2.368	-0.032
Cal 20	2.397	-0.026
Cal 21	2.426	-0.010

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<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%

