

Early Morning Update

The Dec19 natural gas contract is trading up \$0.03 at \$2.72. The Dec19 crude oil contract is down \$0.76 at \$54.30.

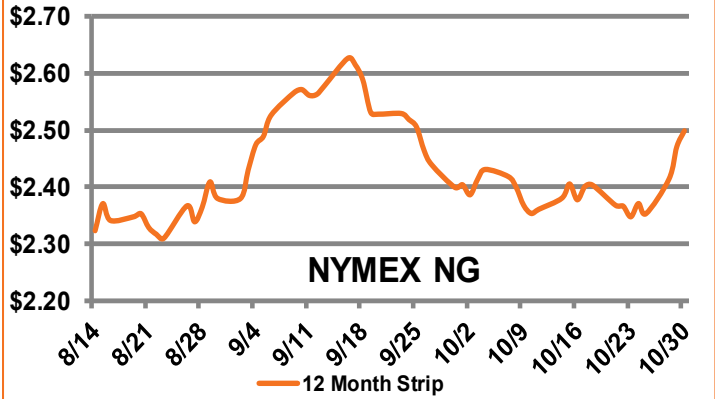
Summary: No treats, only tricks, on this Halloween day, as the majority of the country is plagued by winter-like weather conditions. Due to the cold that's blanketing most of the West, the Midcon, and the East, NYMEX pricing has continued its upward ascent. In its debut as the prompt month, the Dec19 NYMEX natural gas contract settled at \$2.691/MMBtu yesterday, which is more than a nickel higher than the previous day. Similarly, the remainder of the Dec'19-Mar'20 winter strip climbed six cents from the day prior. These chilly temperatures can't help but haunt the NYMEX market. Forecasts are showing the below-average temperatures sticking around in the Midcon and East over the next 15 days, while the West should experience a warm-up in the 6-15 day forecast. The EIA will release their storage report later on today, with market expectations projecting a build similar to last week in the upper 80's. With the increase in heating demand coming into play, will we reach this lofty build, or will the market receive another trick on this Halloween day? Stay tuned to find out.

Bullish Factors

- Record LNG exports
- Growing NG exports to Mexico
- Attention on winter

Bearish Factors

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



Next Day On-Peak Power (traded for 10/31/2019)

ISO-NE Mass Hub \$24.21	MISO Indiana Hub \$32.75	NYISO Zone G \$24.69
PJM West Hub \$32.67	ERCOT North \$42.72	CAISO SP15 \$40.71
NYMEX NG		
	Close	Change
Dec-19	2.691	0.052
Jan-20	2.781	0.057
12 Month	2.498	0.039
Cal 20	2.496	0.037
Cal 21	2.469	0.013

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,606	3,519	3,087	3,578
Diff v. Current		87	519	28
% Diff			16.8%	0.8%

