

Early Morning Update

The Dec19 natural gas contract is trading down \$0.02 at \$2.54. The Dec19 crude oil contract is up \$0.32 at \$57.33.

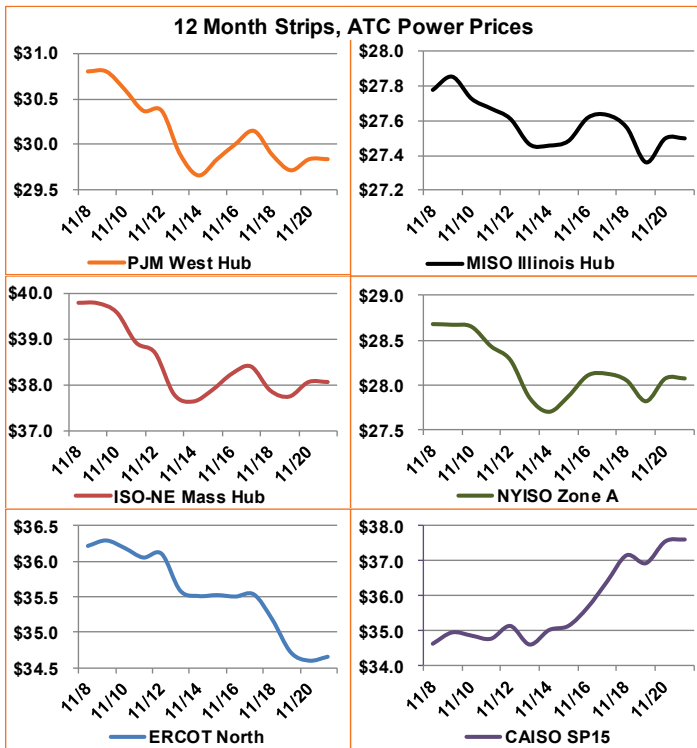
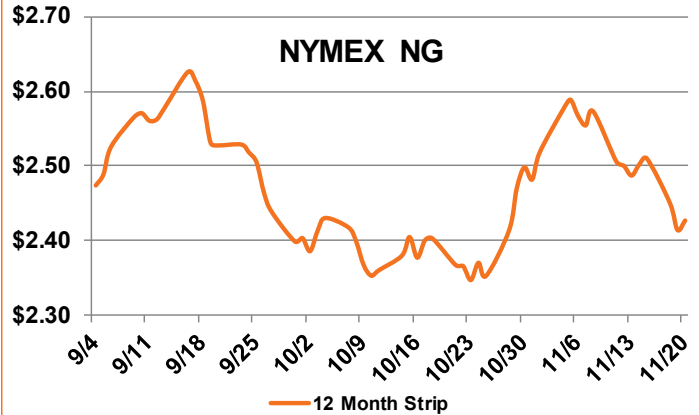
Summary: The NYMEX natural gas prompt month contract settled at \$2.559/MMBtu yesterday, increasing almost a nickel from the previous trading day. Very little movement was felt throughout the remainder of the curve though, as calendar strips '20-'25 all moved less than a penny. Due to natural gas production and demand continuing to move in lock-step, along with having a large storage inventory as we approach winter, most of the movement to the prompt month can be attributed to weather revisions. Updated weather forecasts show an expanding cold front in the West that travels through the mid-con, and into the East, by the 11-15 day outlook. This could very well be the reason for the day-over-day increase to the prompt month. Later on today, the EIA will release their weekly storage report that will reflect the first withdrawal of this season. Market predictions show a 90 Bcf withdrawal to be reported, which is 19 Bcf less than last year, but 58 Bcf greater than the 5 year-average benchmark.

Bullish Factors

- Record LNG exports
- Growing NG exports to Mexico
- Cold temps

Bearish Factors

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



Next Day On-Peak Power (traded for 11/21/2019)

ISO-NE Mass Hub \$37.98	MISO Indiana Hub \$27.19	NYISO Zone G \$26.05
PJM West Hub \$30.62	ERCOT North \$23.01	CAISO SP15 \$49.18
NYMEX NG		
	Close	Change
Dec-19	2.559	0.049
Jan-20	2.611	0.035
12 Month	2.427	0.013
Cal 20	2.434	0.009
Cal 21	2.465	0.001

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,732	3,729	3,241	3,730
Diff v. Current		3	491	2
% Diff			15.1%	0.1%

