

**Early Morning Update**

The Nov20 natural gas contract is trading up \$0.15 at \$2.78. The Nov20 crude oil contract is down \$0.19 at \$41.00.

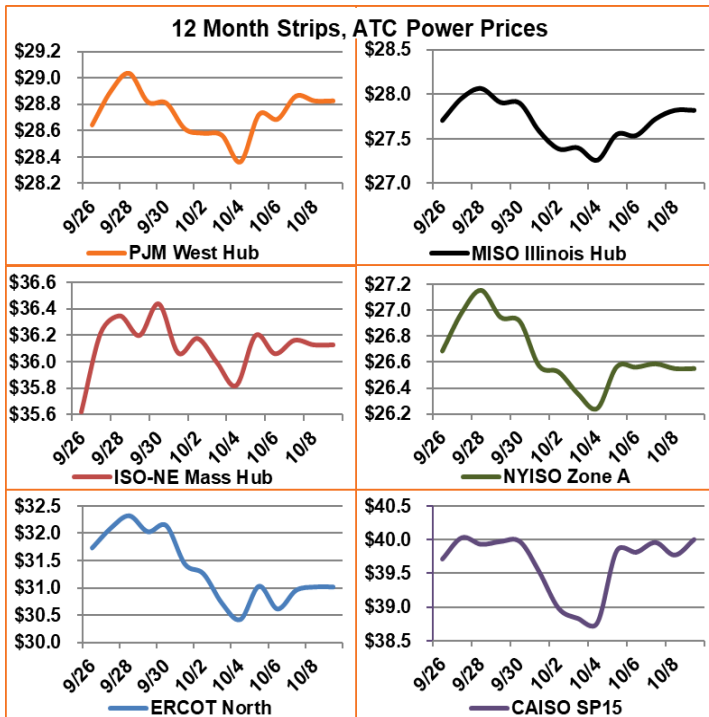
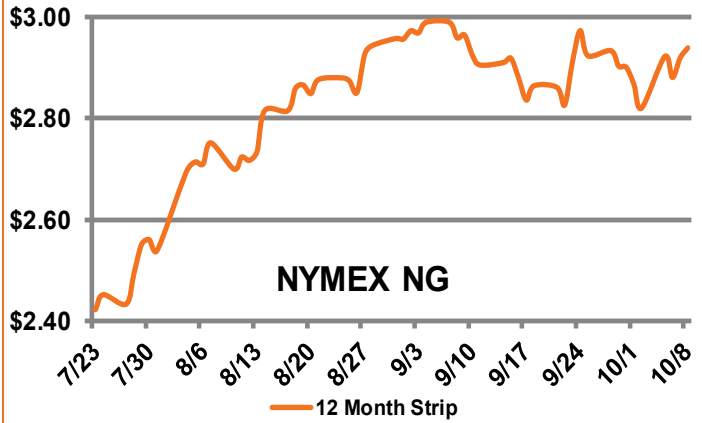
**Summary:** The prompt month ended up trading in a wide range yesterday before ultimately settling up \$0.021 to end the day at \$2.627/MMBtu. Longer-terms saw little movement, and power markets were pretty quiet. The U.S. Energy Information Administration released its weekly storage report showing a build into storage of 75 Bcf, in line with estimates, but much lower than last year's build for the corresponding week, as well as the five-year average injection. Estimates for the next three reports are significantly lower than last year and the five-year average (49, 50, 22 Bcf) and reflect the lower supply levels. General concerns heading into winter are lower supply compared to last year and the potential for a colder winter compared to last winter. Direct Energy is hosting a webinar on Thursday, Oct. 15, at 2:00 pm ET to review our forecast for this upcoming winter. Please reach out to your Direct Energy representative for registration info.

**Bullish Factors**

- LNG exports back in force
- High exports to Mexico
- Unstable production

**Bearish Factors**

- Coronavirus impacts on demand
- Healthy storage levels
- Normal temperatures declining



**Next Day On-Peak Power (traded for 10/9/2020)**

<b>ISO-NE Mass Hub</b> \$19.19	<b>MISO Indiana Hub</b> \$24.39	<b>NYISO Zone G</b> \$16.13
<b>PJM West Hub</b> \$23.31	<b>ERCOT North</b> \$22.64	<b>CAISO SP15</b> \$31.04
<b>NYMEX NG</b>	<b>Close</b>	<b>Change</b>
Nov-20	2.627	0.021
Dec-20	3.149	0.000
12 Month	2.939	0.020
Cal 21	2.955	0.023
Cal 22	2.636	0.009

**EIA Natural Gas Storage**

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
<b>Total</b>	3,831	3,756	3,387	3,437
<b>Diff v. Current</b>		75	444	394
<b>% Diff</b>			13.1%	11.5%

