

Early Morning Update

The Nov20 natural gas contract is trading down \$0.20 at \$2.65. The Nov20 crude oil contract is up \$0.80 at \$41.00.

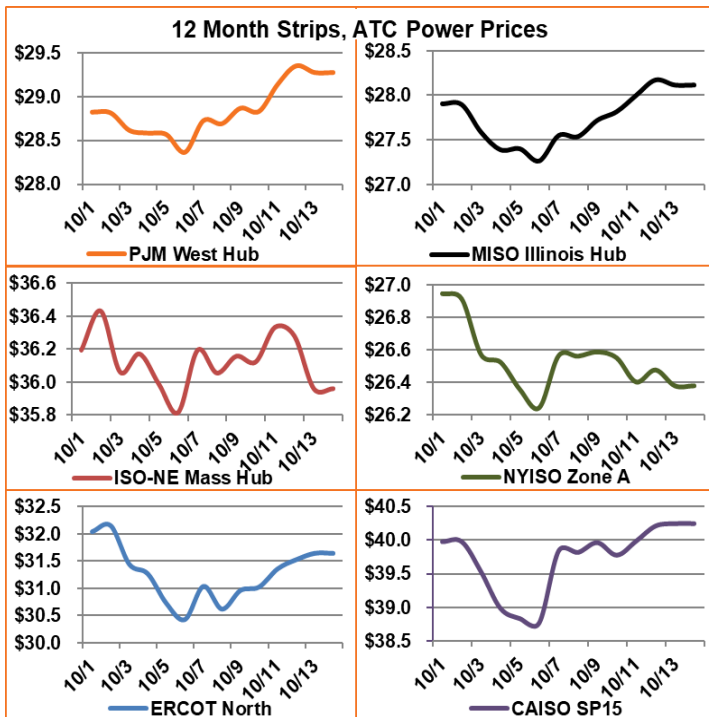
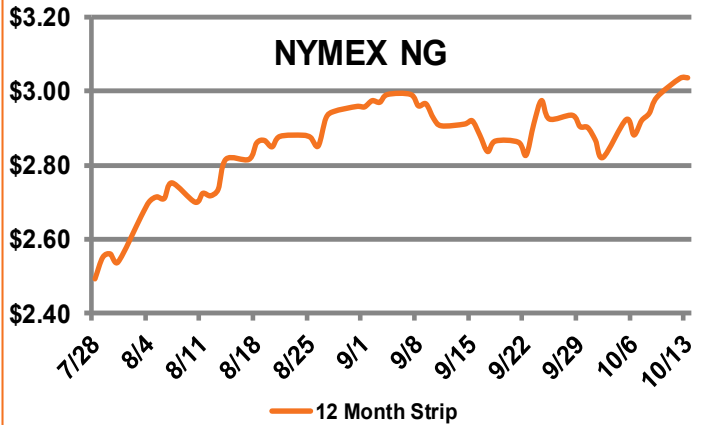
Summary: The November NYMEX natural gas contract fell back 2.6 cents yesterday, settling at \$2.855/MMBtu on the heels of falling demand and increasing production. Total demand for natural gas has declined 1.0 Bcf/d to 83.9 Bcf/d over the past two days, while production has ramped up to 88 Bcf/d today, climbing 4.4 Bcf/d since Saturday. As below-normal temperatures drop down from Canada and settle over the midcontinent, demand is projected to rise to 87.3 Bcf/d over the next week. Helping to counter that will be the remanning of offshore oil and gas platforms in the Gulf of Mexico after Hurricane Delta passed through the area last week. 70 platforms were still evacuated as of yesterday, down from the 124 total that were evacuated for the storm. Operators have reported that Delta caused very little serious damage, and the lack of major repairs should lead to fairly quick restoration to pre-storm production levels. LNG exports continue to recover slowly, with the return of feedgas deliveries to the Cove Point LNG export terminal in Maryland on Monday, after a three-week maintenance outage.

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



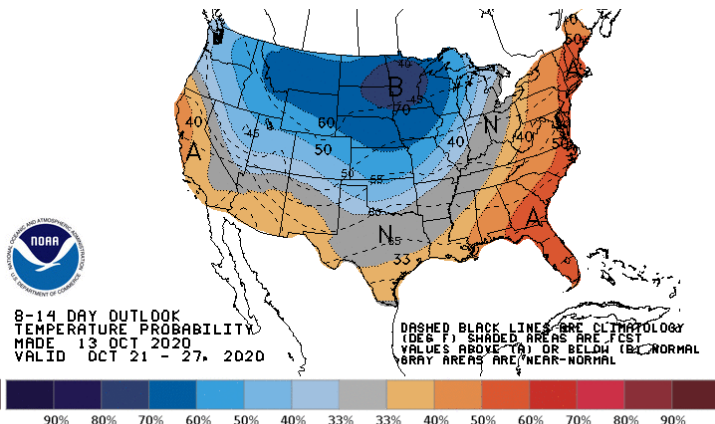
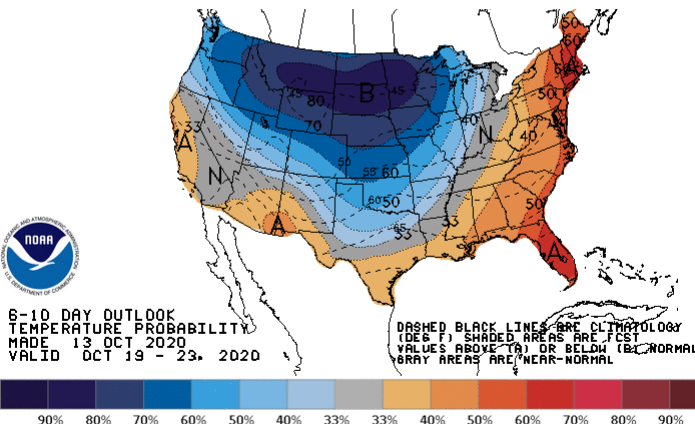
Next Day On-Peak Power (traded for 10/14/2020)

ISO-NE Mass Hub \$27.58	MISO Indiana Hub \$29.74	NYISO Zone G \$19.42
PJM West Hub \$21.43	ERCOT North \$24.00	CAISO SP15 \$60.98

NYMEX NG	Close	Change
Nov-20	2.855	-0.026
Dec-20	3.247	-0.024
12 Month	3.035	0.001
Cal 21	3.036	0.008
Cal 22	2.658	0.008

EIA Natural Gas Storage

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



90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%

90% 80% 70% 60% 50% 40% 33% 33% 40% 50% 60% 70% 80% 90%