

Early Morning Update

The Nov20 natural gas contract is trading down \$0.10 at \$2.70. The Nov20 crude oil contract is down \$0.25 at \$40.35.

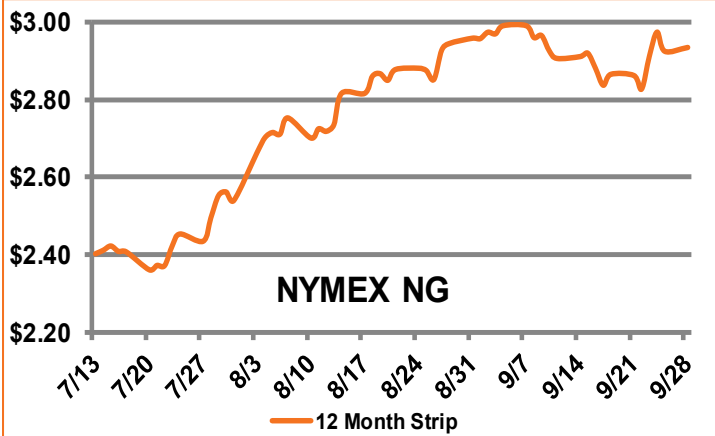
Summary: The October contract has expired and ultimately settled on Monday afternoon at \$2.101/MMBtu, falling 3.8 cents in its final trading session. This is following some high volatility for this contract, where it traded in an 82-cent range in its short time as the prompt month. Despite this, the November 2020 natural gas contract, which makes its debut as the prompt month this morning, has not been quite as volatile. Since August 1st, the November contract has remained between \$2.418 and \$2.987/MMBtu, trading in a narrower 57-cent range. While being less than three-fourths the trading range size of October in a longer span of time, November tends to trade higher than the October contract as a result of the beginning of colder weather and higher demand as we approach winter. The new prompt month contract settled on Monday at \$2.795/MMBtu, down just a penny on the day and significantly higher than October's price. As for year-long strips, we have not seen much of the volatility translate into the longer terms. NYMEX natural gas calendar strips '21 through '25 have only seen small fluctuations, with less than a 3% change week-over-week.

Bullish Factors

- Curtailed production
- High power burns
- LNG exports back in force

Bearish Factors

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

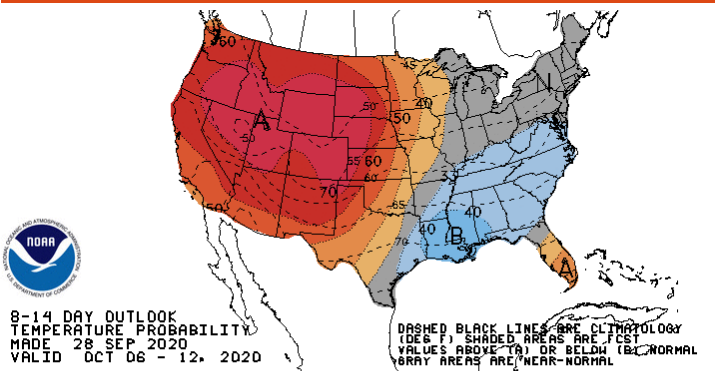
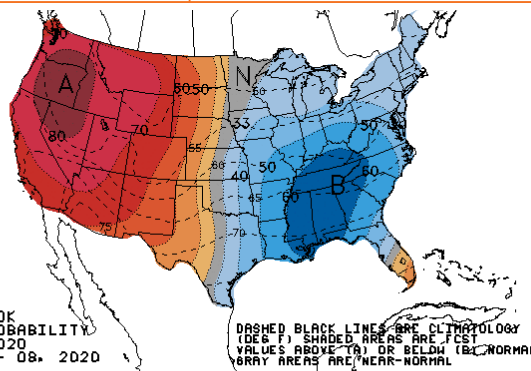
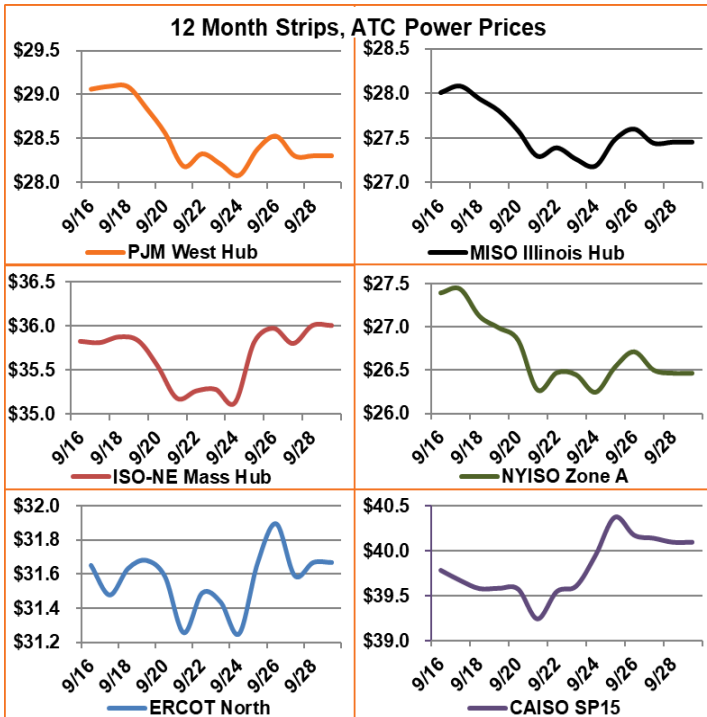


Next Day On-Peak Power (traded for 9/29/2020)

ISO-NE Mass Hub \$26.47	MISO Indiana Hub \$23.00	NYISO Zone G \$21.80
PJM West Hub \$21.25	ERCOT North \$18.60	CAISO SP15 \$62.12
NYMEX NG	Close	Change
Oct-20	2.101	-0.038
Nov-20	2.795	-0.012
12 Month	2.934	0.010
Cal 21	2.994	0.020
Cal 22	2.658	0.010

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,680	3,614	3,176	3,273
Diff v. Current		66	504	407
% Diff			15.9%	12.4%



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 28 SEP 2020
VALID OCT 04 - 08, 2020

DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 28 SEP 2020
VALID OCT 06 - 12, 2020

DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL

