Month	Settle	11/6/2017	Strip Avg,
Dec-17	3.134	Dec17-Mar18	3.197
Jan-18	3.232	Apr18-Oct18	2.969
Feb-18	3.231	Nov18-Mar19	3.175
Mar-18	3.189	Apr19-Oct19	2.782
Apr-18	2.953		
May-18	2.928	Dec17-Nov18	3.051
Jun-18	2.955	Calendar 2018	3.055
Jul-18	2.986	Calendar 2019	2.917
Aug-18	2.990	Calendar 2020	2.869
Sep-18	2.973	Calendar 2021	2.870
Oct-18	2.995	Calendar 2022	2.886
Nov-18	3.047	Calendar 2023	2.946

NEXT DAY GAS PRICES (ICE weighted average):

TETCO M2 (rec)	1.7040	Henry Hub	3.0278	Dom-SP	1.6470

ICE BASIS FUTURES PRICES:

Tetco M2 Basis	11/6/2017	Dominion-South Basis	
Dec-17	-0.5700	Dec-17	-0.5950
Jan-18	-0.3850	Jan-18	-0.4625
Dec17-Mar18	-0.4294	Dec17-Mar18	-0.4838
Apr18-Oct18	-0.6375	Apr18-Oct18	-0.6107
Dec17-Nov18	-0.5633	Dec17-Nov18	-0.5677
Calendar 2018	-0.5604	Calendar 2018	-0.5617
Calendar 2019	-0.5704	Calendar 2019	-0.5615
Calendar 2020	-0.5927	Calendar 2020	-0.5850
Calendar 2021	-0.6096	Calendar 2021	-0.5998

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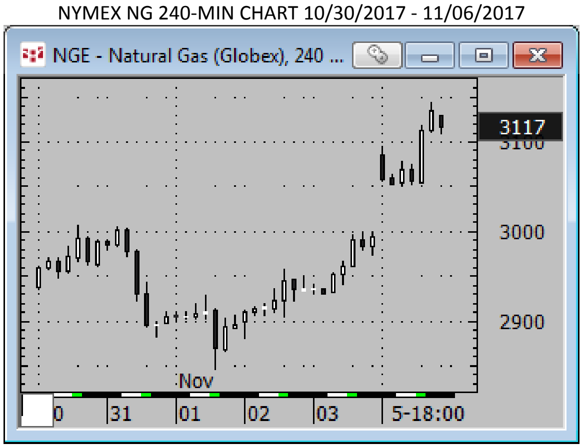
As of Week Ending:	10/27/2017		Build/(Draw)	
Current Storage	3,775	Bcf	+65	Bcf
			Surplus/(Deficit)	
Last Year Storage	3,955	Bcf	(180)	Bcf
5-Year Avg. Storage	3,816	Bcf	(41)	Bcf

Market Commentary: A lot can change in a mere matter of days, and the move in natural gas prices from last Friday to last night's open is a prime example of that. Prices went out near 3.00 resistance on Friday as oversold conditions combined with a less bearish weather outlook helped to get sentiment and prices both turned back higher to finish out the week, and the weather outlook provided the additional catalyst required for last night's sharply higher open, and the market never looked back as today unfolded. The gap up on the chart last night was significant with an open just below 3.10, which proved to be the high of the session until mid-morning today. After quiet overnight action was confined to a penny either side of 3.06, prices initially looked like they might try to trade back down and test the old resistance level down near 3 dollars to see if it now provided support, but instead buyers managed to stave off any break down toward support on the charts, with bulls instead using the 3.05 area as a springboard, and while it was a slow and steady procession upward, the price did eventually trade as high as 3.143 for an intraday high print, before paring gains slightly this afternoon. Volume had been fairly light on Friday, potentially calling into question the significance of the push higher up toward 3.00 seen to finish out the week, but today did in fact see substantial contract volume change hands as prices advanced, underscoring increasing market conviction in the move. The forecast for next week got colder over the weekend, which explains the fact that the market traded higher, but the magnitude of the increase suggests additional factors may be at work aside from the weather alone. While next week will see temperatures cool down across the Midwest and East Coast, the longevity of that system appears to be limited in duration, with the 8 to 14 day outlook from NOAA below showing widespread above-normal temperature anomalies affecting the vast majority of the Lower 48, thereby staving off the onset of sustained cold air beyond the first half of November. As is generally typical of this early stage in the heating season, large price swings should continue to be expected in response to changes in the weather outlook, as the potential for a prolonged cold or warm winter has the greatest potential impact on market fundamentals when we still have a full five months of winter weather ahead of us. As the season matures, however, the potential for lasting fundamental shifts in supply and demand are diminished, and so too is the potential impact on price. The EIA recently highlighted that the Marcellus is humming along nicely, with the State of Pennsylvania achieving record production of 15 Bcf/day last month, marking a 25% jump from a year prior, and that figure also marks a staggering 80% increase since January of 2013, with the state now producing just shy of one-fifth of total US production (according to the EIA). The state has already issued 1,447 drilling permits this year, more than the 1,371 issued for all of 2016, and while rig counts averaged 20 over the course of 2016, the average daily rig count for this year has been higher at 33 rigs, according to data from Baker Hughes. With additional takeaway capacity out of the region slated to continue to come online over the next year, production growth should continue.

NYMEX NG 240-MIN CHART 10/30/2017 - 11/06/2017



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