



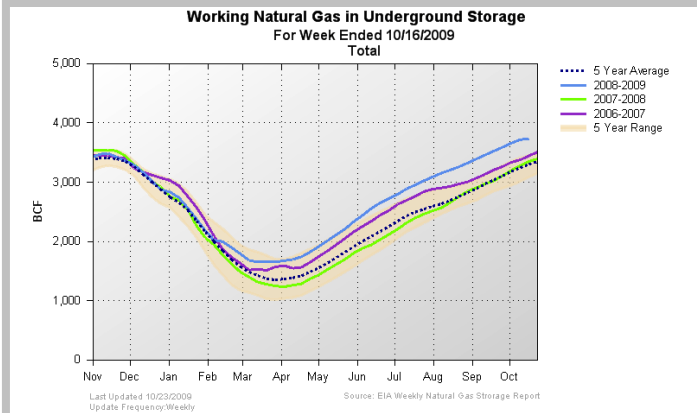
### NATURAL GAS

- ◆ Natural gas futures finished lower yesterday, sliding on profit-taking and abundant supplies after a modest build in inventories brought U.S. gas stocks to a new record level. November natural gas settled down 15.3 cents at 4.947.
- ◆ Gas prices were up briefly following a slightly lower than expected storage injection. For the week ended October 16, the EIA reported an 18 BCF build, 1 BCF lower than expected. Total gas in storage now stands at 3.734 TCF, 397 BCF above last year and 432 BCF above the 5 yr avg.
- ◆ Cold weather in the major gas-consuming regions over the next two weeks may provide support with increases in heating demand, however, long-term winter forecasts remain mixed. Private forecaster, Frontier Weather is predicting below-normal temps in the Midwest from Oct. 27 to Oct. 31 but above-normal temps in New England. From Nov. 1 to Nov. 5, colder-than-normal temperatures are expected in the Plains through most of the East.
- ◆ Natural gas has traded both sides of flat this morning as traders weigh record storage levels against a weather forecast that points to lower temps in the Midwest and Northeast in the coming weeks.

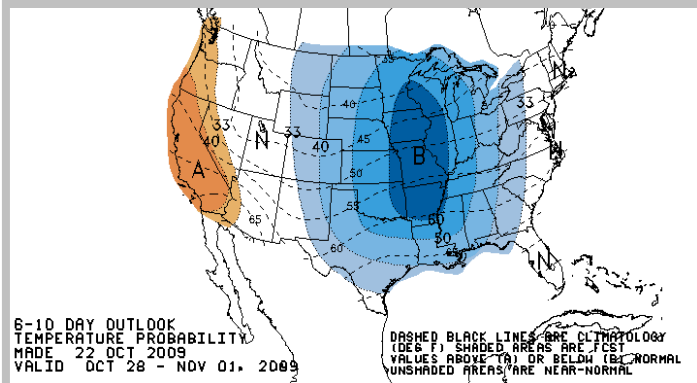
### CRUDE OIL

- ◆ Oil prices fell from 1 year highs early Thursday amid strengthening in the dollar and weaker equity markets. Crude settled at down on 18 cents on the day at 81.19.
- ◆ China reported its gross domestic product grew 8.9% in the 3rd quarter, below expectations of 9.1%. China's refinery processing rates continue at a strong pace with Sep crude runs reported at a new record high of 8 mbd.
- ◆ Crude also fell on speculation that OPEC will increase production after their December meeting to keep prices in a \$75-\$80 range.
- ◆ The number of new jobless benefits rose more than expected last week after falling 5 of the past 6 weeks. The 4 week average of claims fell slightly to the lowest level since mid-January.
- ◆ Crude is unchanged this morning as it looks for direction after yesterday's lower close. The dollar is trading flat holding close to 14 month lows.

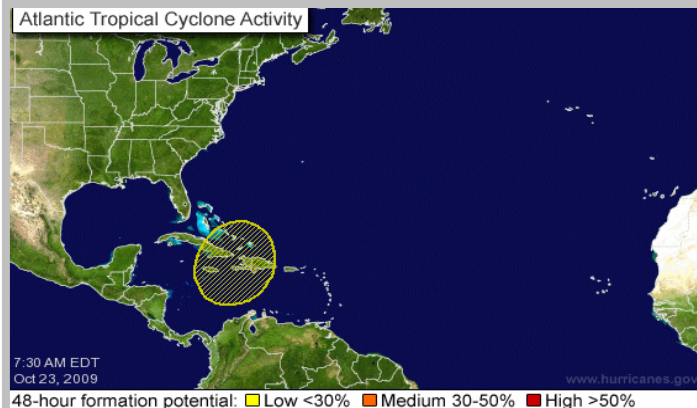
### EIA WEEKLY NATURAL GAS STORAGE



### NWS 6-10 DAY TEMPERATURE FORECAST



### NO TROPICAL ACTIVITY



### EIA WEEKLY PETROLEUM STOCKS

As of 10/16/09  
(Million Barrels)

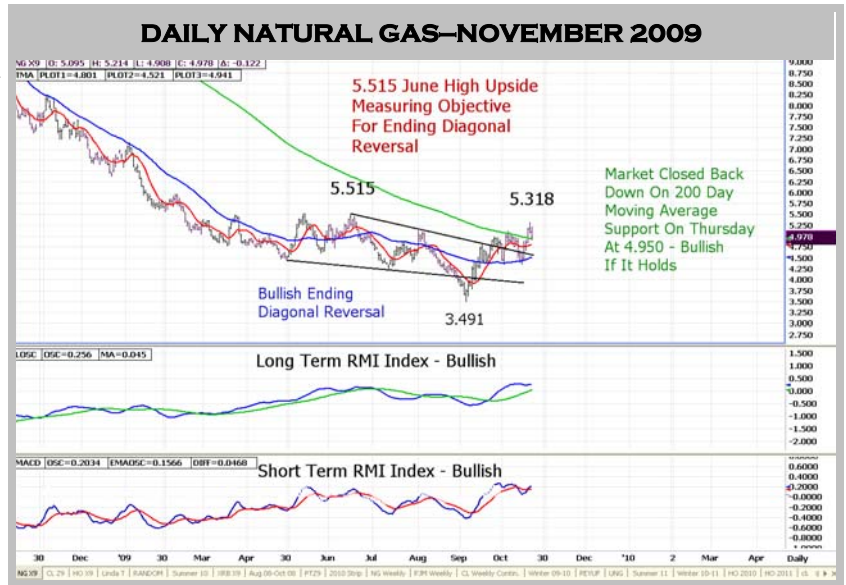
	Total Stocks	Change From Last Week	Change From Last Year
Crude Oil	339.1	1.3 ↑	27.7 ↑
Gasoline	207.0	(2.2) ↓	10.5 ↑
Distillate	169.9	(0.8) ↓	45.6 ↑
Propane	71.6	(1.3) ↓	10.5 ↑



## NATURAL GAS

- ◆ November natural gas sold off for a second day on Thursday as the contract lost .153 to settle at 4.947.
- ◆ Yesterday's settle came right on top of an important support area at 4.940-4.950. This is the 200 day moving average (green line). If this support can hold in early trade today, the market should reverse back higher in retest of this week's 5.318 high.
- ◆ If the contract instead closes under 4.940-4.950, the next key support to watch will become the upper trendline of the ending diagonal pattern currently near the 4.600 level.
- ◆ As long as the market holds over 4.600, the ending diagonal reversal pattern remains viable. The upside measuring objective for this pattern comes in at the 5.515 June high.

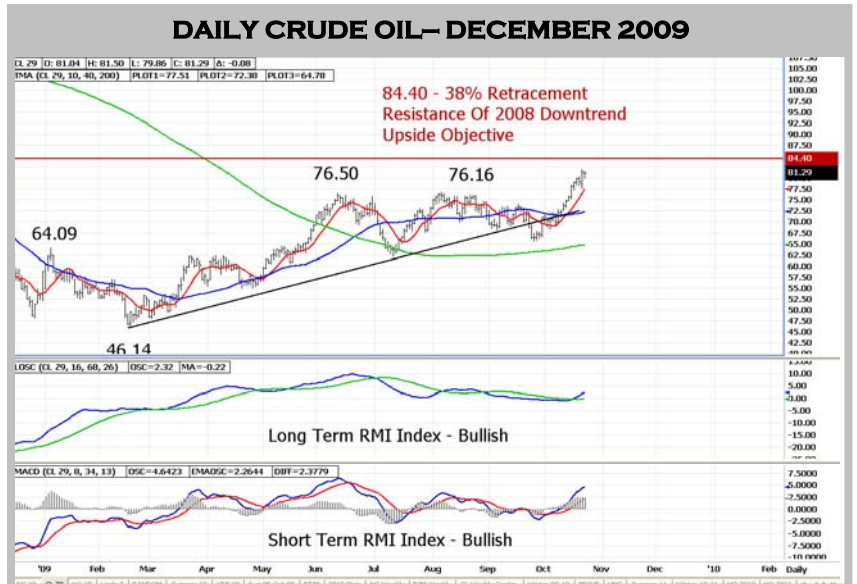
- ◆ Technical Indicators:  
 Moving Average Alignment - Neutral-Bullish  
 Long Term RMI Index - Bullish  
 Short Term RMI Index - Bullish



## CRUDE OIL

- ◆ December crude oil traded flat on Thursday holding in a fairly narrow sub-2.00 daily trading range to settle the session at 81.22, down .15. A potentially bearish inside range (doji cross Japanese candlestick) was also posted.
- ◆ The primary trend remains bullish with resistance today beginning at Wednesday's 82.00 high followed by 84.40 which is the 38% retracement resistance of the 2008 downtrend.
- ◆ Downside support for today comes in at yesterday's 79.86 intraday low followed by the 10 day moving average (red line) currently at 77.50. Key long term support rests at 76.00-76.50 which were previous 2009 highs dating back to last May. A close under 76.00 and the trend may turn back lower.

- ◆ Technical Indicators:  
 Moving Average Alignment- Bullish  
 Long Term RMI Index - Bullish  
 Short Term RMI Index - Bullish



# DAILY FORWARD ENERGY PRICES

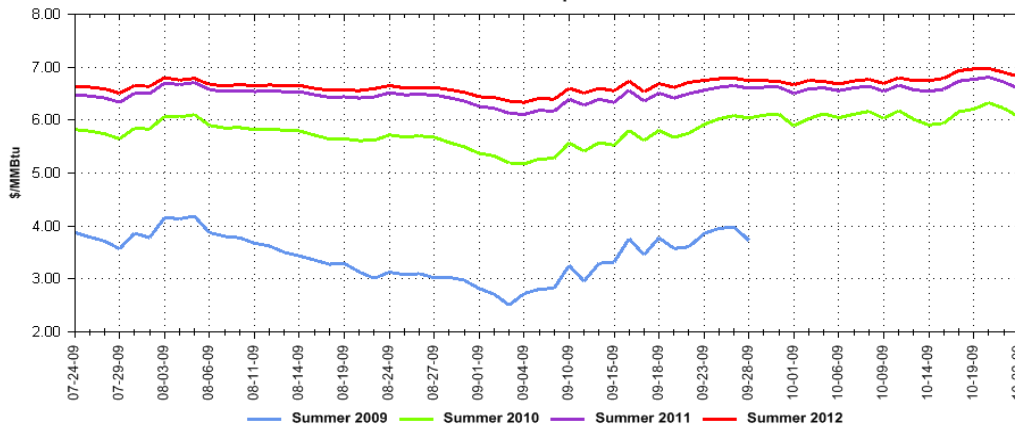
		NOV	DEC	JAN	FEB	MAR	APR	BAL `09	2010	2011	
<b>NYMEX FUTURES</b>	<b>Natural Gas</b>	Close	4.947	5.617	5.921	5.976	5.913	5.872	5.282	6.166	6.848
		Daily Change	(0.153)	(0.176)	(0.157)	(0.164)	(0.154)	(0.165)	(0.165)	(0.158)	(0.127)
	<b>Crude Oil</b>	Close	-	81.19	81.84	82.48	82.99	83.42	81.19	84.19	87.04
		Daily Change	-	(0.18)	(0.12)	(0.10)	(0.07)	(0.05)	(0.18)	(0.05)	(0.02)
	<b>Heating Oil</b>	Close	2.0946	2.1243	2.1562	2.1774	2.1897	2.1955	2.1095	2.2375	2.3808
		Daily Change	(0.0107)	(0.0103)	(0.0092)	(0.0082)	(0.0071)	(0.0058)	(0.0105)	(0.0057)	(0.0043)
	<b>RBOB</b>	Close	2.0442	2.0555	2.0771	2.0991	2.1215	2.2424	2.0499	2.1800	2.2428
		Daily Change	(0.0101)	(0.0099)	(0.0104)	(0.0102)	(0.0095)	(0.0093)	(0.0100)	(0.0071)	(0.0038)
<b>NATURAL GAS BASIS</b>	<b>AECO</b>	Close	(0.10)	(0.25)	(0.25)	(0.25)	(0.25)	(0.43)	(0.17)	(0.40)	(0.56)
		Daily Change	0.05	0.01	0.01	0.01	0.01	0.02	0.03	0.02	0.00
	<b>PG&amp;E Citygate</b>	Close	0.61	0.53	0.31	0.29	0.29	0.32	0.57	0.33	0.23
		Daily Change	(0.17)	(0.09)	(0.02)	(0.03)	(0.03)	(0.06)	(0.13)	(0.01)	0.00
	<b>Panhandle-OK</b>	Close	(0.12)	(0.14)	(0.24)	(0.25)	(0.28)	(0.40)	(0.13)	(0.35)	(0.51)
		Daily Change	(0.01)	(0.01)	(0.02)	(0.01)	0.00	(0.02)	(0.01)	(0.01)	0.00
	<b>Chicago Citygate</b>	Close	0.29	0.27	0.27	0.24	0.09	0.06	0.28	0.10	0.05
		Daily Change	(0.02)	(0.01)	(0.01)	(0.01)	0.00	0.01	(0.02)	0.00	0.01
	<b>TETCO M3</b>	Close	0.50	1.05	1.88	1.82	0.84	0.43	0.77	0.76	0.76
		Daily Change	(0.01)	(0.02)	(0.05)	(0.01)	(0.03)	(0.01)	(0.01)	(0.02)	(0.01)
<b>OTC ON-PEAK ELECTRICITY</b>	<b>NP-15</b>	Close	55.00	57.50	58.00	56.75	56.75	55.75	56.25	61.05	67.51
		Daily Change	(1.75)	(2.75)	(1.50)	(1.25)	(1.25)	(1.25)	(2.25)	(0.95)	(1.25)
	<b>SP-15</b>	Close	52.50	55.75	55.75	54.50	54.50	54.25	54.13	59.11	66.01
		Daily Change	(1.75)	(1.75)	(1.50)	(1.25)	(1.25)	(1.25)	(1.75)	(1.32)	(1.25)
	<b>ERCOT - SC</b>	Close	38.96	42.83	45.74	46.16	52.03	51.67	40.89	54.78	61.45
		Daily Change	(0.18)	(0.91)	(0.64)	(0.68)	(0.48)	(0.58)	(0.55)	(0.74)	(0.45)
	<b>NI Hub</b>	Close	34.13	37.88	44.63	44.63	42.44	42.44	36.01	43.88	46.05
		Daily Change	(0.75)	(0.68)	(1.06)	(1.06)	(0.69)	(0.69)	(0.71)	(1.04)	(0.97)
	<b>Cinergy</b>	Close	34.33	38.17	44.67	44.67	44.50	42.50	36.25	45.16	48.65
		Daily Change	(1.67)	(0.79)	(1.12)	(1.12)	(0.50)	(1.00)	(1.23)	(1.19)	(0.83)
	<b>PJM West Hub</b>	Close	46.42	51.21	60.04	60.04	57.50	54.50	48.81	60.23	64.47
		Daily Change	(0.89)	(1.15)	(1.44)	(1.44)	(1.00)	(1.50)	(1.02)	(1.53)	(1.30)
<b>Mass Hub</b>	Close	51.57	61.97	73.93	73.93	63.82	63.82	56.77	67.04	72.94	
	Daily Change	(0.91)	(1.22)	(2.10)	(2.10)	(1.26)	(1.26)	(1.06)	(1.61)	(1.24)	



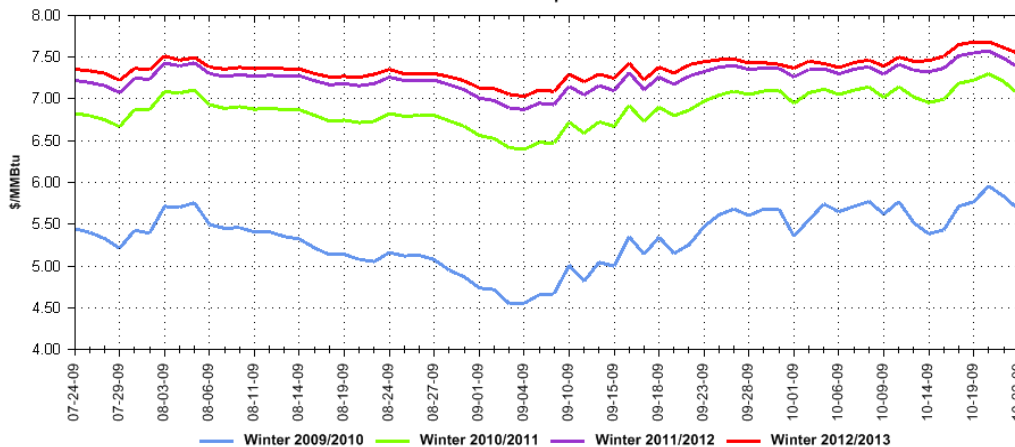
# DAILY OPTION STRIP PRICES

	STRIP PERIOD	WINTER 2009/2010	SUMMER 2010	WINTER 2010/2011	SUMMER 2011	WINTER 2011/2012	SUMMER 2012	WINTER 2012/2013	SUMMER 2013
	SETTLEMENT	\$5.67	\$6.06	\$7.06	\$6.60	\$7.38	\$6.82	\$7.54	\$6.96
<b>CALLS</b>	5.00	0.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	5.50	0.55	1.08	0.00	0.00	0.00	0.00	0.00	0.00
	6.00	0.35	0.84	1.55	1.23	0.00	0.00	0.00	0.00
	6.50	0.22	0.64	1.29	1.00	1.55	1.16	0.00	1.27
	7.00	0.14	0.49	1.06	0.81	1.31	0.96	1.44	1.07
	7.50	0.08	0.37	0.88	0.65	1.10	0.79	1.24	0.91
	8.00	0.05	0.29	0.72	0.52	0.93	0.65	1.07	0.77
	9.00	0.02	0.17	0.49	0.34	0.67	0.44	0.78	0.55
	10.00	0.01	0.10	0.35	0.23	0.49	0.30	0.59	0.40
	11.00	0.00	0.06	0.25	0.16	0.36	0.22	0.45	0.29
12.00	0.00	0.04	0.18	0.11	0.27	0.16	0.36	0.23	
	STRIP PERIOD	WINTER 2009/2010	SUMMER 2010	WINTER 2010/2011	SUMMER 2011	WINTER 2011/2012	SUMMER 2012	WINTER 2012/2013	SUMMER 2013
	SETTLEMENT	\$5.67	\$6.06	\$7.06	\$6.60	\$7.38	\$6.82	\$7.54	\$6.96
<b>PUTS</b>	3.00	0.00	0.01	0.01	0.01	0.00	0.00	0.00	0.00
	3.50	0.01	0.04	0.02	0.03	0.03	0.00	0.00	0.00
	4.00	0.02	0.09	0.05	0.08	0.06	0.08	0.00	0.09
	4.50	0.06	0.19	0.11	0.16	0.12	0.16	0.13	0.16
	5.00	0.17	0.33	0.20	0.28	0.21	0.27	0.22	0.28
	5.50	0.38	0.52	0.33	0.44	0.33	0.42	0.34	0.43
	6.00	0.68	0.77	0.51	0.65	0.50	0.62	0.50	0.62

Summer Strips



Winter Strips



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