



It Was Fun for The Bulls While It Lasted

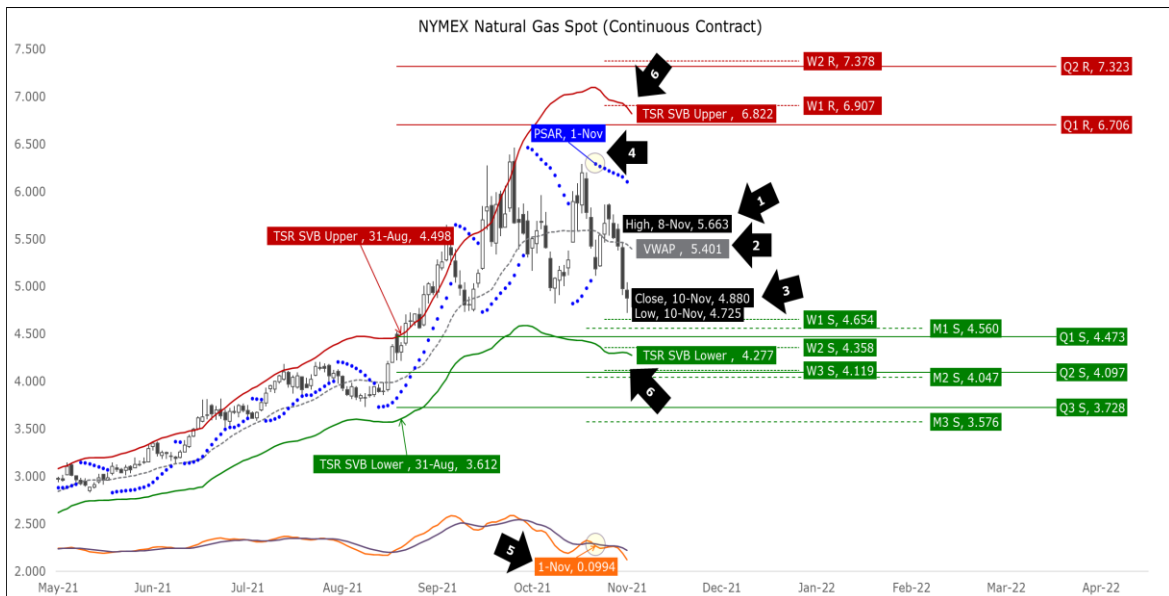
Since the roll at the end of last November, NYMEX Henry Hub natural gas futures for December 2021 rallied from a \$2.749/MMBtu low to a ten-year high of \$6.593/MMBtu, a trough-to-peak rally of \$38,440 per contract!

Over the last five weeks, the market has corrected from that \$6.593/MMBtu high to yesterday's \$4.275/MMBtu low. A loss of \$23,180 per contract. This market is clearly not for the faint of heart.

For the last five sessions on the NYMEX, December gas peaked on Monday at \$5.663/MMBtu (arrow 1) but broke through 20-day VWAP (arrow 2). Yesterday, the market bottomed within 7.1 cents of our initial support for the week of \$4.654/MMBtu (arrow 3) and settled \$0.79/MMBtu (13.9%) below the previous Wednesday's close at \$4.880/MMBtu.

Our two favorite technical indicators, the parabolic SAR (arrow 4) and the MACD (arrow 5) turned bearish at the start of this month.

Looking ahead to next Wednesday, November 17th, per the November 10th \$4.880/MMBtu close, our weekly resistance levels are \$5.600/MMBtu, \$5.744/MMBtu, and \$6.056/MMBtu. The weekly support targets are \$4.253/MMBtu, \$4.146/MMBtu, and \$3.932/MMBtu. Our initial monthly resistance/support targets are \$8.436/MMBtu and \$4.560/MMBtu, respectively.



Injections are closing out the season in impressive fashion.

Injections of natural gas into L48 underground storage are rallying. Two months ago, in a best-case scenario, the market was on pace to finish the season with 3.558 Tcf. Yesterday, storage hit 3.618 Tcf and the early consensus for next week is yet another injection, this one in the mid-20s Bcf.