

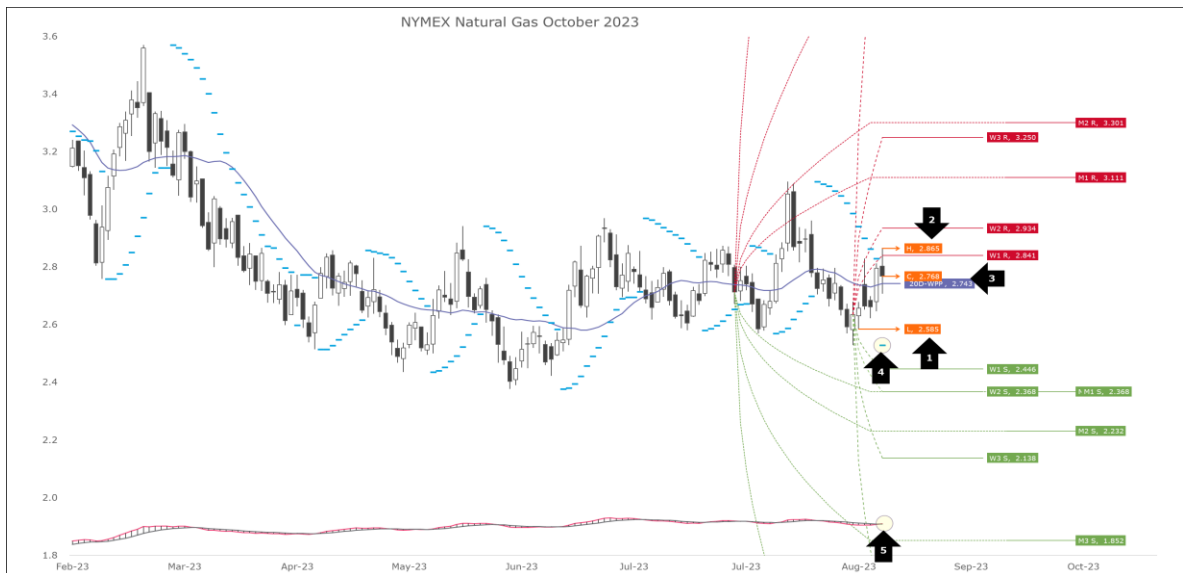


## Do Bulls Have Staying Power?

After a dismal couple of weeks—in a year with a plethora of dismal weeks—NYMEX Henry Hub gas moved higher this week. The contract for October 2023 delivery rallied from last Friday's \$2.585 per MMBtu low (arrow 1) to today's \$2.865 high (arrow 2). This week's high was also \$0.024 above our \$2.841 initial monthly resistance W1 R. The contract finished today at \$0.025 above the 20-day weighted pivot price (\$2.743) at \$2.768 (arrow 2).

Today our two favorite technical indicators, the Parabolic SAR (arrow 4) and the MACD (arrow 5) turned bullish. Therefore, **we will switch our neutral bias to bullish**. We shall see if the bulls can keep the pressure on.

Looking ahead to next Thursday (September 7<sup>th</sup>) for October futures, based on today's \$2.768 close, our four weekly upside targets are \$2.989, \$3.091, \$3.434, and \$4.533. Our support levels are \$2.563, \$2.479, \$2.231, and \$1.690. The monthly targets on the upside are \$3.111, \$3.301, \$3.978, and \$6.511. On the downside, we are looking at \$2.368, \$2.232, \$1.852, and \$1.131.



## L48 Storage... drip, drip, drip.

Today the EIA reported the 21<sup>st</sup> injection of gas into L48 underground storage. A disappointing 32 Bcf was added. The typical injection for this update is 55 ±16 Bcf so last week's addition was well below normal. In fact, injections have come in below normal in four of the past six weeks. As of Friday, August 25<sup>th</sup>, storage rose to 3.083 Tcf. The market is on pace to finish the season at ≈3.87 Tcf. The EIA's latest forecast is 3.85 Tcf.