



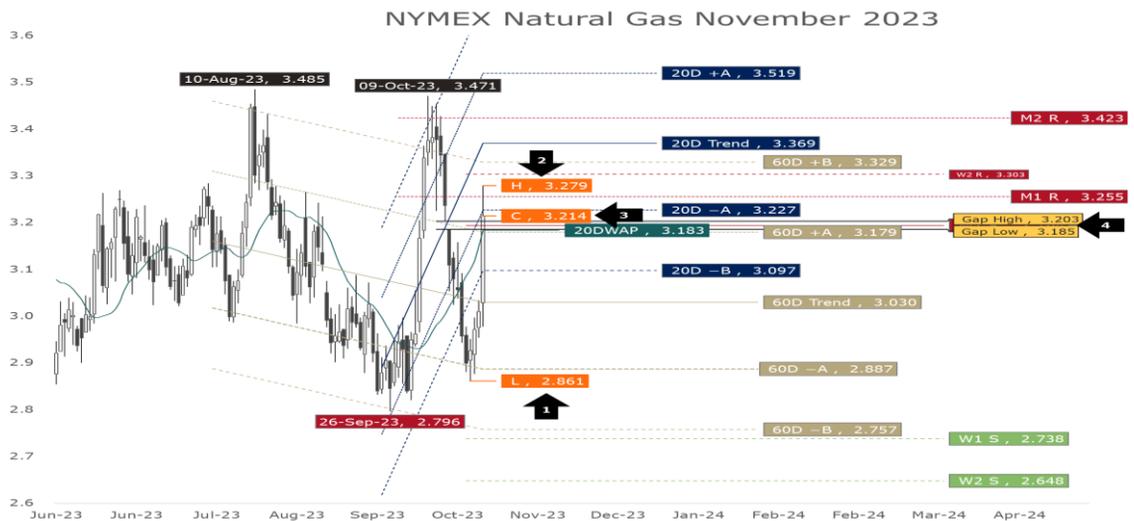
## Just When It Appeared the Bulls Were Dead...They Close the Gap

At the start of this week, spot NYMEX Henry Hub natural gas futures for November delivery bottomed below our lower innermost limit (\$2.887 per MMBtu) in the 60-day bearish channel at \$2.861 per MMBtu (arrow 1). Today, in the wake of the weekly storage update from EIA, the contract rocketed higher to a \$3.279 per MMBtu high (arrow 2). In the process, the market closed last week's gap from \$3.185 to \$3.203 (arrow 4) and ended up settling within 1.3 cents of our upper innermost limit (\$3.227) in the 20-day bullish channel at \$3.214 per MMBtu.

The Parabolic SAR and the MACD each flipped back to bullish this week. **Thus, we will switch our bearish bias to neutral.**

Looking ahead to next Thursday (November 2<sup>nd</sup>) in the market for **December 2023** delivery, based on today's \$3.477 per MMBtu settlement, our support targets for the week are \$3.269, \$3.183, \$2.926, and \$2.342. The resistance targets are \$3.698, \$3.798, \$4.132, and \$5.162. The monthly targets are \$3.036, \$2.932, \$2.628, and \$1.966 for support, and \$3.565, \$3.691, \$4.120, and \$5.504.

The trendline in the 60-day bearish channel is \$3.314 and the trendline in the 20-day bearish channel is \$3.416.



## L48 Storage ... one week after a whopper, the EIA serves up a dud.

Today, the EIA reported the 29<sup>th</sup> addition of natural gas into L48 underground storage. A net of 74 Bcf of gas was injected, which is as normal as can be for this part of the season. However, the number was on the lower end of the consensus guess. As of October 20<sup>th</sup>, storage was 3.700 Tcf and the current rate of injections are on pace to finish the season around 3.822 Tcf (up slightly from last week).