



Gas Plumbing a Three-Year Low

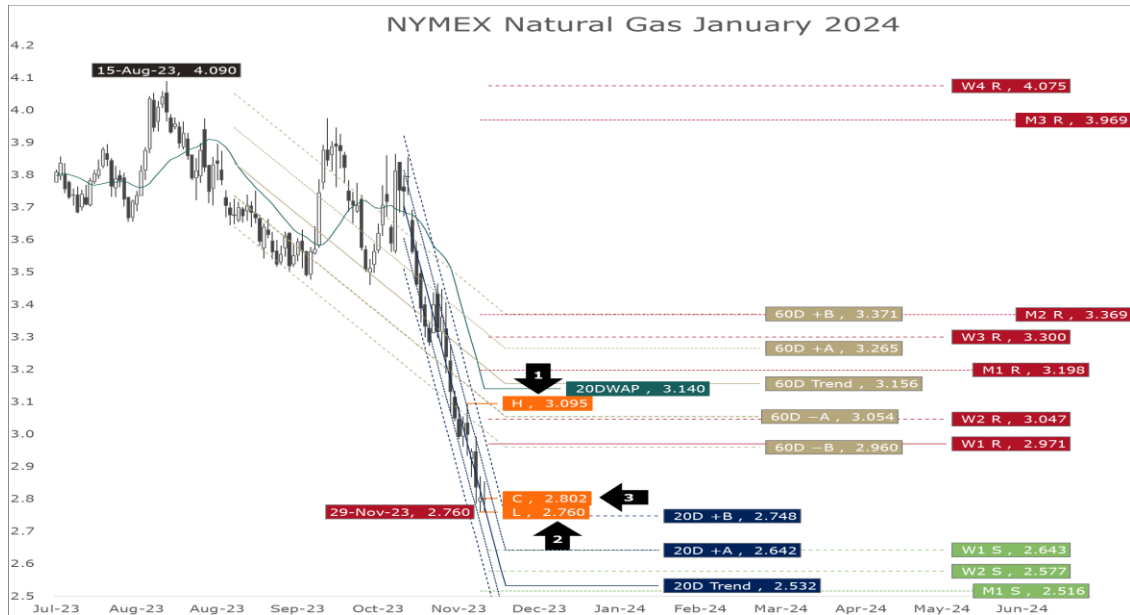
Over the past five days, spot NYMEX gas for January 2024 delivery peaked at \$3.095 per MMBtu (arrow 1), bottomed at the lowest low since the 2020 winter solstice, \$2.760 per MMBtu (arrow 2), and finished today at \$2.802 per MMBtu.

It is safe to say that our favorite technical indicators—*Parabolic SAR* and *MACD*—are supremely bearish, as is the volume-weighted 20-day moving average.

Thus, we will maintain our directional bias at bearish for a fourth straight week.

Looking ahead to next Thursday (December 7th), based on today's \$2.802 per MMBtu settlement in the January market, our support targets for the week are \$2.643, \$2.577, \$2.379, and \$1.927. The weekly resistance levels are \$2.971, \$3.047, \$3.300, and \$4.075.

The trendline through next week in the 20-day bearish channel is \$2.532 and the trendline in the 60-day bearish channel is \$3.156. The 20-day volume-weighted average price as of today is \$3.140.



L48 Storage... rare late-season addition.

The EIA has reported an injection of natural gas into L48 underground storage in 32 of the past 34 weeks. As of last Friday, November 24th, inventories rose by 10 Bcf to 3.836 Tcf. Yesterday's report was bearish. The typical movement for this point in the season is a 29 ±8 Bcf withdrawal. The market has now replaced 111% of last winter's delivery with 2.006 Tcf added to storage this season. The typical withdrawal for next week is a delivery of 64 ±17 Bcf.