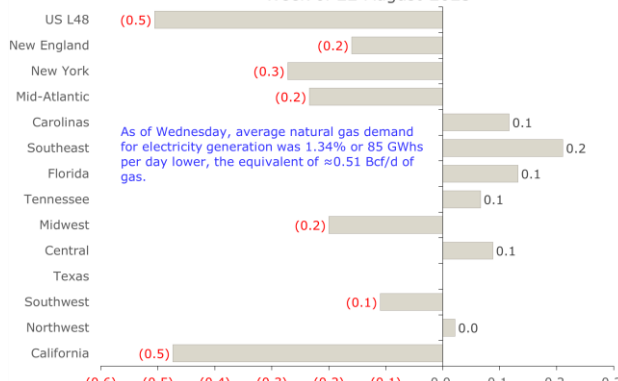


NOAA: What hope do gas bulls have?

Natural Gas Demand for Electric Generation  
Week of 22-August-2025



As of Wednesday, average natural gas demand for electricity generation was 1.34% or 85 GWhs per day lower, the equivalent of  $\approx 0.51$  Bcf/d of gas.

**Nota Bene:** As of Wednesday, electricity generation fell by 0.9% to 13,754 GWhs. Gas's share of the stack fell w/w by 0.23 percentage points to 45.28%.

## Omnium Gatherum

PRICES WERE FIRM YESTERDAY... spot NYMEX gas rallied off consecutive ten-month lows following a weaker than expected storage update from the EIA. October WTI rallied off the bottom of the Fibonacci Zone.

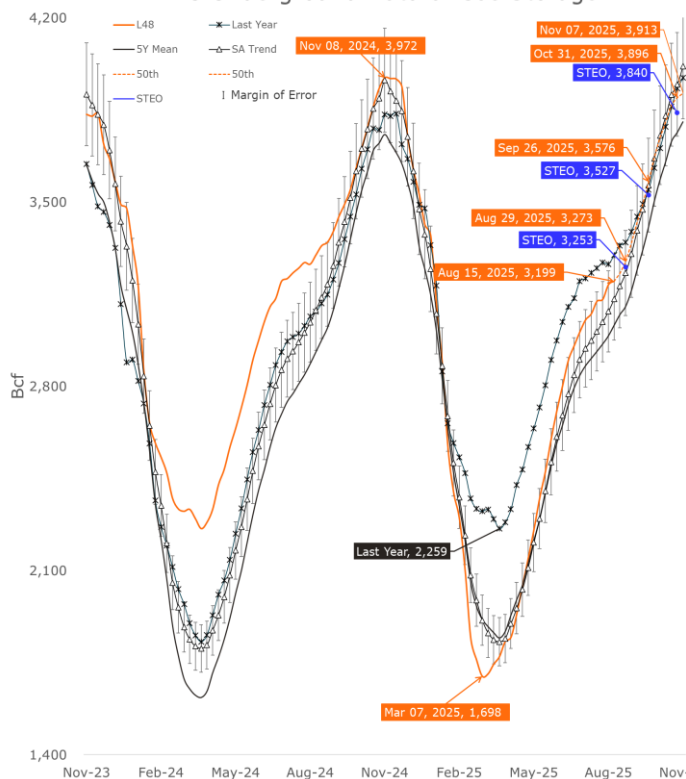
## What We Are Watching

Yesterday's EIA report on L48 underground natural gas storage showed a much smaller than expected injection of 13 Bcf—the third smallest injection since the season began last March. To put this into context: For the middle of August, we typically see a  $45 \pm 18$  Bcf injection. Our estimate was outside of the range at 24 Bcf. The mean estimate on the Reuters' survey was 22 Bcf.

Inventories now stand at 3.199 Tcf. The surplus to our seasonally adjusted model narrowed from 102 Bcf to 67 Bcf, and the deficit to a year ago moved from a 29-week low of 78 Bcf to 100 Bcf. Season-to-date additions total 1.501 Tcf—one of the largest refills on record—despite significant cooling demand through the first half of this summer.

Following yesterday's update, we revised our end-of-season projections. Refills typically last into early November, and at the current rate, storage is on track to end the season around 3.913 Tcf. Should winter arrive early, our lower case is 3.838 Tcf, and if winter is tardy, our upper case is 4.015 Tcf.

EIA L48 Underground Natural Gas Storage

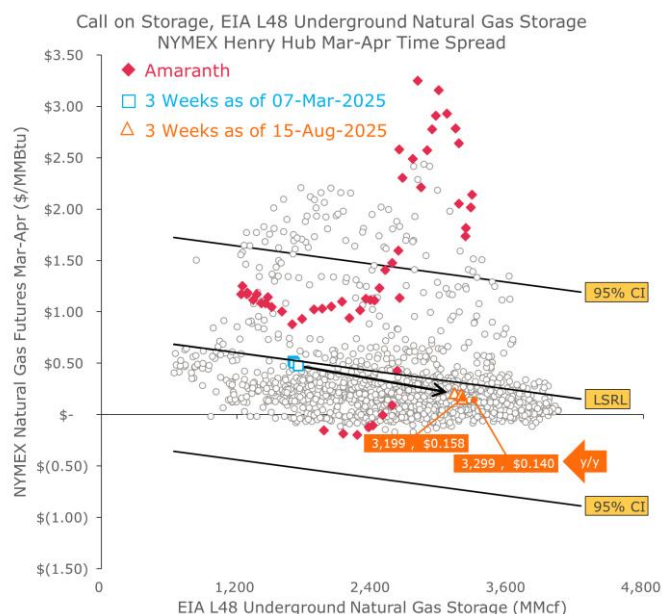
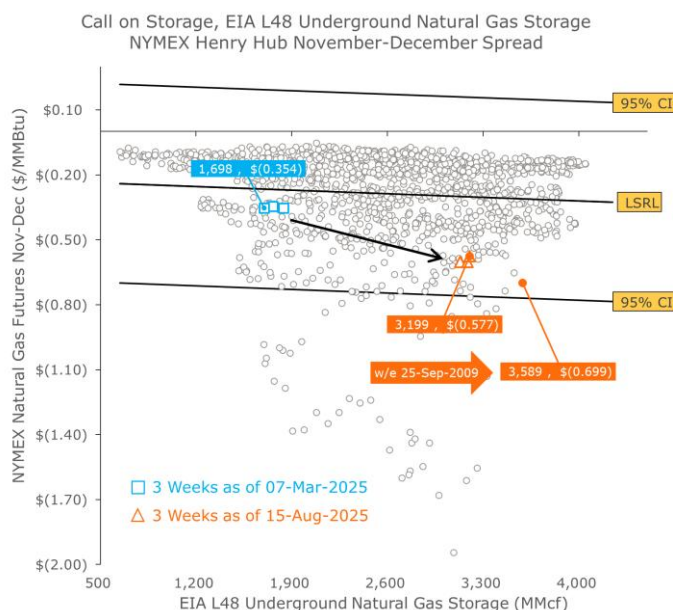
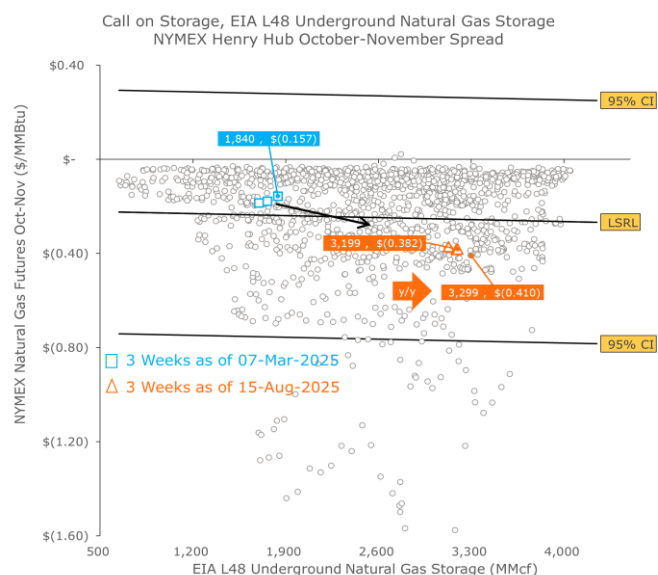


As of Wednesday (see next page), cooling demand is mixed this week. Temperatures eased week-on-week across the northern latitudes, while southern regions saw warmer conditions.

Average natural gas demand for electricity generation was 1.34% or 85 GWhs per day lower, the equivalent of  $\approx 0.51$  Bcf/d of gas. Gas's share of the power stack eased by 0.23 percentage points off an 11-month high to

45.3%. The normal injection for next Thursday's report is  $45 \pm 19$  Bcf. Our preliminary estimate is shaded towards the lower end of that range at 30 Bcf.

NOAA Weather Observation Top 10 States (Metro Areas) Summer Gas Electric Generation Week Of Wednesday, August, 20, 2025						
	Mean °F	W/W Δ °F	± Normal °F	Degree Days	W/W Δ	± Mean
Dallas, TX	88.6	1.2	1.3	119	6	6
Miami, FL	86.5	4.4	2.3	109	24	9
Philadelphia, PA	75.9	(1.7)	(0.9)	56	(9)	(9)
Los Angeles, CA	71.1	2.1	0.2	32	11	(4)
NYC, NY	72.2	(2.0)	(2.8)	38	(9)	(20)
Atlanta	82.9	2.9	2.7	91	15	11
Birmingham, AL	85.2	4.4	4.2	103	22	22
Cleveland, OH	73.6	(4.9)	0.6	45	(23)	8
D.C. VA	75.9	2.4	0.1	56	13	0
Phoenix, AZ	96.7	(5.2)	2.4	160	(26)	9



NYMEX Henry Hub Term Structure (as illustrated):

- Oct-25/Nov-25: Mean  $-\$0.382$ ; downside bias, moderate vol.
- Nov-25/Dec-25: Mean  $-\$0.577$ ; downside bias, with limited upside.
- Mar-26/Apr-26: Mean  $+\$0.158$ , downside bias, high volatility  $\sigma$  (0.54); weather-beta optionality.

The market votes "heavy front." Winter is not tight, but remains convexity-sensitive.

With strong storage refills and a bearish weather [forecast](#) into early September, NYMEX gas has been in freefall over the past two weeks. On Wednesday, the September 2025 contract bottomed at  $\$2.752$ —its season-to-date and effective life-of-contract low. The market is now testing whether bulls can defend this level.

