Technical Signals Flip Bullish in Front of the Curve

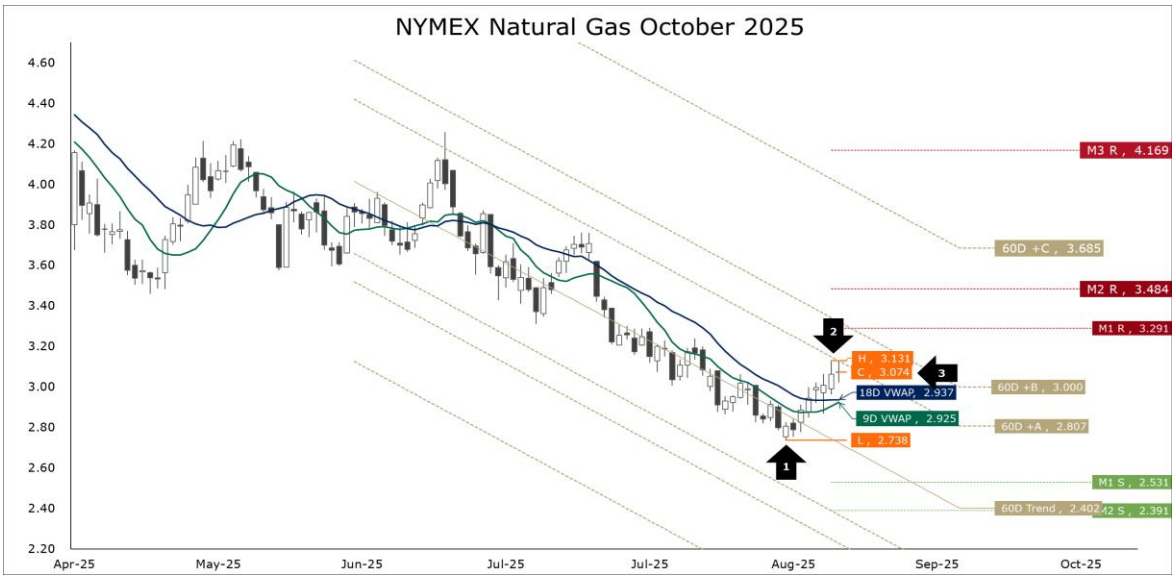
The front of the NYMEX curve is in its typical seasonal technical rally—we will have more to say on this topic in next Thursday's Market View.

Henry Hub for October 2025 delivery peaked this summer on the solstice (June 20th) at $4.258. Between then, and August 22nd, the market settled lower in three out of every five sessions, bottoming at $2.738 (arrow 1). The contract has now settled higher in seven of the last eight sessions, peaking yesterday at $0.001 above our upper-inner envelope ($3.130) at $3.131 (arrow 2). The market finished today at $3.074 (arrow 3).

Last week, our preferred technical indicators—Parabolic SAR, MACD, Stochastic, and CMF—all flipped bullish. Furthermore, the moving average crossover appears on the verge of turning bullish (i.e., the 9-day average crossing above the 18-day average).

For the week ahead, the bears' next line of resistance is the upper-middle envelope of the 60-day trend at $3.222, and the bull's first line of support is the lower of 18-day and 9-day moving averages, $2.937 and $2.925, respectively (as of today).

Stay sharp. Hedge with confidence.



EIA gas storage build strong; projections hold steady into winter.

Today's EIA update on L48 underground natural gas storage was solid. Last week, a net of 55 Bcf was injected—the second largest refill of the summer. For the end of August, just ahead of Labor Day, the seasonal norm is a 45 ± 19 Bcf injection. The report came in at market expectations with market surveys clustered in the mid-50s. For next Thursday's EIA report, the seasonal norm is a 66 ± 18 Bcf injection. Our preliminary estimate is 73 Bcf. Refills typically last into early November. After the latest update, our end-of-season projection is virtually unchanged at 3.926 Tcf. Should heating demand arrive early, our lower-case is 3.835 Tcf, while a late start points to 3.985 Tcf. The chance of topping 4.0 Tcf this year improved modestly from 1 in 250 to 1 in 200.