

MARKET UPDATE



David Bruce, PH: 630-677-9899, email: dbruce@degi.biz

Market News

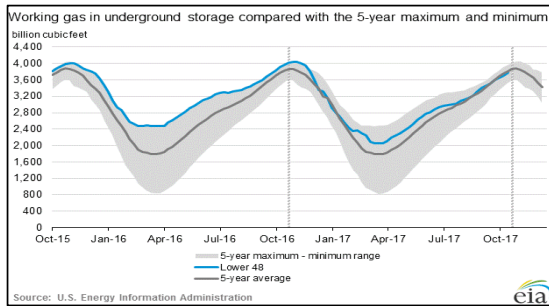
Market Recap - Natural gas spot prices fell at most locations this report week (Wednesday, October 25 to Wednesday, November 1). The Henry Hub spot price fell from \$2.93 per million British thermal units (MMBtu) last Wednesday to \$2.64/MMBtu yesterday. At the New York Mercantile Exchange (Nymex), the November 2017 contract expired Friday at \$2.752/MMBtu. The December 2017 contract price decreased to \$2.893/MMBtu, down 19¢ Wednesday to Wednesday.

Storage Report - Working gas in storage was 3,775 Bcf as of Friday, October 27, 2017, according to EIA estimates. This represents a net increase of 65 Bcf from the previous week. Stocks were 180 Bcf less than last year at this time and 41 Bcf below the five-year average of 3,816 Bcf.

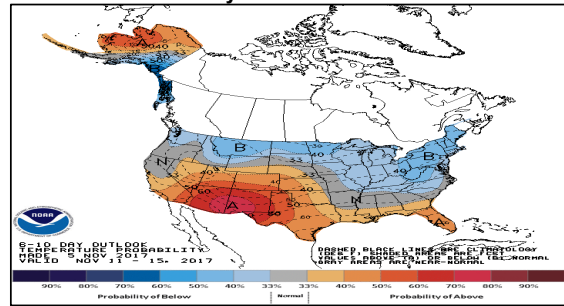
Word on the Street - December Henry natural gas gapped up and was higher overnight due to short covering as it consolidates some of the decline off September's high. Stochastics and the RSI are turning neutral to bullish signaling that a low might be in or is near. Closes above the 20-day moving average crossing at 3.054 would confirm that a short-term low has been posted.

Observations - EIA forecasts that average household expenditures for all major home heating fuels will rise this winter because of expected colder weather and higher energy costs. Average increases vary by fuel, with natural gas expenditures forecast to rise by 12%, home heating oil by 17%, electricity by 8%, and propane by 18%. Most of the increase reflects expected colder weather rather than higher energy costs. A warmer-than-forecast winter would see lower increases in expenditures, and a colder-than-forecast winter would see higher increases in expenditures.

Inventories



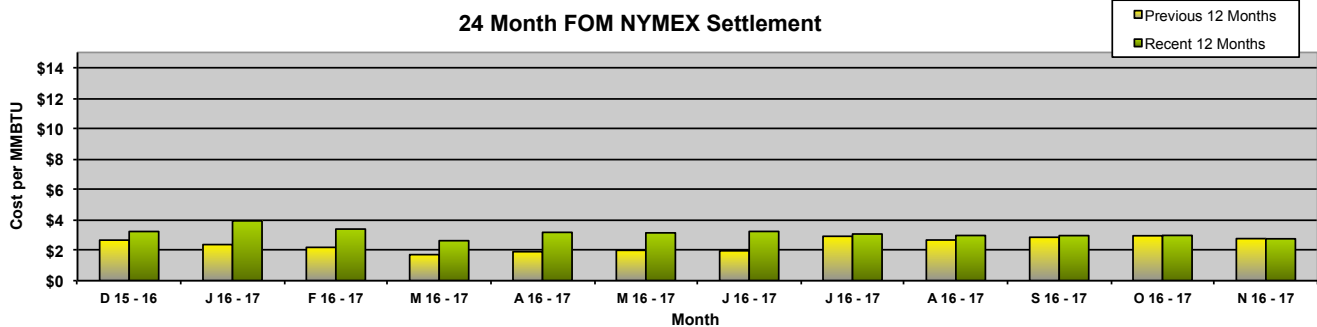
6-10 Day Forecast



Source: EIA			Updated - 11/06/2017 2:00 PM EST		Source: NWS	
Month	Last Price	Change			Summer / Winter	
Dec-17	\$3.09	0.15			Dec -17 - March 18	\$3.20
Jan-18	\$3.18	0.14			April 18 - Oct 18	\$2.97
Feb-18	\$3.18	0.13			Nov 18 - March 19	\$3.18
Mar-18	\$3.15	0.12			Strip Prices	
Apr-18	\$2.95	0.06			3 Month	\$3.15
May-18	\$2.92	0.05			6 Month	\$3.08
Jun-18	\$2.94	0.05			9 Month	\$3.04
Jul-18	\$2.98	0.05			1 Year	\$3.03
Aug-18	\$2.99	0.04			2 Year	\$2.99
Sep-18	\$2.96	0.04			3 Year	\$2.95
Oct-18	\$2.98	0.04				
Nov-18	\$3.04	0.04				

Source: Nymex

24 Month FOM NYMEX Settlement



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