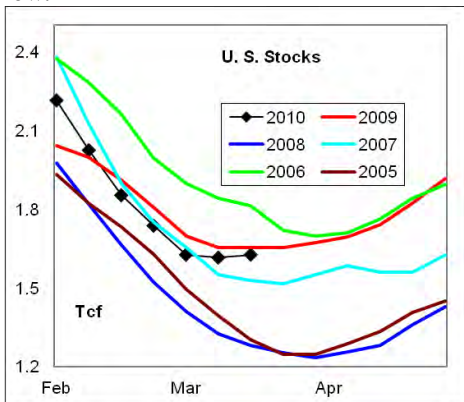




**Summary**<sup>1</sup> Stocks increased +11 Bcf last week, a record build for this time of year. Heating degree days were -23% below normal, the 2nd consecutive weekly 5-year low.



In the East Region stocks declined -10 Bcf, which was a record low draw for the week. The +2 Bcf build in the West Region was a build above the mid range. The stock build of +19 Bcf in the Producing Region was above average for the week.

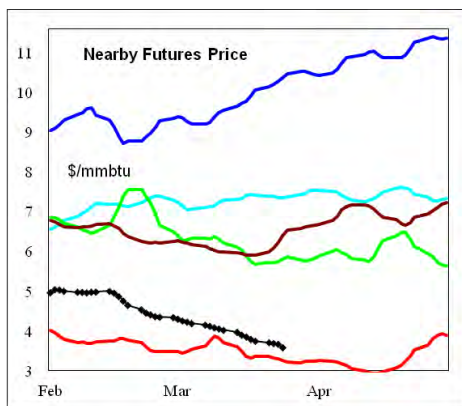
Heating degree days were -29% below normal in the East Region, -20% below normal in the West Region and +21% above normal in the Producing Region for the week ending March 20th.

**Heating degree days** were -23% below normal for the week ending March 20th and forecast to be -15% below normal for the week ending March 27th.

The 6-10 day NWS forecast for the week ending April 3rd is much warmer than normal in the central 2/3rds of the country and cooler than normal on the east and west coasts.

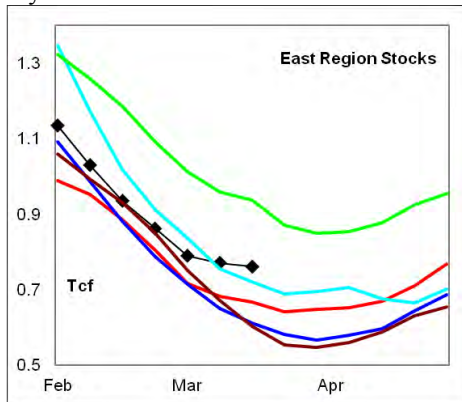
The 8-14 day NWS forecast for the week ending April 7th, is for warmer than normal in the eastern 2/3rds of the country and cooler than normal on the west coast.

**Prices:** Nearby gas futures prices decreased -\$0.10/mmbtu for the week ending March 25th.



The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve trended higher on the week in favor of the prompt months. Continued flattening of the forward price curve while overall prices are falling points toward lowered expectations of rising prices in the future.

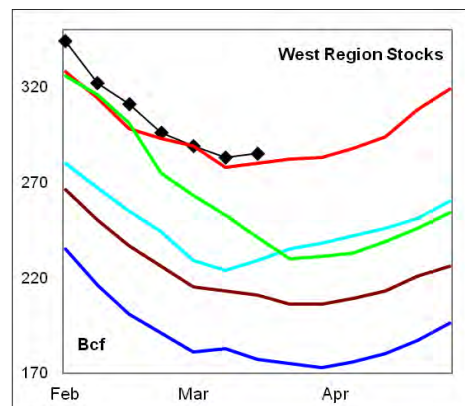
**East Region** stocks decreased -10 Bcf on the week, a record low draw for the period. The latest 4-wk stock draw was a record low draw for the period during the last 5-yrs. Stock levels are above four of the last 5-years.



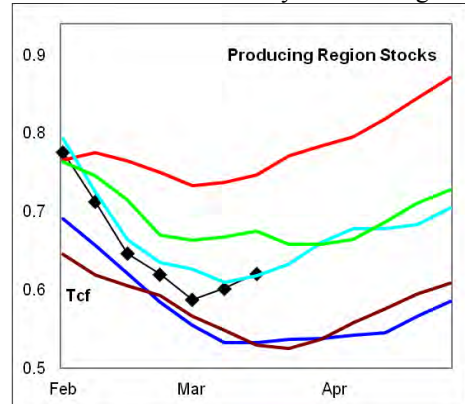
Heating degrees in the region were -29% below normal for the week ending March 20th and are forecast to be -18% below normal for the week ending March 27th. Above normal temperatures are forecast for the next 10-days.

**West Region** stocks increased +2 Bcf on the week, which was above the mid range for the period. The latest 4-wk stock draw matched the mid range for the period. Stock levels are slightly above the 5-yr high.

Heating degree days were -20% below normal for the week ending March 20th, and are forecast to be -21% below normal for the week ending March 27th. Cooler than normal temperatures are forecast for the next 10-days.



**Producing Region** stocks increased +19 Bcf on the week, which was a record build for the week. The latest 4-wk draw matched the 5-year low for the period. Stock levels match the 5-year mid range.



Heating degree days were +21% above normal for the week ending March 20th, and forecast to be +19% above normal for the week ending March 27th. Warmer than normal temperatures are forecast for the next 10 days.

**Residual Fuel Oil Switching:** The price spread between residual fuel oil and natural gas increased to a new record high, in favor of natural gas. Residual fuel oil demand (including exports) was +8% above year ago levels for the latest 4-wk period.

**Outlook:** Heating degree days are forecast to be -15% below normal this week, and remain well below normal for the next 10-across much of the country. Very moderate temperatures during the last 2-wks have driven the 4-wk stock draw to a record low for the period. Carryout stock levels are above the 5-year mid range.

These fundamental trends, combined with increased production capacity should keep prices depressed during the 2nd quarter.

<sup>1</sup> **Related Web Sites:**

[Data Source is EIA Weekly Statistics](http://Data Source is EIA Weekly Statistics)

[National Weather Service 6-10 Day](http://National Weather Service 6-10 Day)

[National Weather Service 10-14 Day](http://National Weather Service 10-14 Day)



# NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: March 25, 2010

For the week ending: 19-Mar-10

## Weekly Trends in Stocks and Heating Degree Days for the week ending:

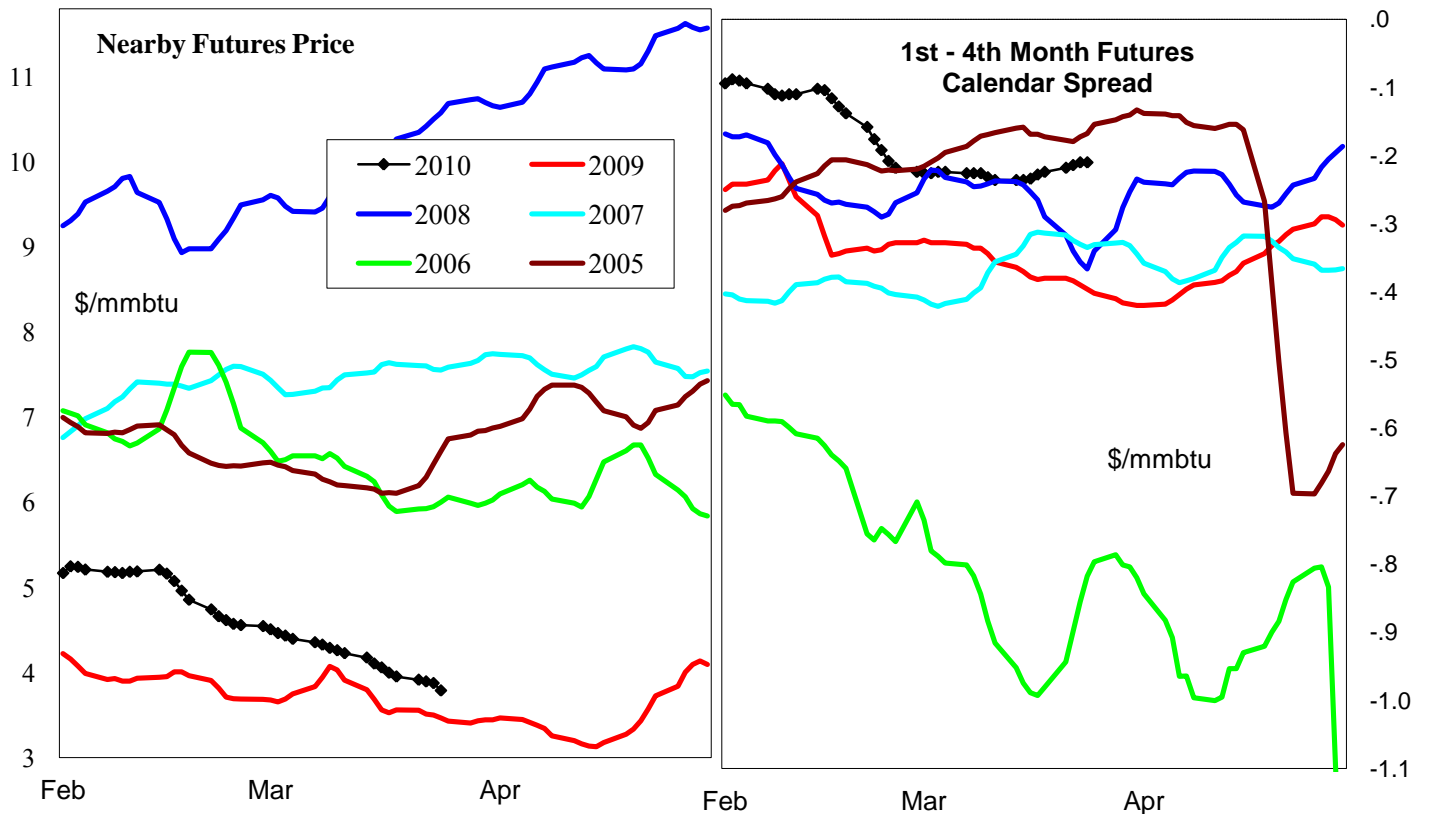
Week ending:	19-Mar-10			13-Mar-10		20-Mar-10		27-Mar-10	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,626	11	-1.7	-61	-22%	-13	-23%	-1	-15%
East	760	-10	14.1	-74	-27%	-16	-29%	4	-18%
West	285	2	1.8	-2	4%	-45	-20%	-9	-21%
Producing	581	19	-17.8	-54	-14%	17	21%	-15	19%

## Seasonal Trends in Stocks and Heating Degree Days

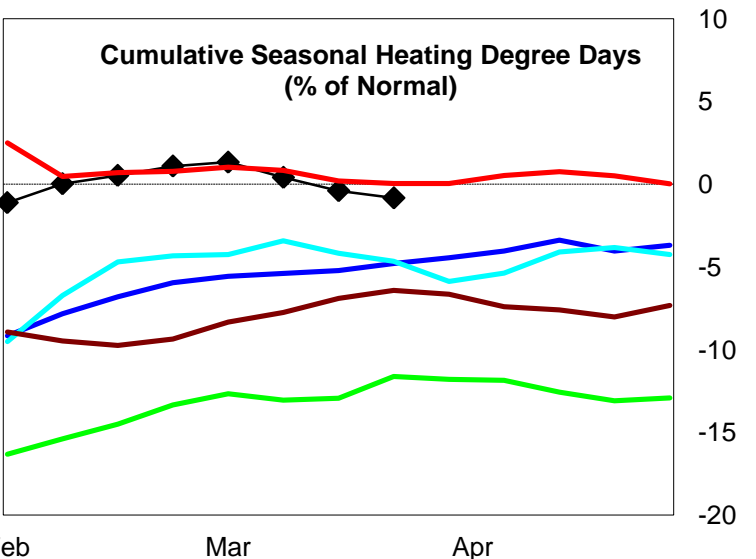
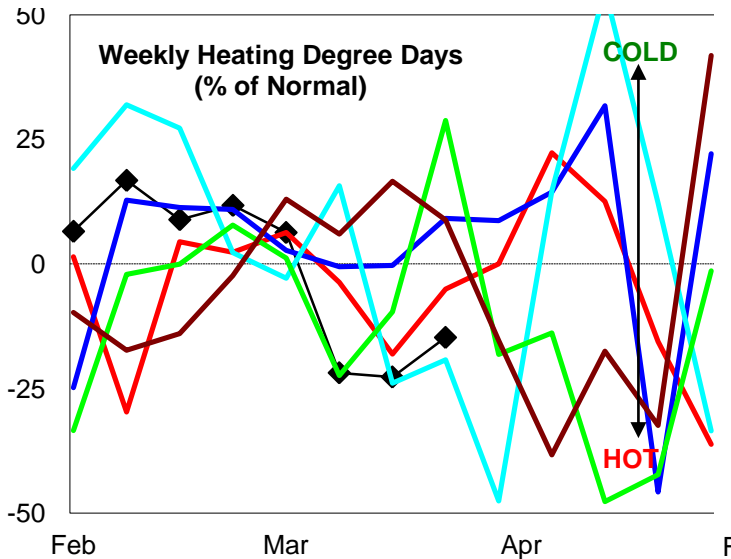
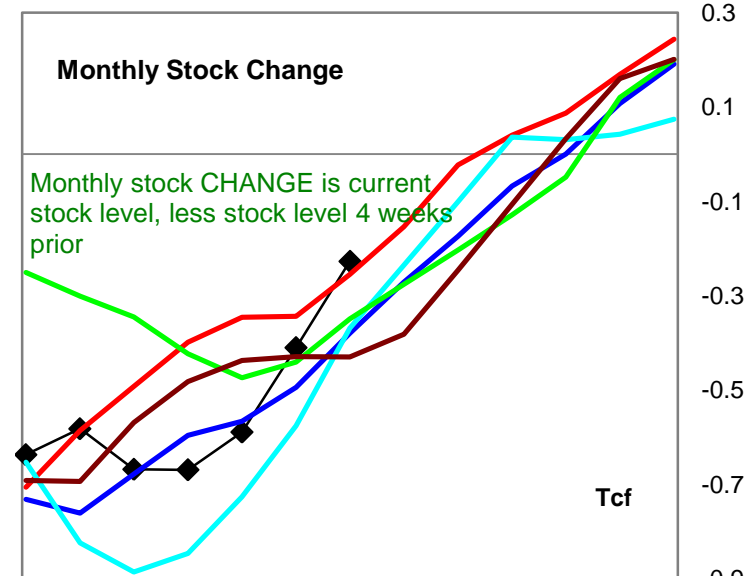
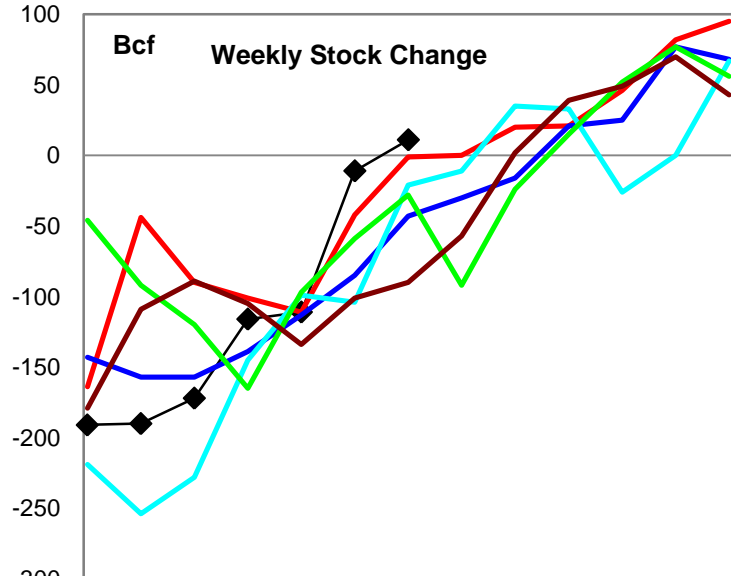
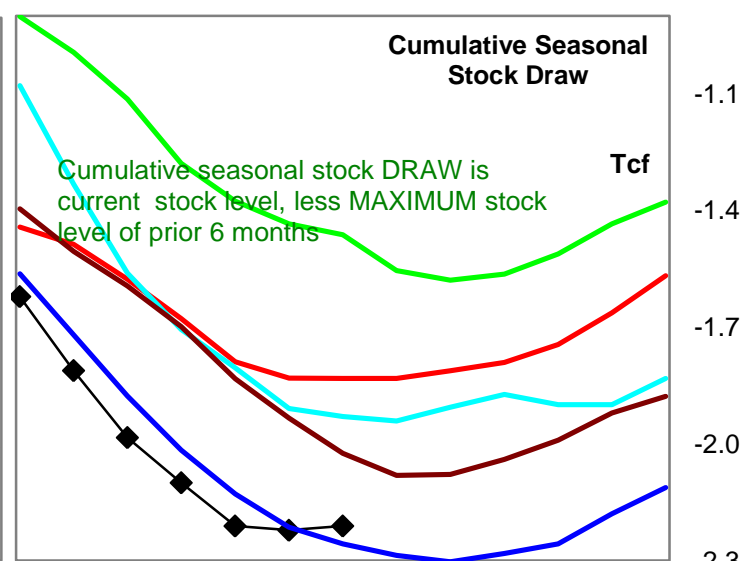
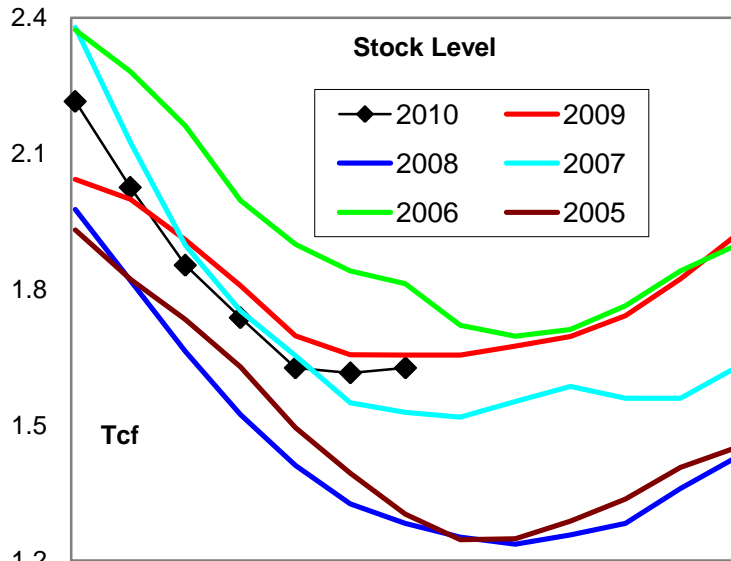
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
<b>U.S. Total</b>	<b>-2,211</b>	<b>-379</b>	<b>17.1</b>	<b>129</b>	<b>0.4</b>	<b>117</b>	<b>-0.4</b>	<b>116</b>	<b>-0.8</b>
<b>East</b>	<b>-1,341</b>	<b>34</b>	<b>-2.5</b>	<b>139</b>	<b>-1.0</b>	<b>123</b>	<b>-2.0</b>	<b>127</b>	<b>-2.5</b>
<b>West</b>	<b>-241</b>	<b>-49</b>	<b>20.3</b>	<b>161</b>	<b>-2.7</b>	<b>117</b>	<b>-3.3</b>	<b>108</b>	<b>-3.8</b>
<b>Producing</b>	<b>-638</b>	<b>-373</b>	<b>58.5</b>	<b>78</b>	<b>11.7</b>	<b>95</b>	<b>12.0</b>	<b>80</b>	<b>12.2</b>

## Futures Market Price Trends

Date:	30-Apr-10	Change vs prior week, month, year		
		26-Apr-10	5-Apr-10	30-Apr-09
<b>1st month Futures</b>	<b>3.99</b>	<b>-0.18</b>	<b>-0.82</b>	<b>0.36</b>
<b>% change</b>	<b>xxxxx</b>	<b>-4.3</b>	<b>-17.0</b>	<b>9.9</b>

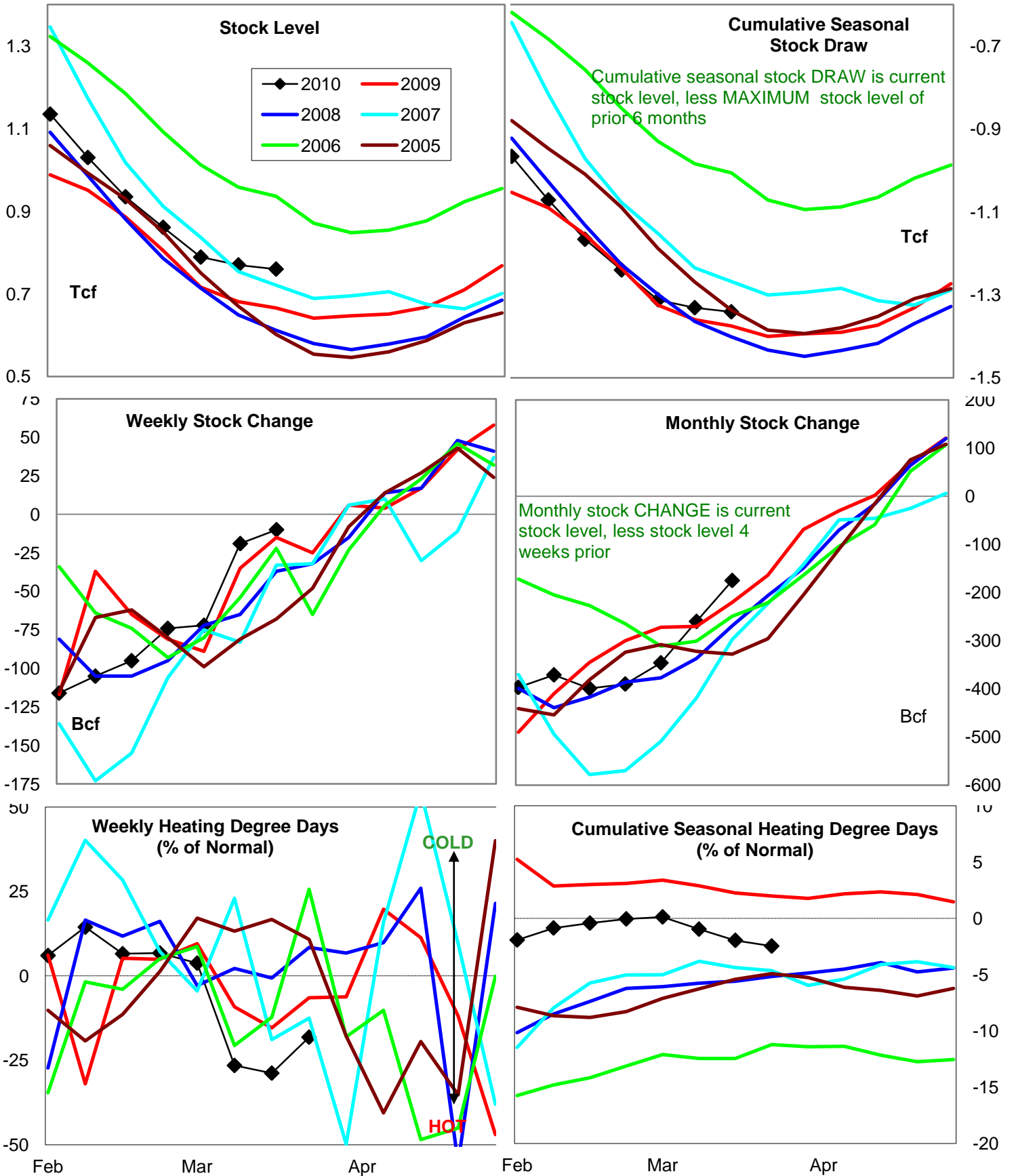


# United States Natural Gas Stock and Weather Trends



Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	-28	12	28	-379
Percent Change (%)	-1.7	-1,200.0	-11.0	20.7

# Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock  
Level

Weekly Stock  
Change

Monthly Stock  
Change

Cumulative Stock  
Change

BCF

94

5

45

34

Percent Change (%)

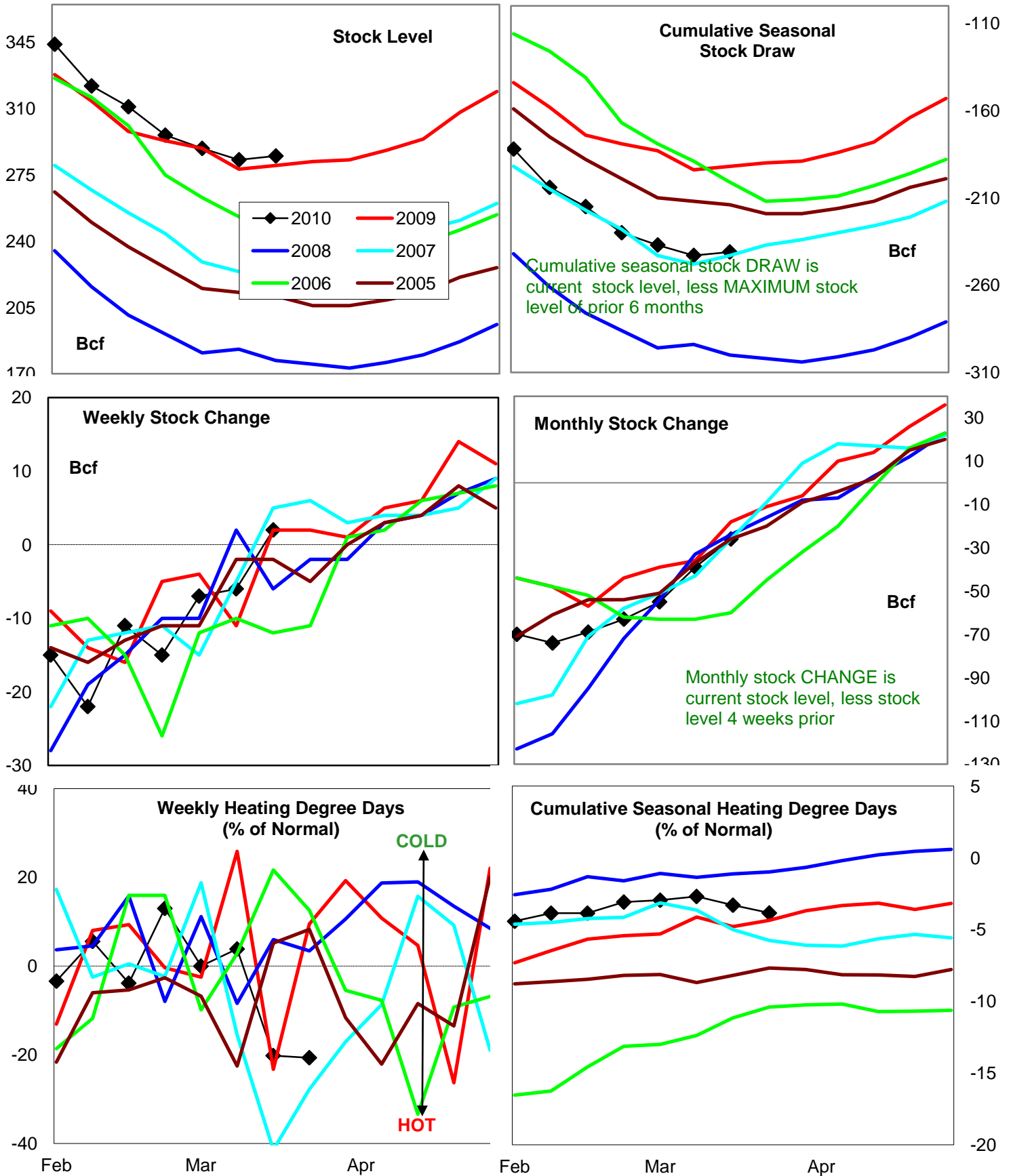
14.1

-33.3

-20.5

-2.5

# Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock  
Level

Weekly Stock  
Change

Monthly Stock  
Change

Cumulative Stock  
Change

BCF

5

0

-8

-49

Percent Change (%)

1.8

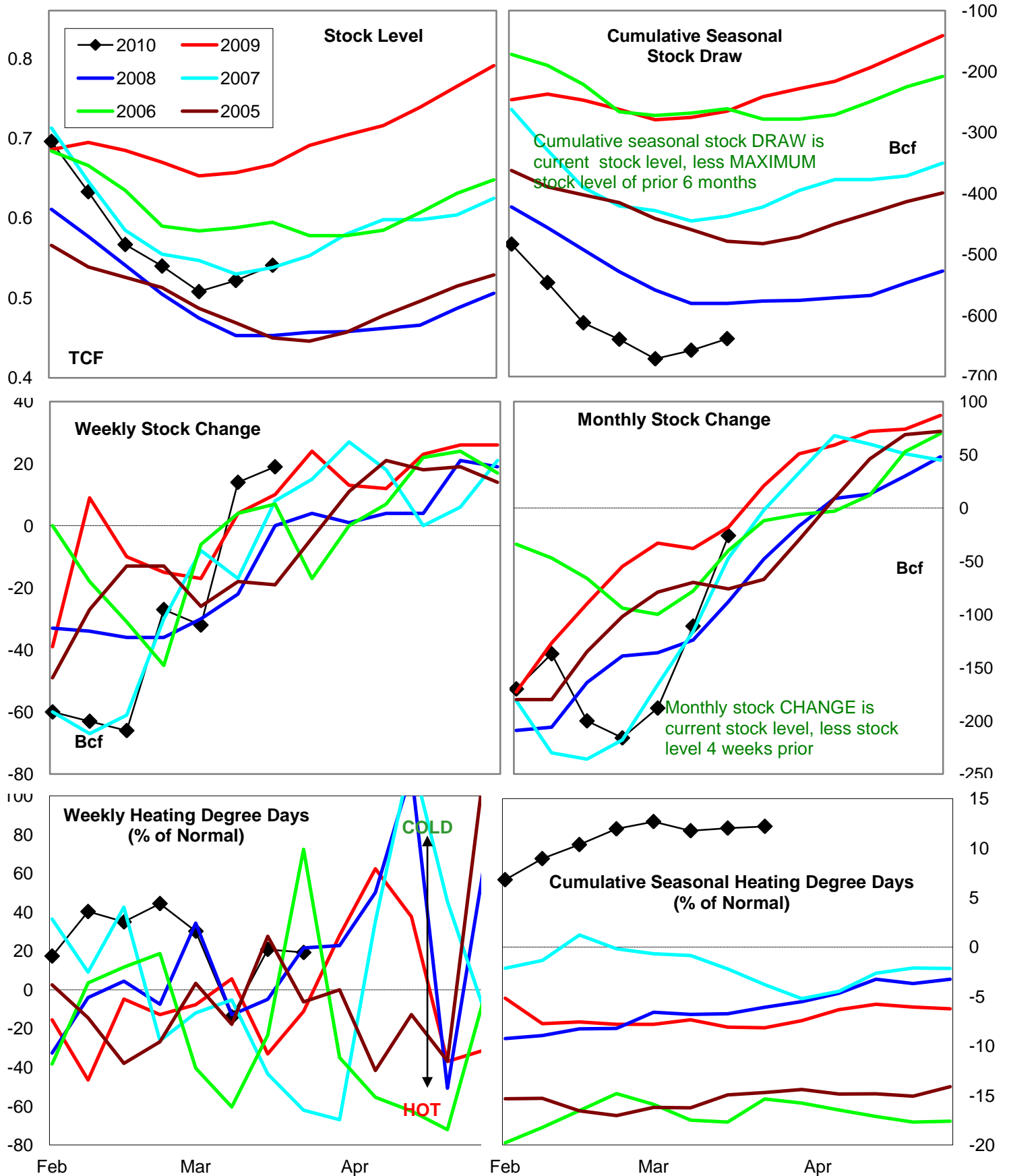
0.0

44.4

25.5



# Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock  
Level

Weekly Stock  
Change

Monthly Stock  
Change

Cumulative Stock  
Change

BCF

Percent Change (%)

-126

-17.8

9

90.0

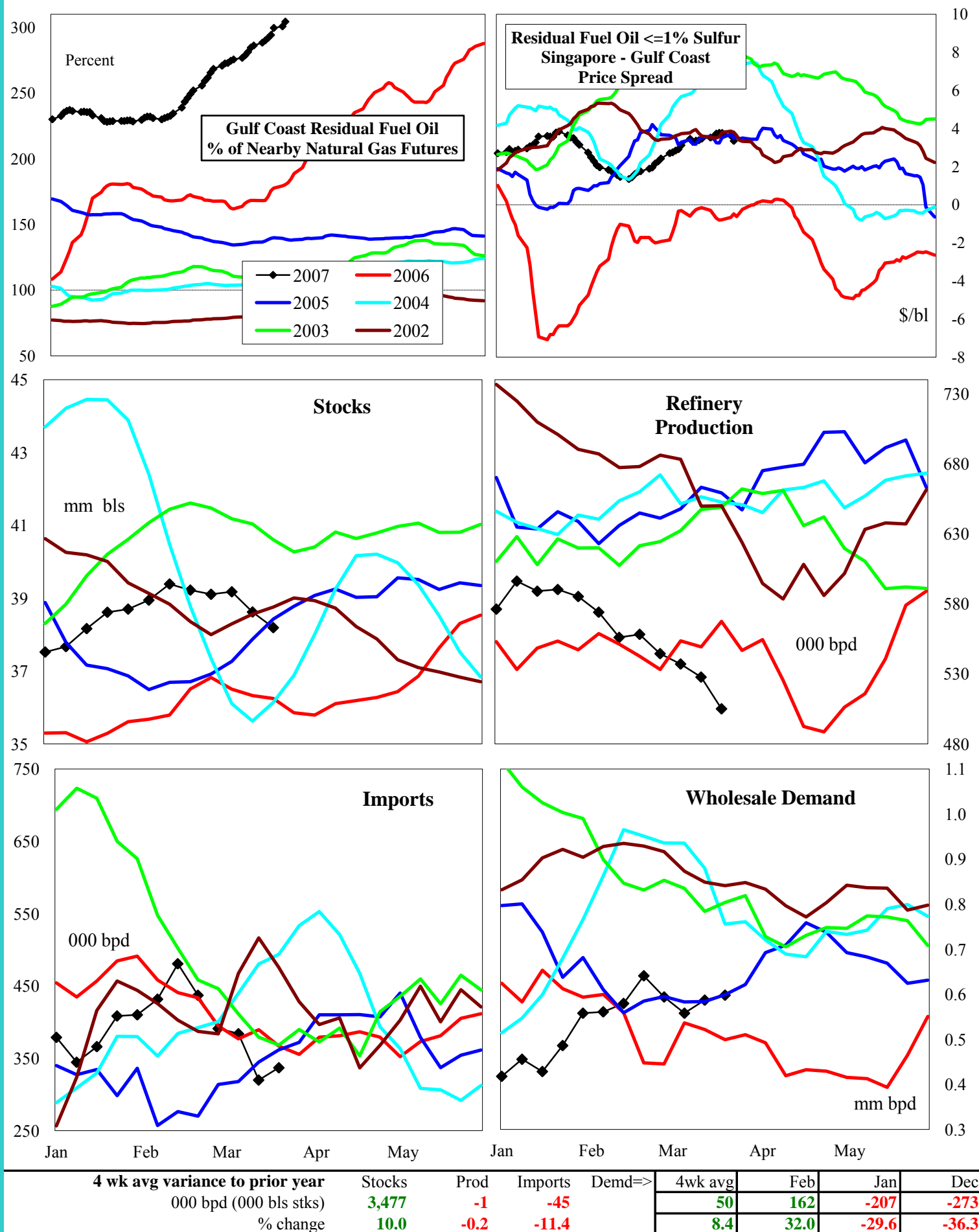
-8

44.4

-373

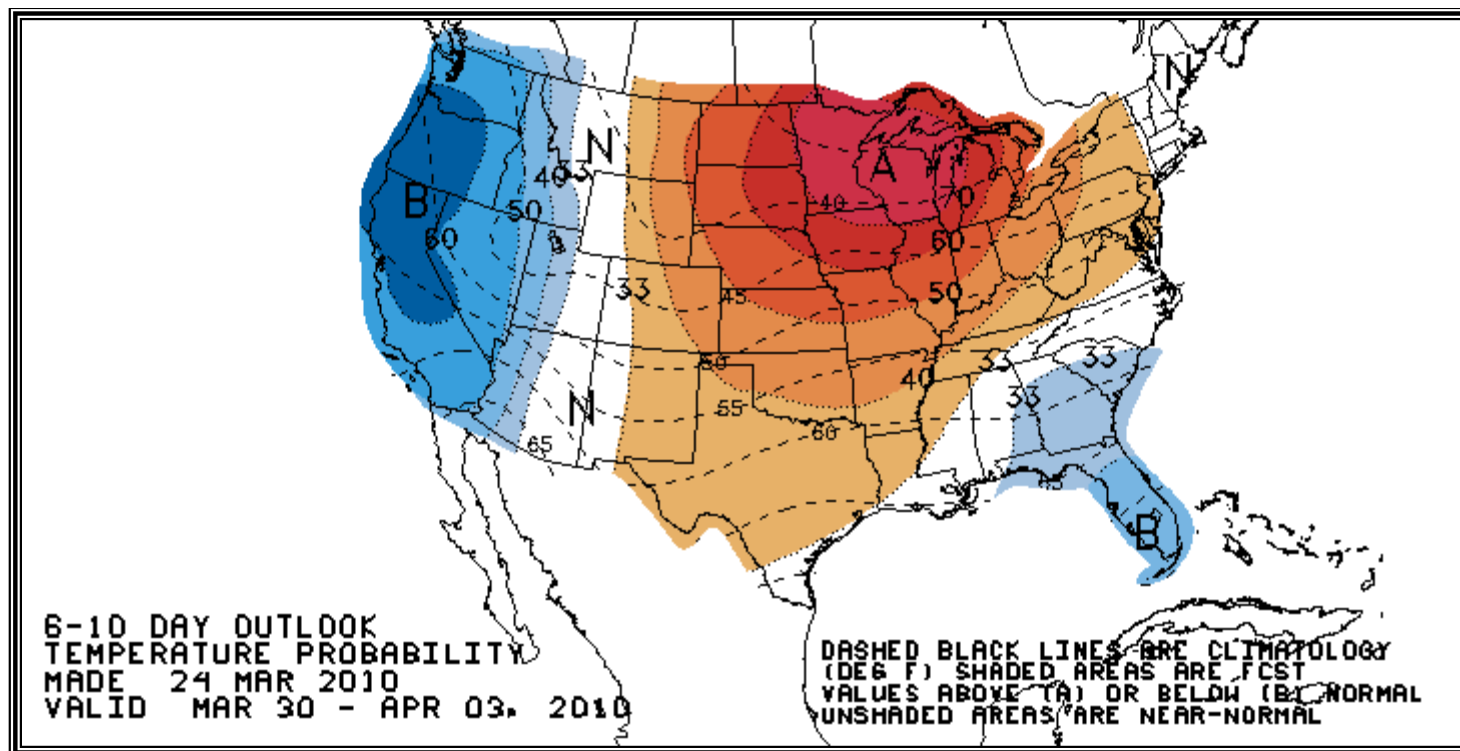
140.8

# U.S. Residual Fuel Oil Price Spreads and Supply Balance



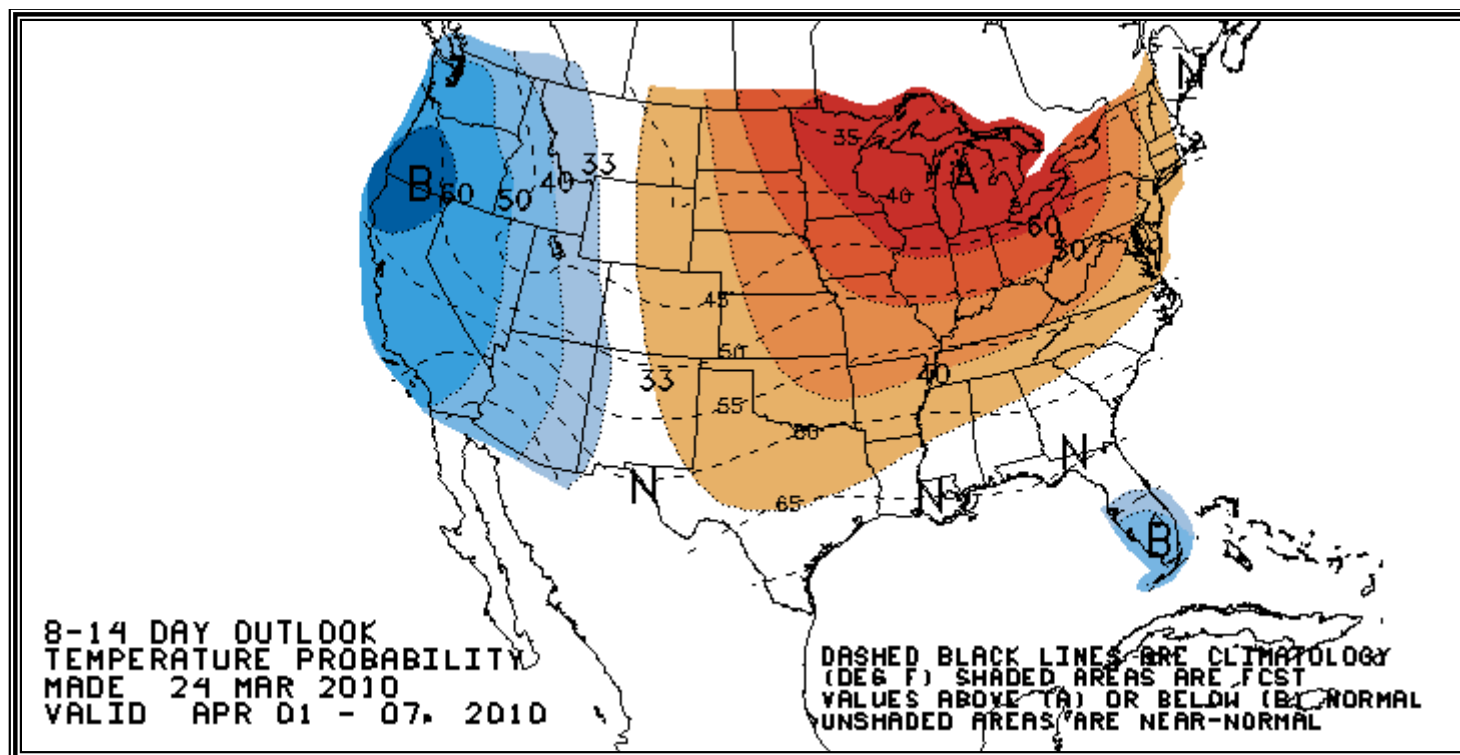
# National Weather Service Climate Prediction Center Cooling

## Degree Days 6 - 10 Day Forecast



# National Weather Service Climate Prediction Center Cooling

## Degree Days 8 - 14 Day Forecast





# American Gas Association Regions

