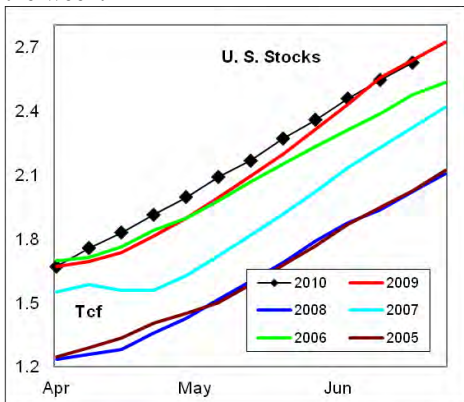


Summary¹ Stocks increased +81 Bcf last week, a level that matched the 5-year weekly mid range for the period. Heating degree days were -50% below normal for the week.



In the East Region stocks increased +51 Bcf, which was below the 5-year range for the week. The +14 Bcf build in the West Region was at the upper end of the historic range. The stock build of +16 Bcf in the Producing Region was at the mid range for the period.

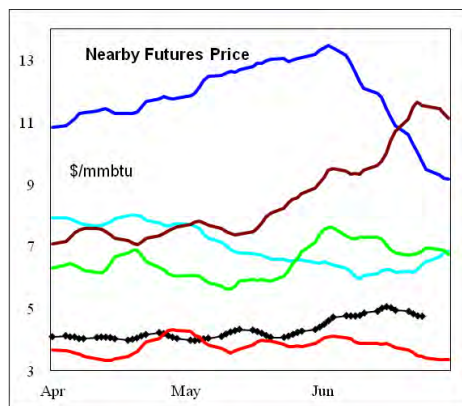
Heating degree days were -77% below normal in the East Region, +8% above normal in the West Region and -100% below normal in the Producing Region for the week ending June 19th.

Cooling degree days were sharply above normal for the week ended June 19th, and forecast to be very high for the week ending June 26th.

The 6-10 day NWS forecast for the week ending July 3rd is for much above normal cooling degree days in the western 2/3rds of the country.

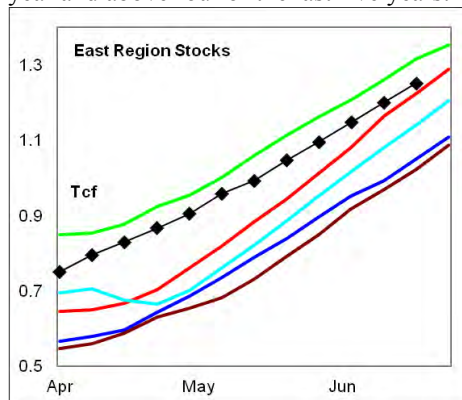
The 8-14 day NWS forecast for the week ending July is for above normal cooling degree days in the western 2/3rds of the country.

Prices: Nearby gas futures prices decreased -\$0.40/mmbtu for the week ending June 24th.



The 1st - 4th month forward price curve traded sideways on the week. The forward curve is at a record high for the period, indicating the market expects very ample supplies during the foreseeable future.

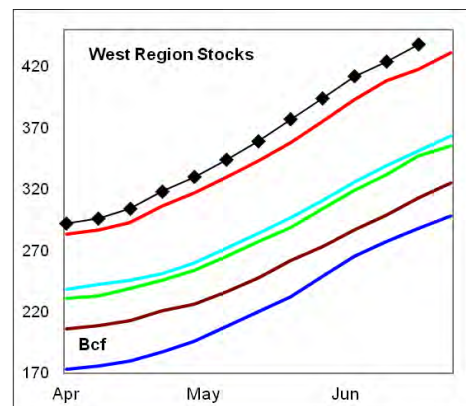
East Region stocks increased +51 Bcf on the week, which was below the 5-year range for the period. The latest 4-wk stock build was at the low end of the historic range. Stock levels were +2.2% above last year and above four of the last five years.



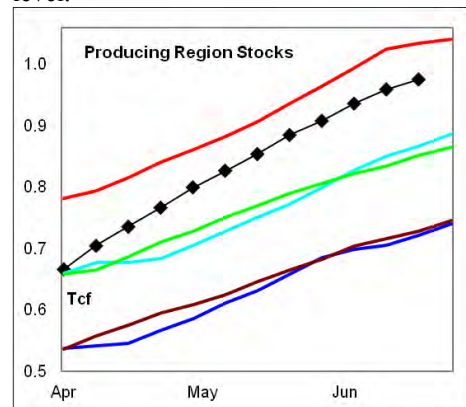
Heating degrees in the region were -77% below normal for the week ended June 19th, and forecast to be -100% below normal for the week ending June 26th. Much above normal cooling degree days are forecast for the next 10-days.

West Region stocks increased +14 Bcf on the week, which was at the upper end of the historic range. The latest 4-wk stock build was above the historic range. Stock levels are +4.8% above the prior 5-year high.

Heating degree days were +8% above normal for the week ended June 19th, and forecast to be -79% below normal for the week ending June 26th. Above normal cooling degree days are forecast for the next 10-days.



Producing Region stocks increased +16 Bcf on the week, at the mid range for the period. The latest 4-wk stock build was at the upper end of the historic range. Stock levels are -6% below last years' record level.



Heating degree days were -100% below normal for the week ended June 19th, and forecast to be -100% below normal for the week ending June 26th. Much above normal cooling degree days are forecast for the next 10-days.

Residual Fuel Oil Switching: The price spread between residual fuel oil and natural gas trended higher last week on weakness in gas prices. The spread remains highly favorable for natural gas substitution. Residual fuel oil demand (including exports) was -19% below year ago levels for the latest 4-wk period.

Outlook: Stock builds are near the 5-year mid range, even with sharply above normal cooling degree days. Much above normal cooling degree days are forecast for the next 10-days. Expect strong demand for electric power generation to support prices in the near term, even with stock levels matching last years' record high.

¹ **Related Web Sites:**

Data Source is EIA Weekly Statistics

National Weather Service 6-10 Day

National Weather Service 10-14 Day



NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: June 24, 2010

For the week ending: 6-Jun-10

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

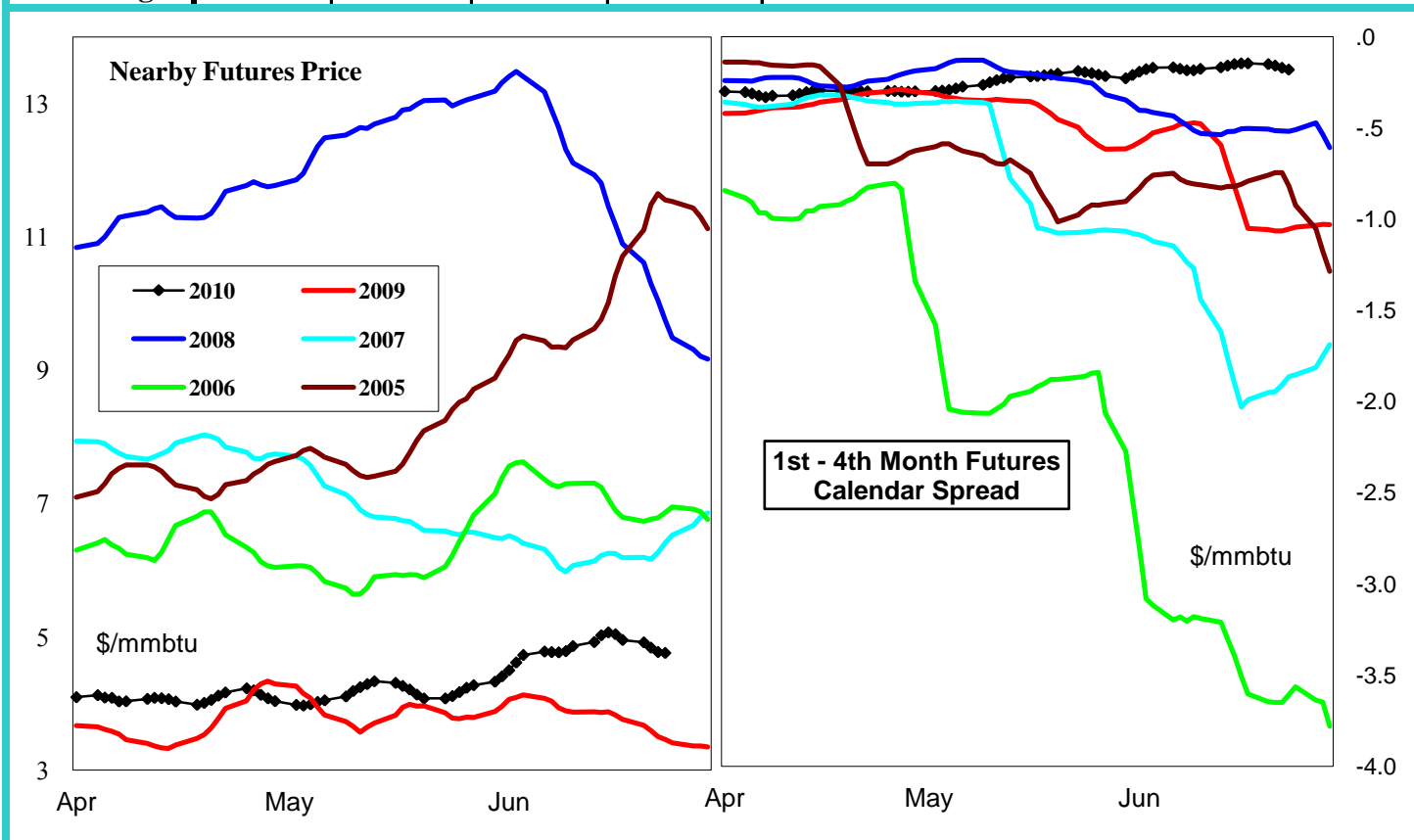
Week ending:	6-Jun-10			12-Jun-10		19-Jun-10		26-Jun-10	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,624	81	-0.5	7	-12%	-7	-50%	-3	-91%
East	1,251	51	2.2	11	-7%	-10	-77%	-2	-100%
West	438	14	4.8	0	-19%	0	8%	-18	-79%
Producing	935	16	-6.0	0	-93%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

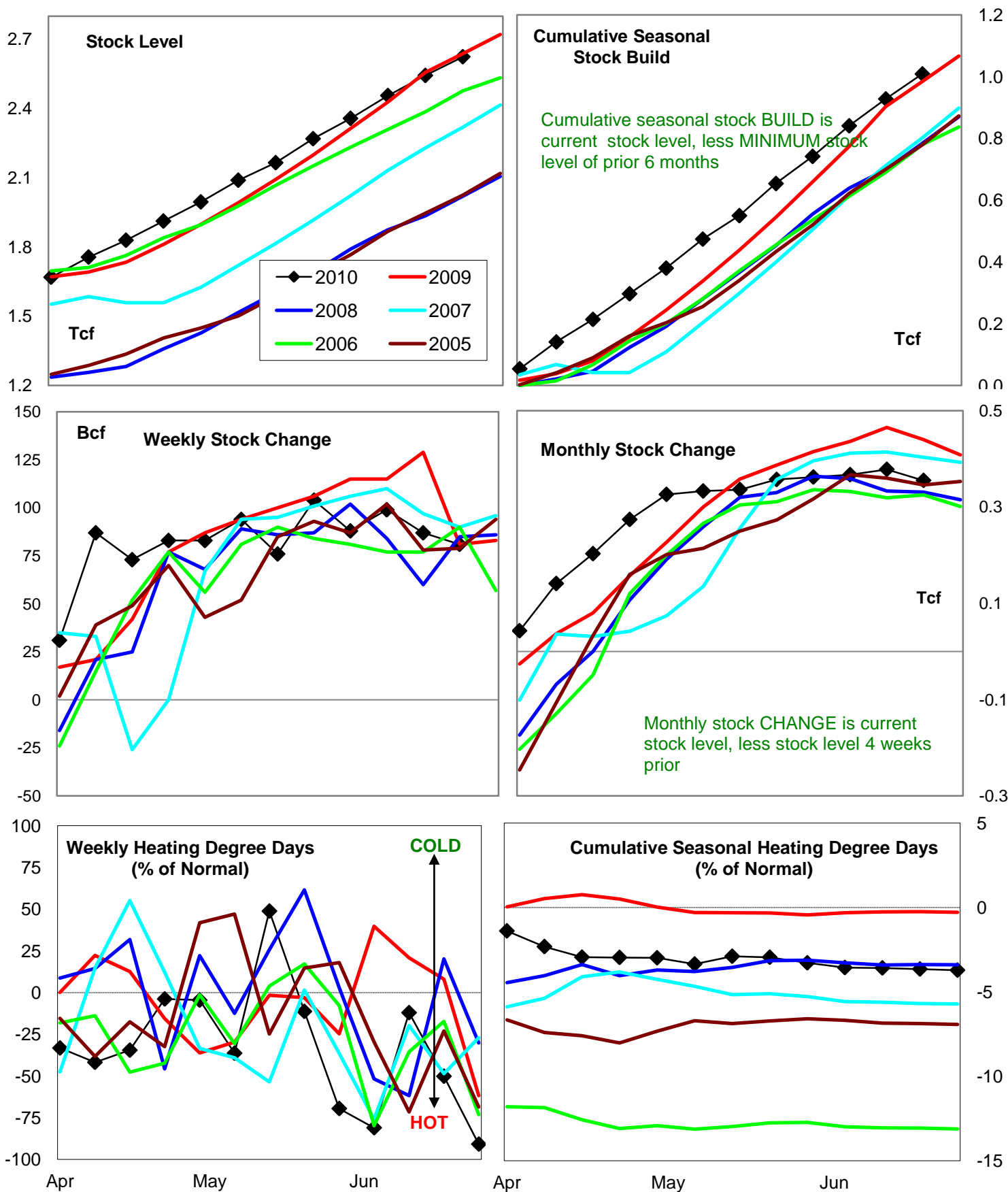
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	1,009	25	2.5	11	-3.6	4	-3.7	0	-3.7
East	501	-79	-15.8	12	-5.9	2	-6.0	0	-6.0
West	155	15	9.7	22	-2.5	22	-2.4	3	-2.6
Producing	387	85	22.0	0	10.5	0	10.5	0	10.4

Futures Market Price Trends

Date:	30-Jun-10	Change vs prior week, month, year		
		24-Jun-10	3-Jun-10	29-Jun-09
1st month Futures	4.76	-0.24	0.42	1.41
% change	xxxxx	-4.8	9.7	42.1



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-14

0

-85

25

Percent Change (%)

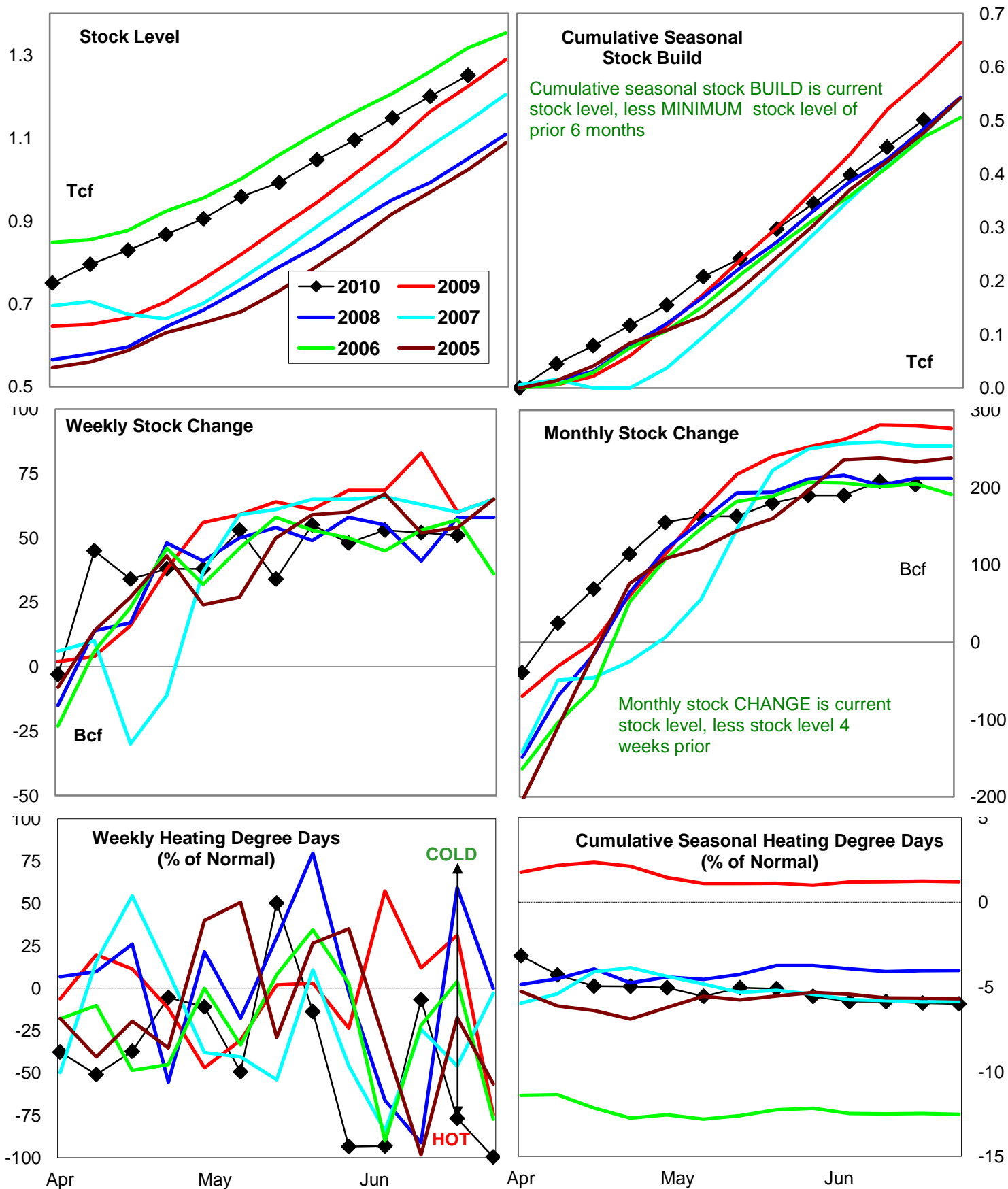
-0.5

0.0

-19.3

2.5

Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)

27

2.2

-9

-15.0

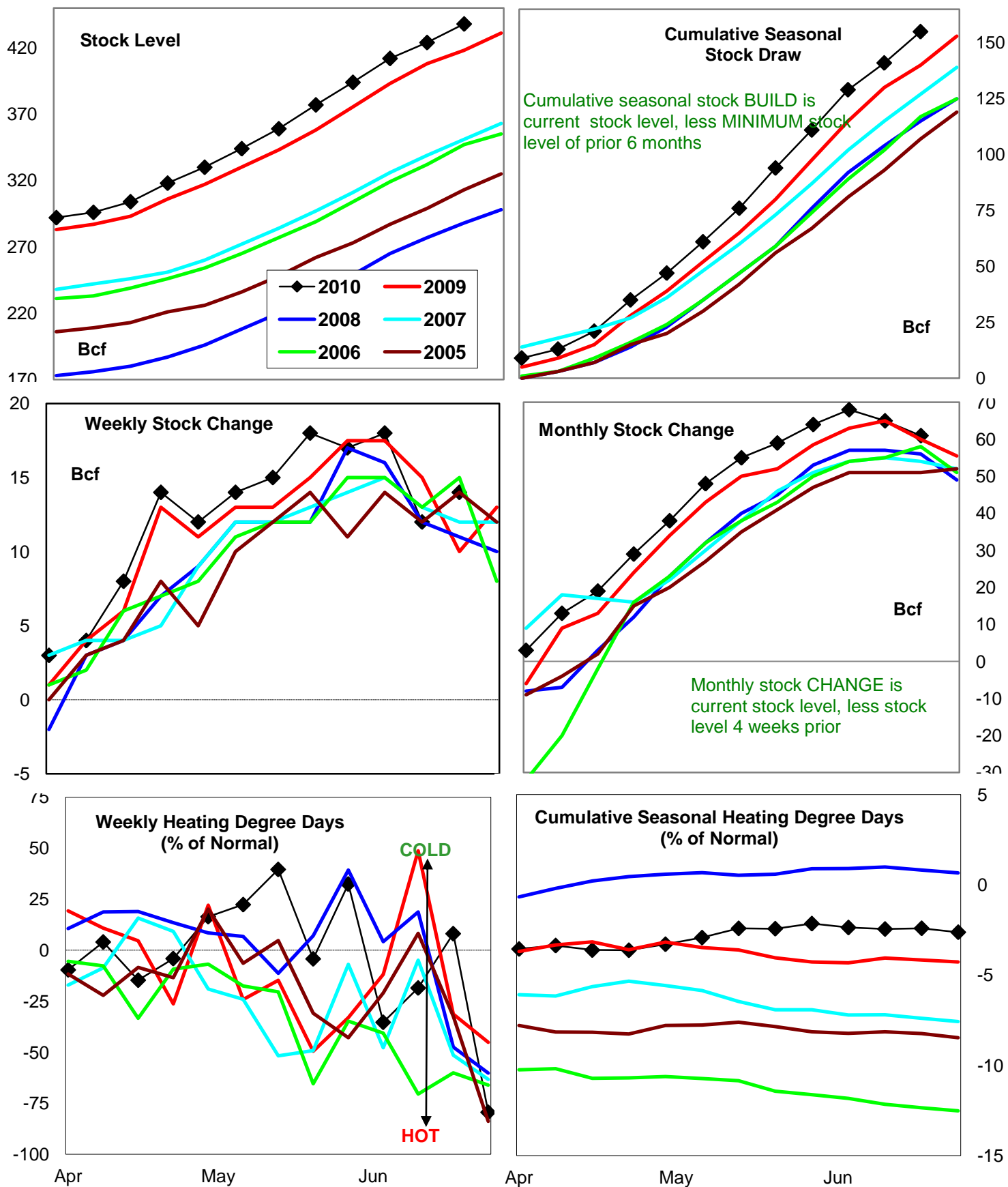
-76

-27.1

-79

-13.6

Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)

20

4.8

4

40.0

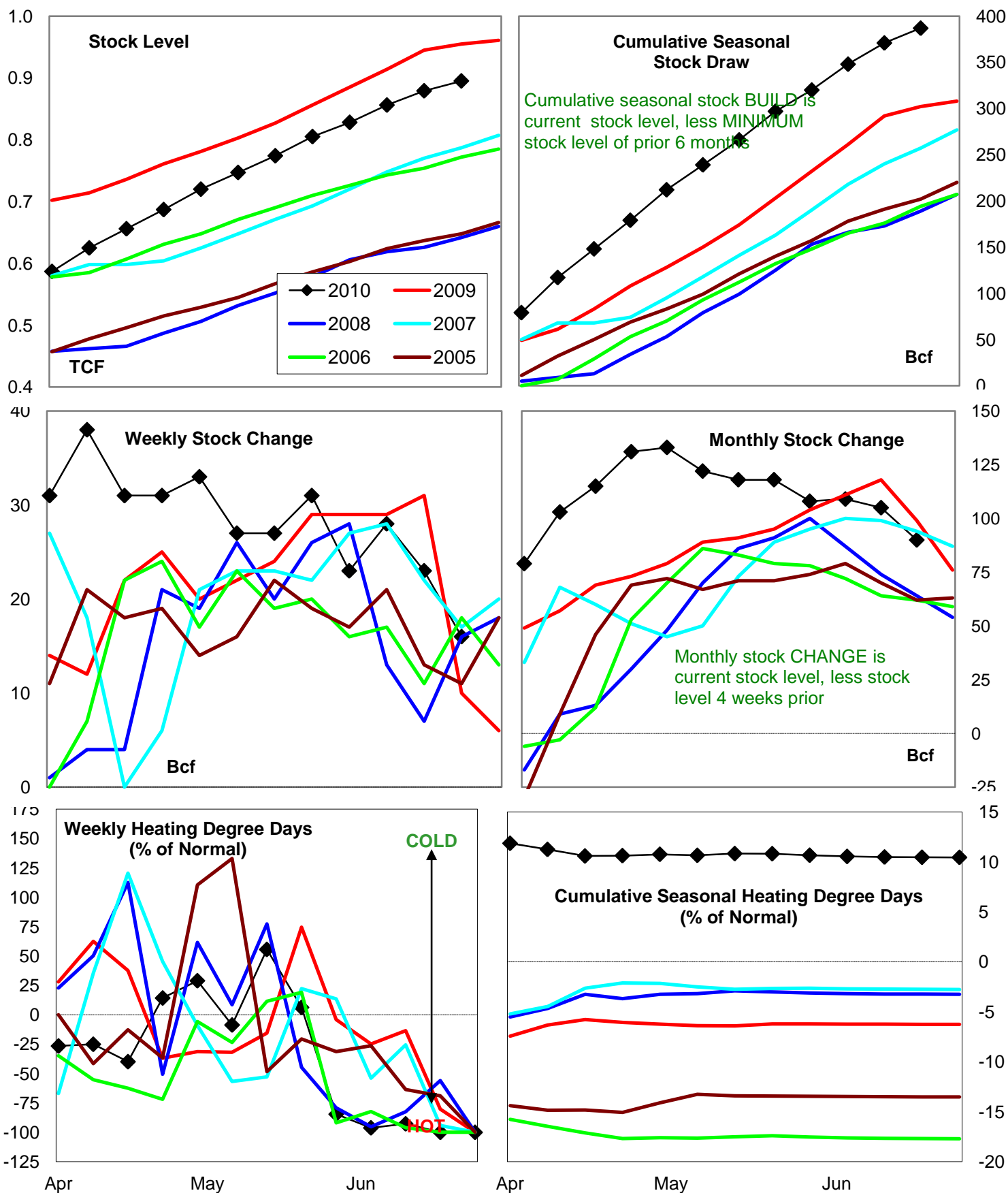
1

1.7

15

10.7

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

-60

6

-9

85

Percent Change (%)

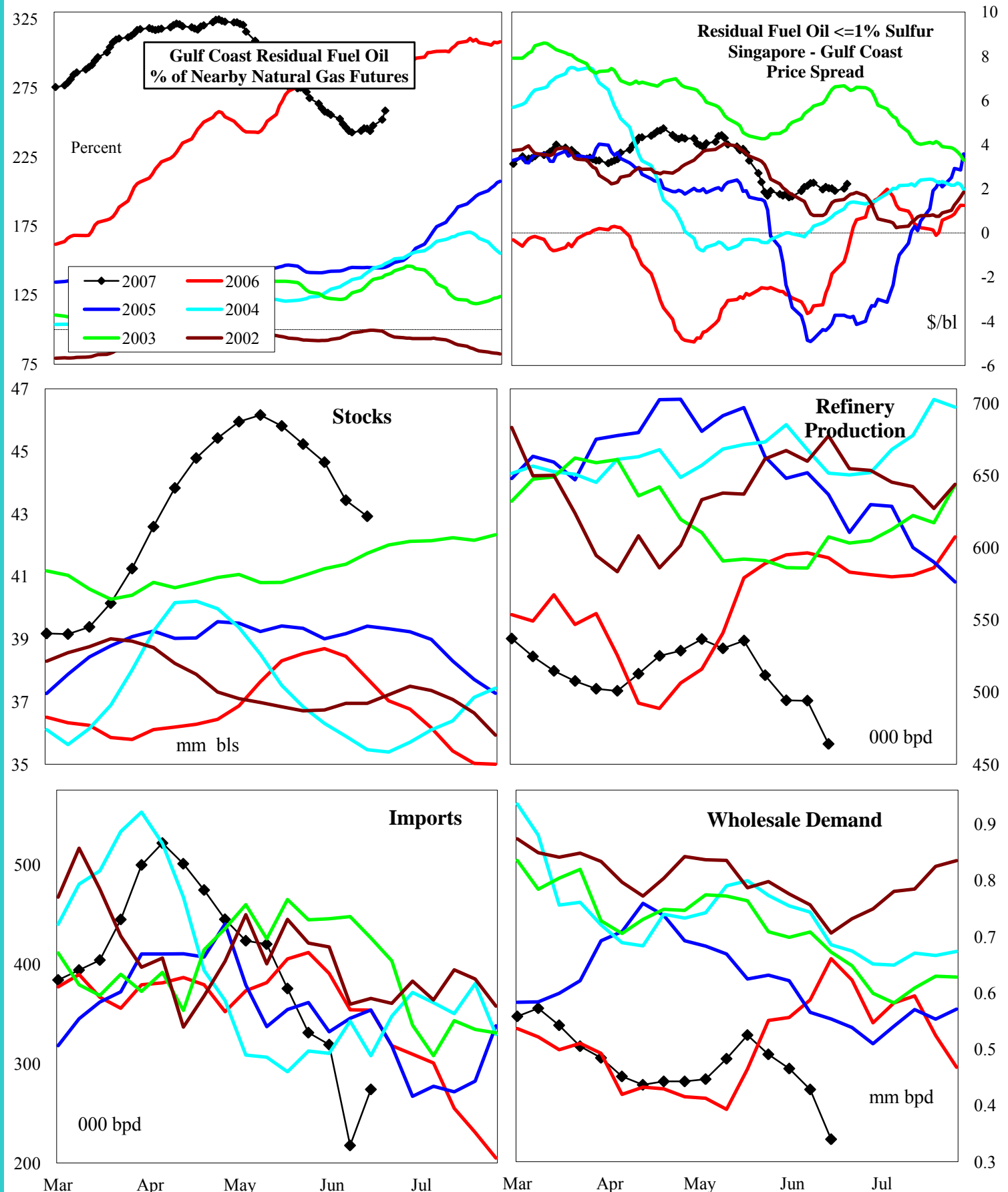
-6.0

60.0

-9.1

28.1

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


4 wk avg variance to prior year

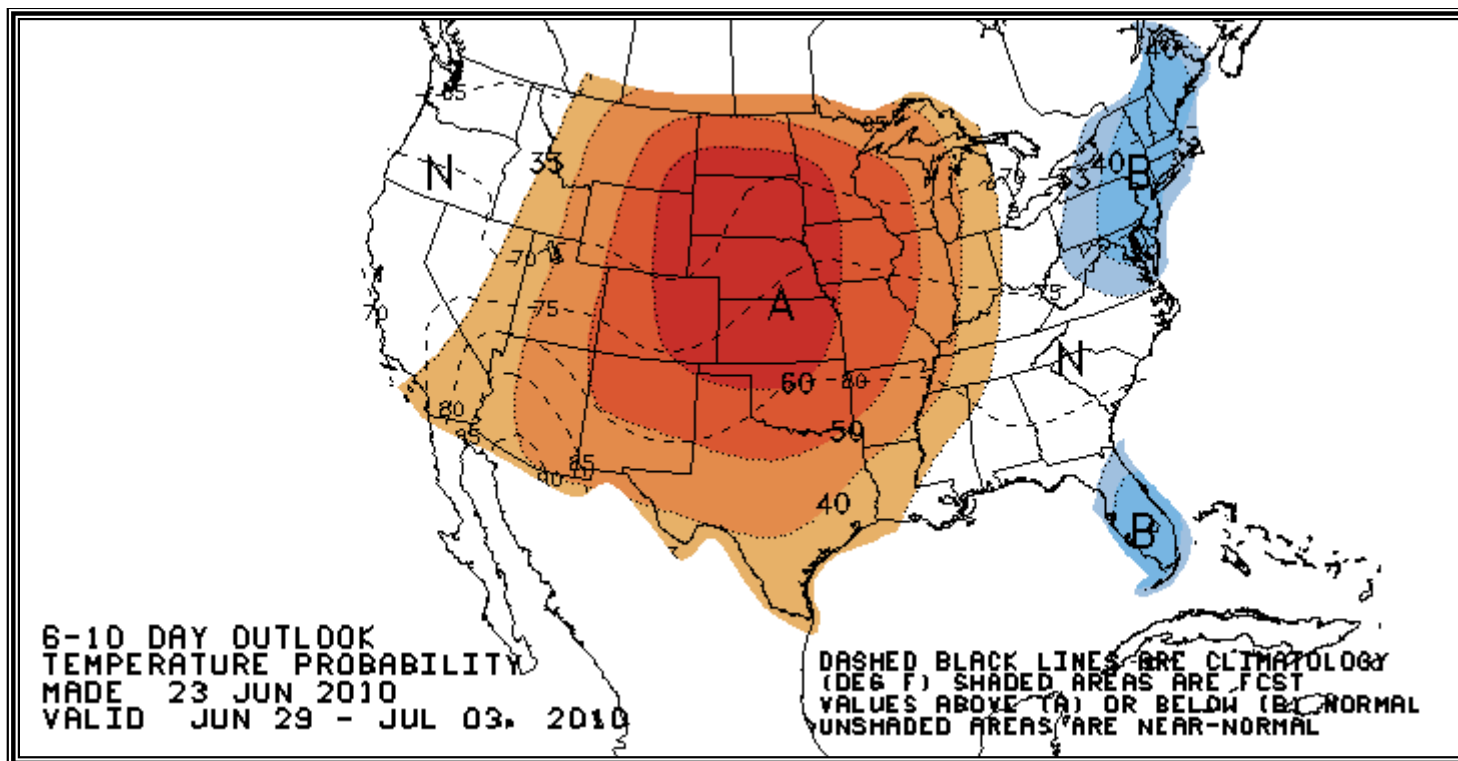
000 bpd (000 bls stks)

% change

Stocks
5,188
13.7
Prod
-119
-19.6
Imports
-96
-26.1
Demd=>
4wk avg
-121
-19.0
May
59
12.0
Apr
-212
-31.5
Mar
-60
-9.9

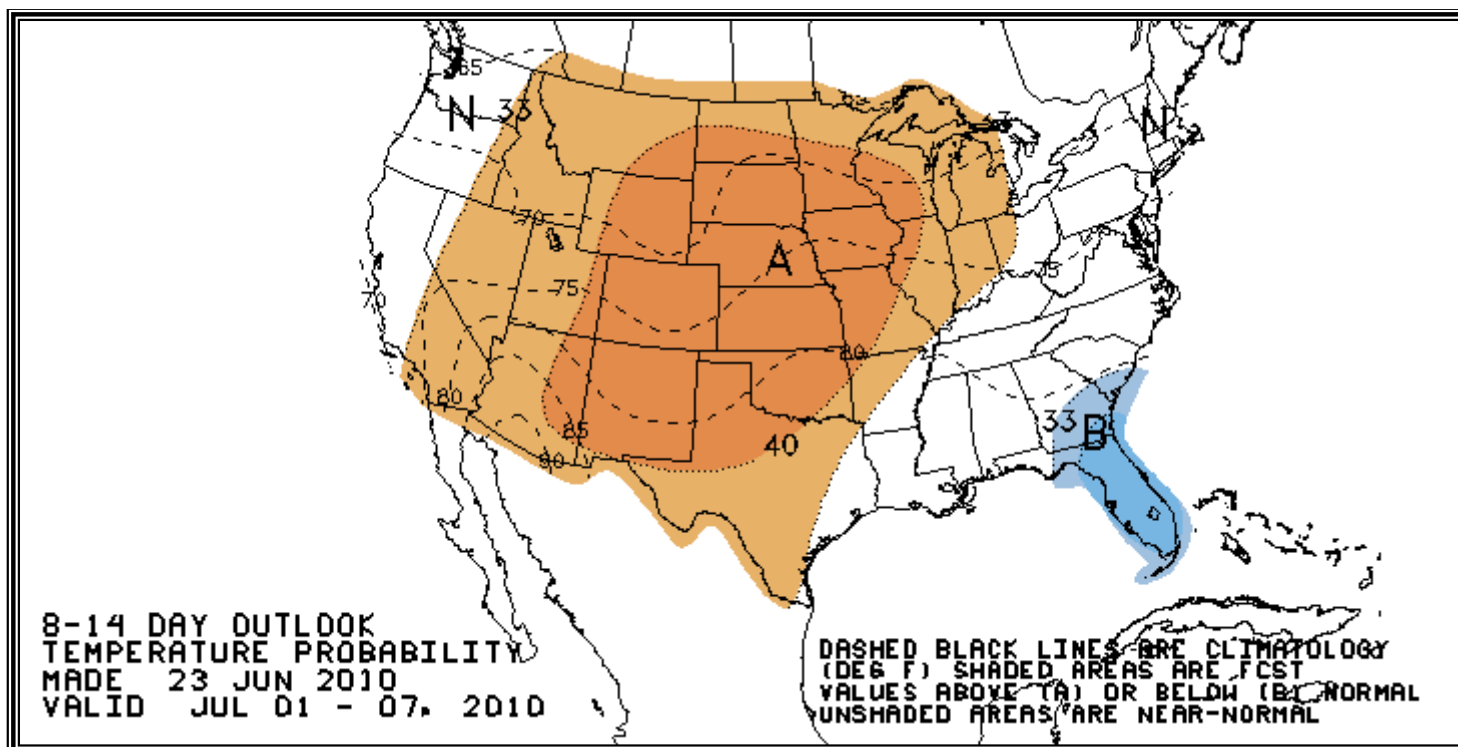
National Weather Service Climate Prediction Center Heating

Degree Days 6 - 10 Day Forecast



National Weather Service Climate Prediction Center Heating

Degree Days 8 - 14 Day Forecast



American Gas Association Regions

