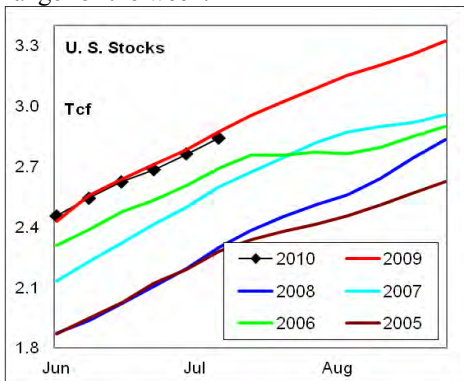
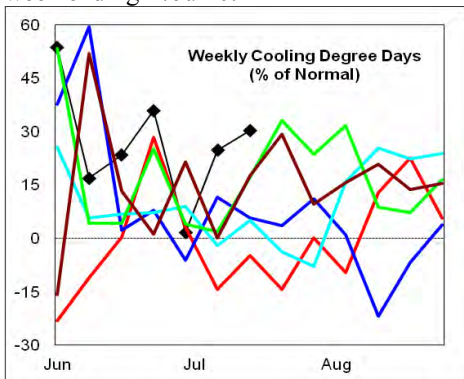




**Summary**<sup>1</sup> Stocks increased +78 Bcf last week, a level that was below the historic range for the week.



Cooling degree days were +25% above normal for the week ending 10Jul10, and forecast to be +30% above normal for the week ending 17Jul10.



In the East Region stocks increased +43 Bcf, which was below the historic range for the week. The +11 Bcf build in the West Region was at the historic mid range. The stock build of +24 Bcf in the Producing Region matched the 5-year high for the week.

Cooling degree days were +47% above normal in the East Region, -5% below normal in the West Region and -4% below normal in the Producing Region for the week ending 10Jul10.

**Cooling degree days** were +25% above normal for the week ended July 10th, and forecast to be +30% above normal for the week ending July 17th.

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

[Data Source is EIA Weekly Statistics](#)

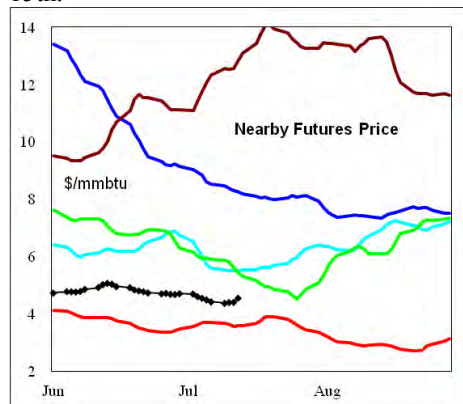
[National Weather Service 6-10 Day](#)

[National Weather Service 10-14 Day](#)

The 6-10 day NWS forecast for the week ending July 24th is for much above normal cooling degree days in the eastern 2/3rds of the country and near normal in the western 1/3rd.

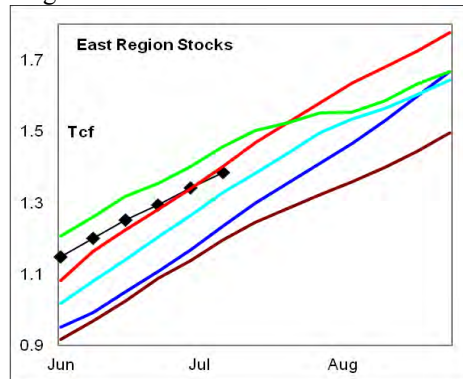
The 8-14 day NWS forecast for the week ending July 28th is for above normal cooling degree days in eastern 1/2 of the country and near normal in the western 1/2.

**Prices:** Nearby gas futures prices increased +\$0.15/mmbtu for the week ending July 15th.



The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve trended higher on the week. The forward curve is at a record high for the period, pointing to ample out month supplies.

**East Region** stocks increased +43 Bcf on the week, which was below the 5-year range for the period. The latest 4-wk stock build was also below the 5-year range. Stock levels were above the historic mid range.

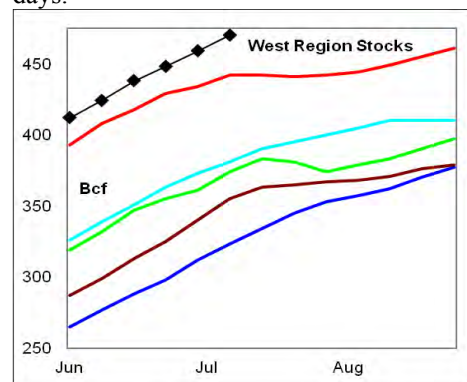


Cooling degrees in the region were +47% above normal for the week ended July 10th, and forecast to be +37% above normal for the week ending 17Jul10. Much above normal cooling degree days are forecast for the next 10-days in the northeast.

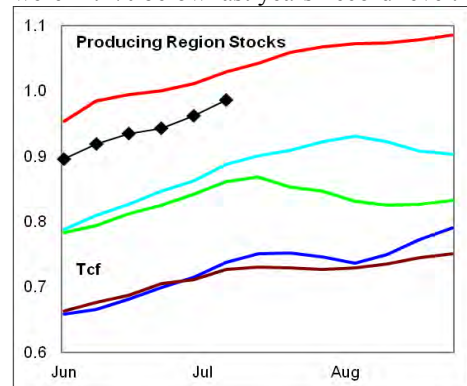
**West Region** stocks increased +11 Bcf on the week, which was at the mid range. The

latest 4-wk stock build was above the mid range. Stock levels are +6.3% above the prior 5-year high.

Cooling degree days were -5% below normal for the week ended July 10th, and forecast to be +32% above normal for the week ending 17Jul10. Near normal cooling degree days are forecast for the next 10-days.



**Producing Region** stocks increased +24 Bcf on the week, which matched the 5-year high for the period. The latest 4-wk stock build matched the mid range. Stock levels were -4.2% below last years' record level.



Cooling degree days were -4% below normal for the week ending July 10th, and forecast to be +12% above normal for the week ending 17Jul10. 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 remains highly favorable for substitution of gas.

**Outlook:** Much above normal cooling degree days this week and forecast for the next 10-days should provide strength to prices in the near term. Lack of 'carry' in the forward price curve has shifted stock building from the East to Producing region, which should depress cash basis in Gulf markets.



## NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: July 15, 2010

For the week ending: 9-Jul-10

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

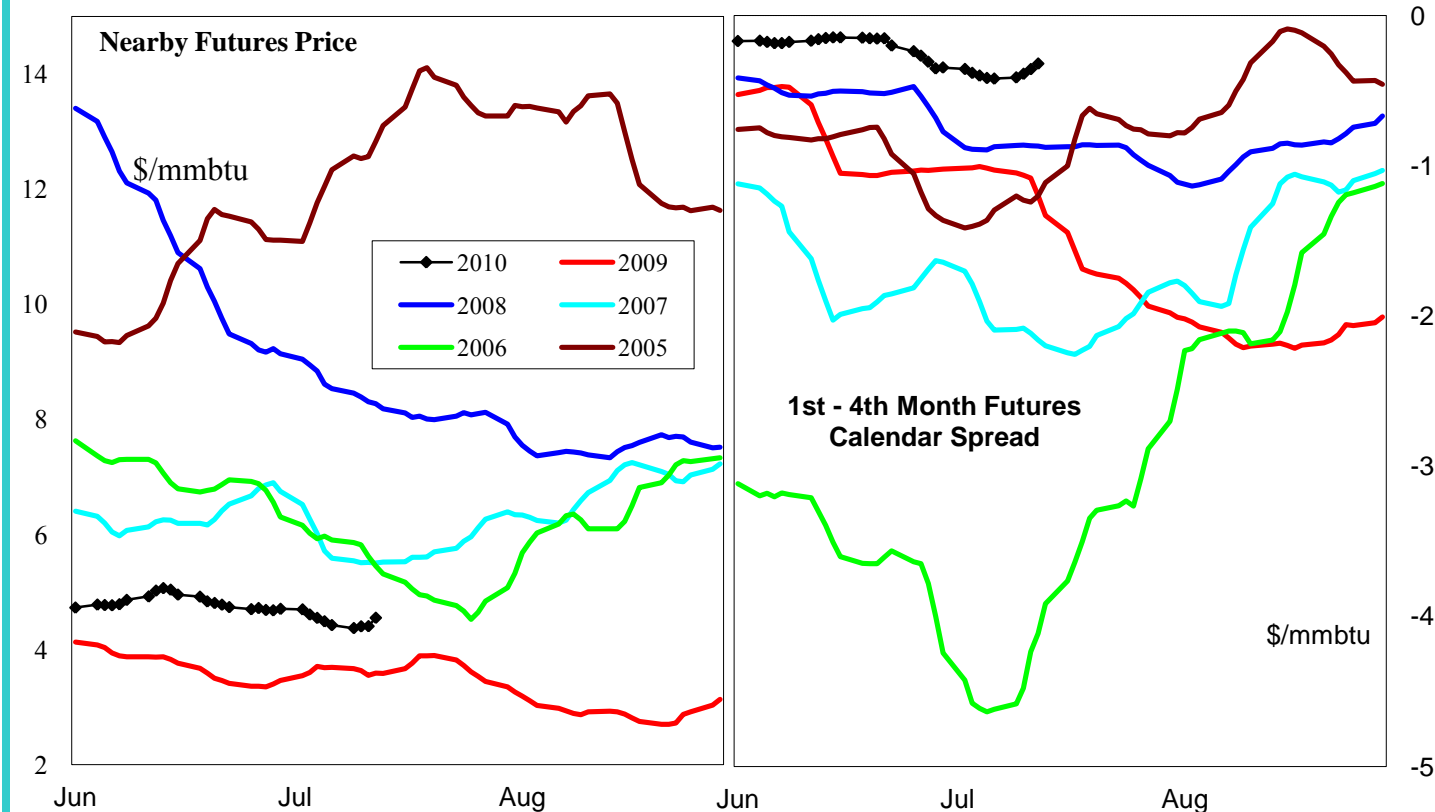
Week ending:	9-Jul-10			3-Jul-10		10-Jul-10		17-Jul-10	
Region	Weekly Stocks			Weekly Cooling Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,840	78	-1.1	-14	2%	22	25%	8	0%
East	1,384	43	-1.3	-24	1%	36	47%	-1	0%
West	470	11	6.3	18	8%	-1	-5%	21	0%
Producing	986	24	-4.2	-23	-2%	3	-4%	23	0%

### Seasonal Trends in Stocks and Cooling Degree Days

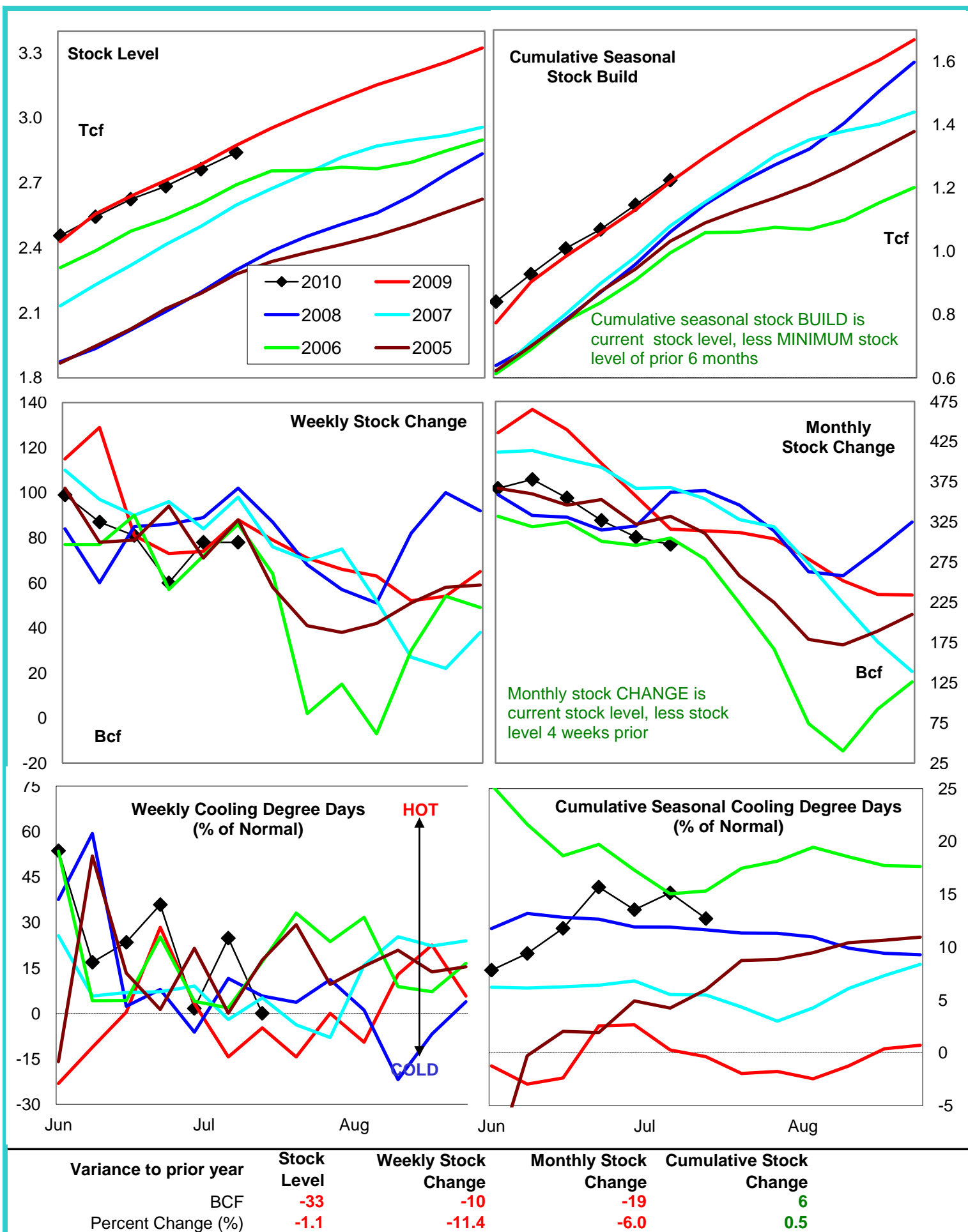
	Cumulative Stock change			Cumulative Cooling Degree Days					
	Bcf	Change vs prior year Bcf	%	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal
<b>U.S. Total</b>	<b>1,225</b>	<b>6</b>	<b>0.5</b>	<b>58</b>	<b>14%</b>	<b>76</b>	<b>15%</b>	<b>76</b>	<b>13%</b>
<b>East</b>	<b>634</b>	<b>-124</b>	<b>-19.6</b>	<b>104</b>	<b>28%</b>	<b>99</b>	<b>30%</b>	<b>99</b>	<b>25%</b>
<b>West</b>	<b>187</b>	<b>23</b>	<b>12.3</b>	<b>-88</b>	<b>-30%</b>	<b>-90</b>	<b>-27%</b>	<b>-90</b>	<b>-22%</b>
<b>Producing</b>	<b>438</b>	<b>102</b>	<b>23.3</b>	<b>104</b>	<b>12%</b>	<b>99</b>	<b>10%</b>	<b>99</b>	<b>9%</b>

### Futures Market Price Trends

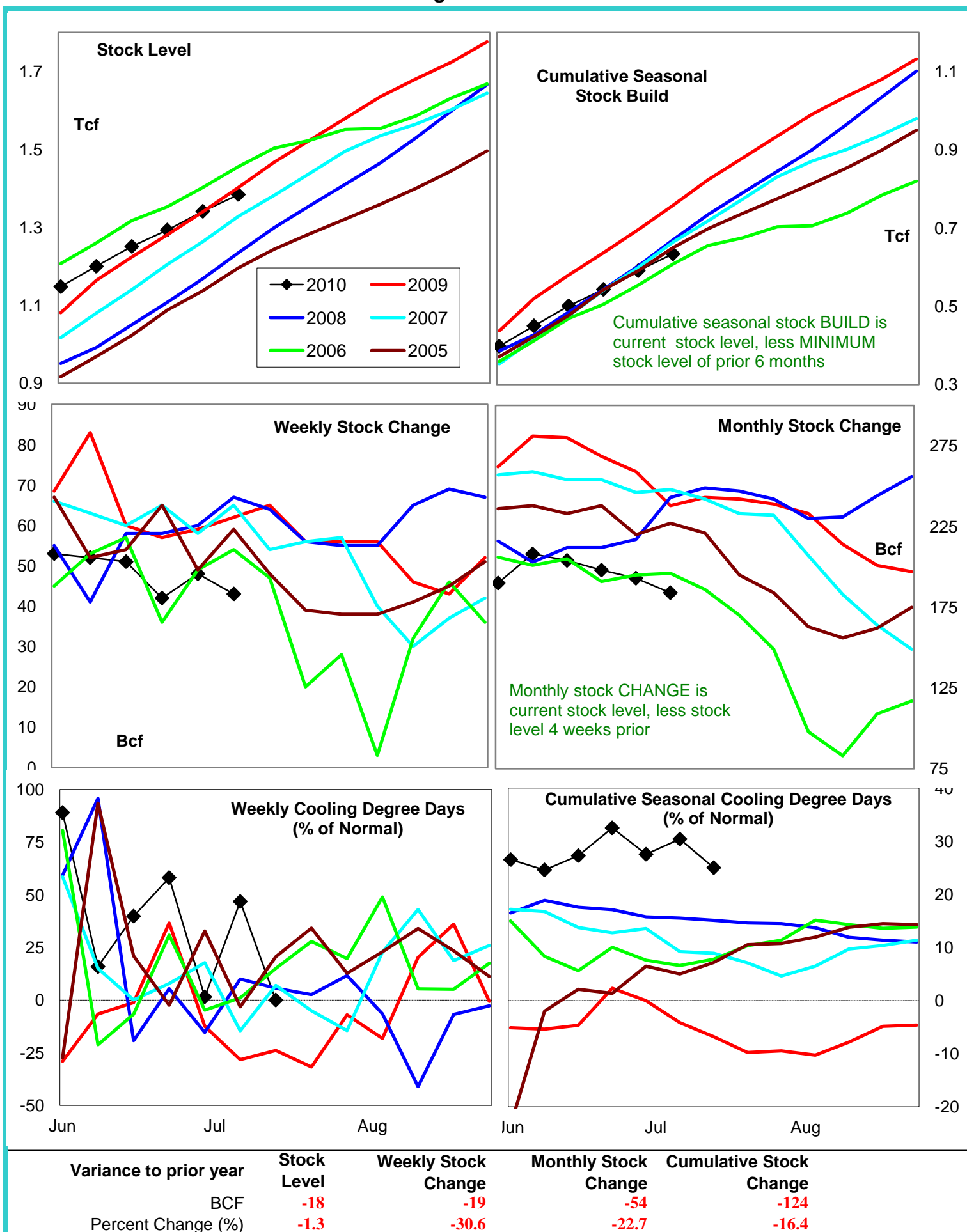
Date:	18-Aug-10	Change vs prior week, month, year		
		12-Aug-10	22-Jul-10	7-Aug-09
<b>1st month Futures</b>	<b>4.55</b>	<b>0.15</b>	<b>-0.45</b>	<b>1.17</b>
<b>% change</b>	xxxxx	<b>3.4</b>	<b>-9.0</b>	<b>34.6</b>



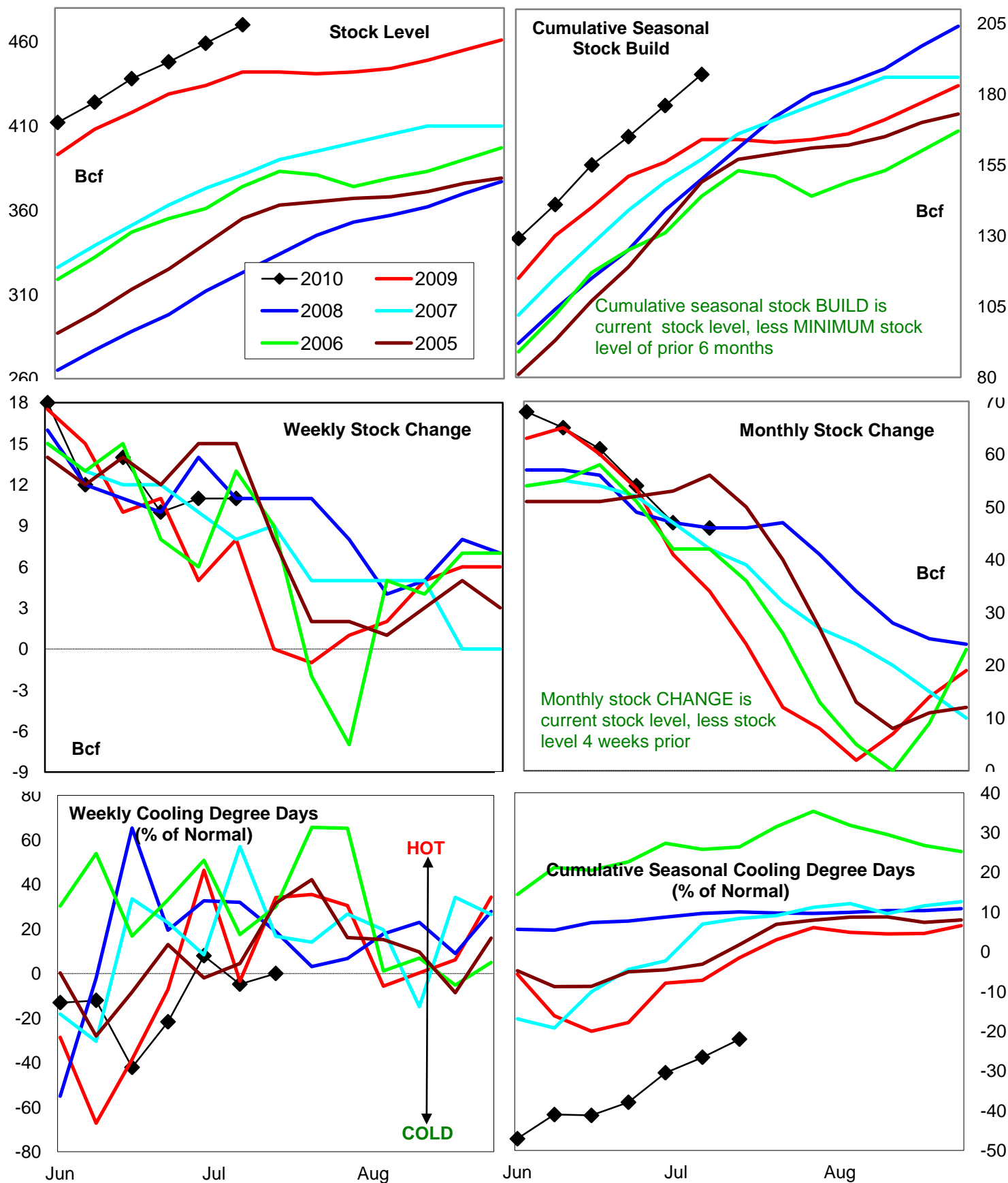
# United States Natural Gas Stock and Weather Trends



# Natural Gas East Region Stock and Weather Trends



# Natural Gas West Region Stock and Weather Trends

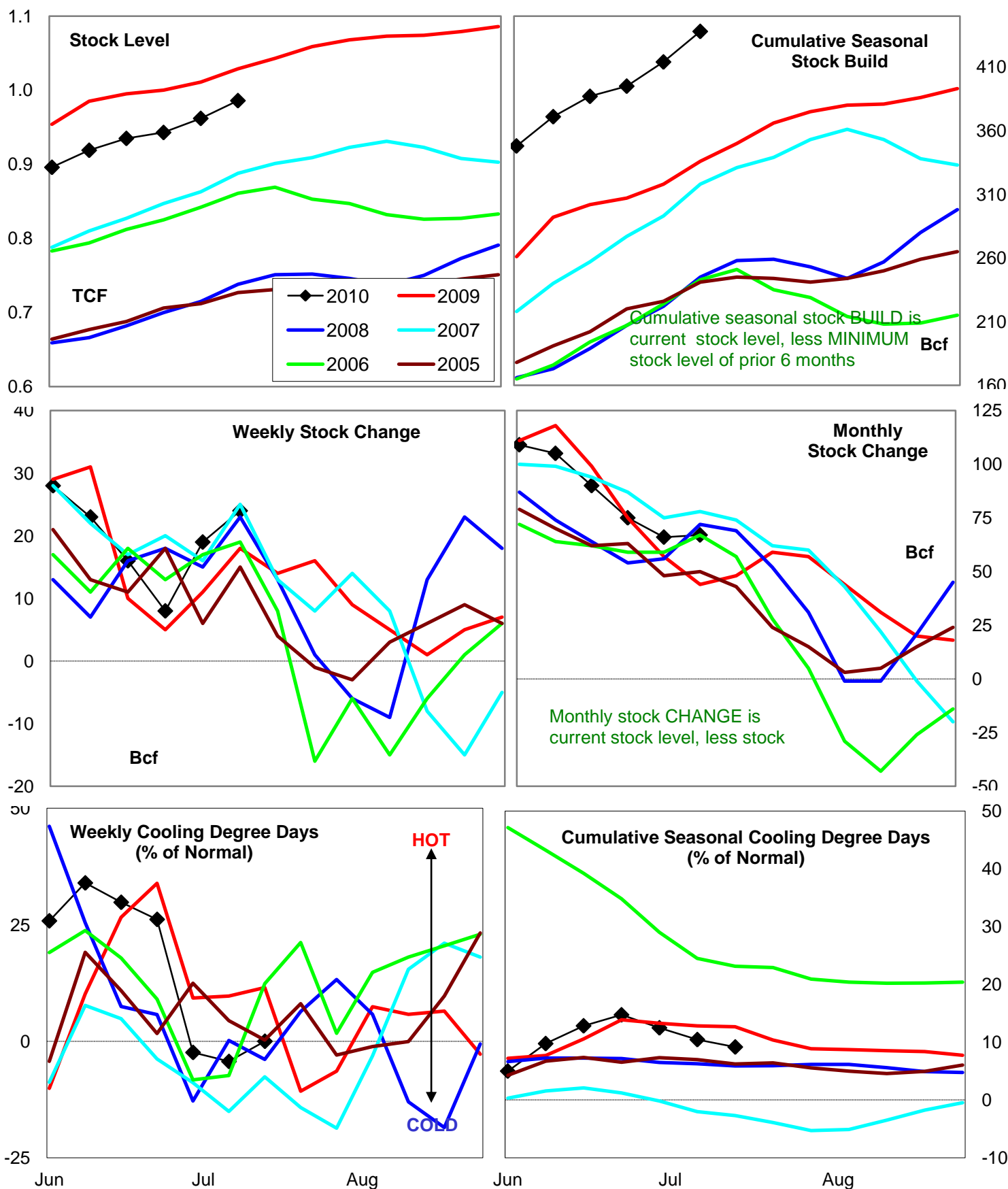


Variance to prior year

Stock  
LevelWeekly Stock  
ChangeMonthly Stock  
ChangeCumulative Stock  
ChangeBCF  
Percent Change (%)28  
6.33  
37.512  
35.323  
14.0



# Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

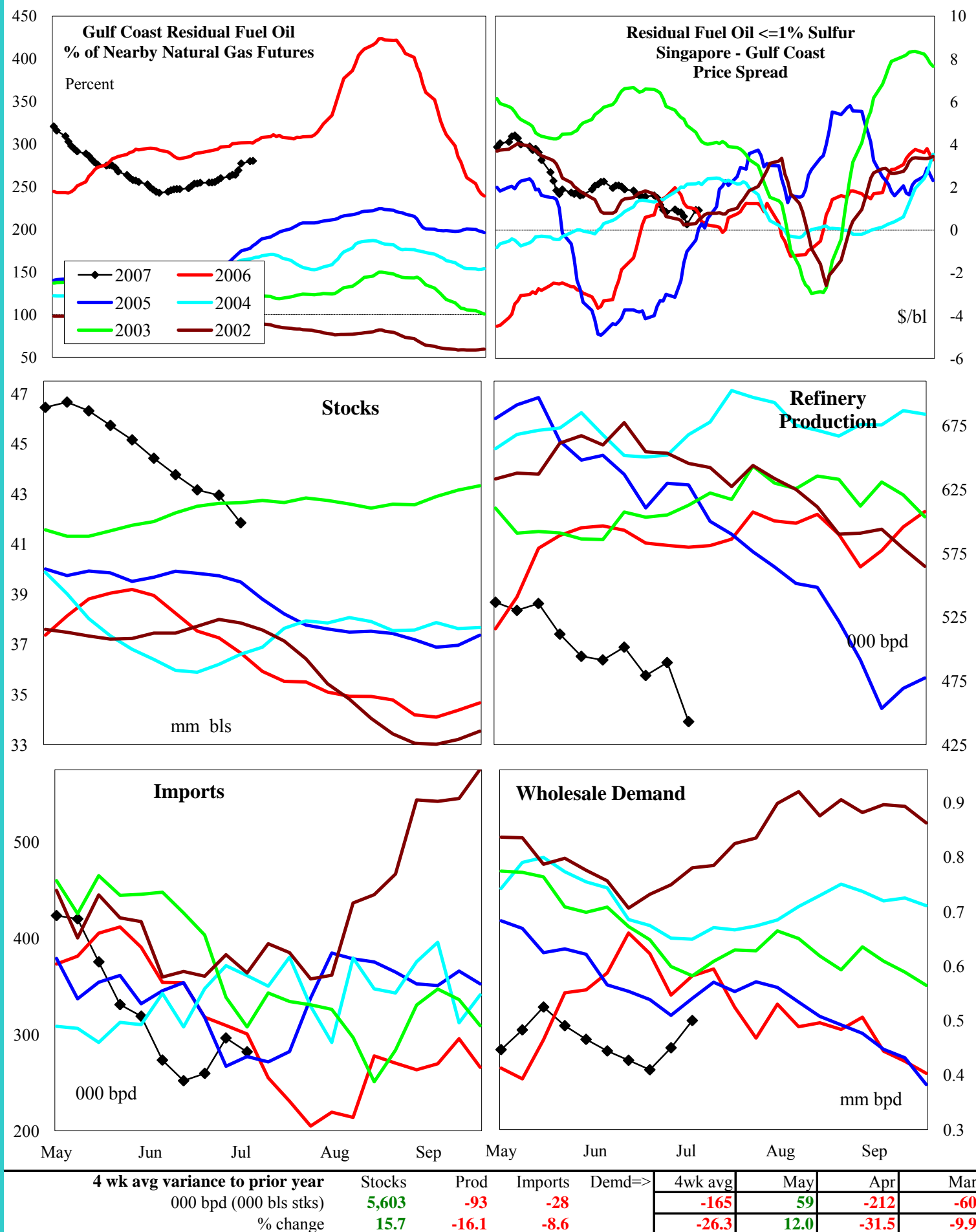
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

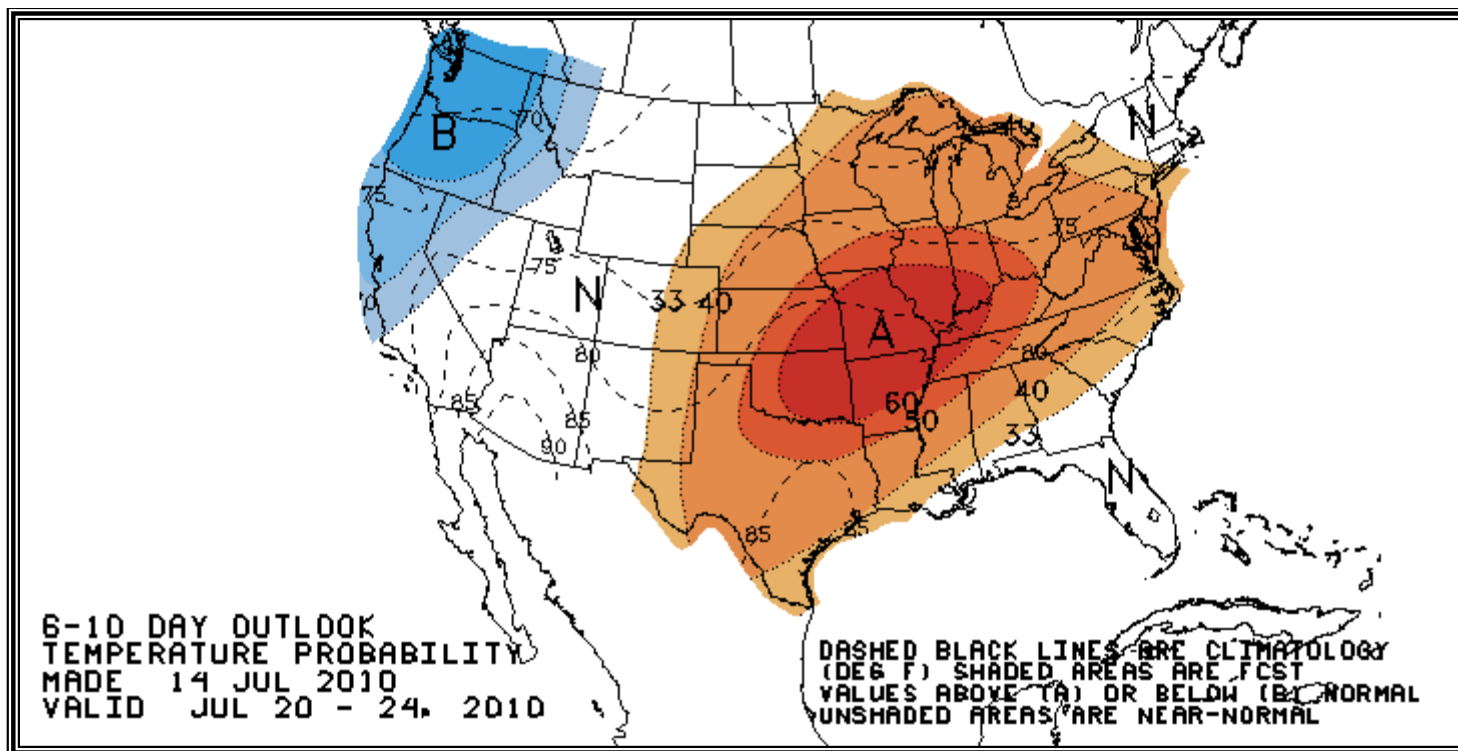
BCF  
Percent Change (%)-43  
-4.26  
33.323  
52.3102  
30.4

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



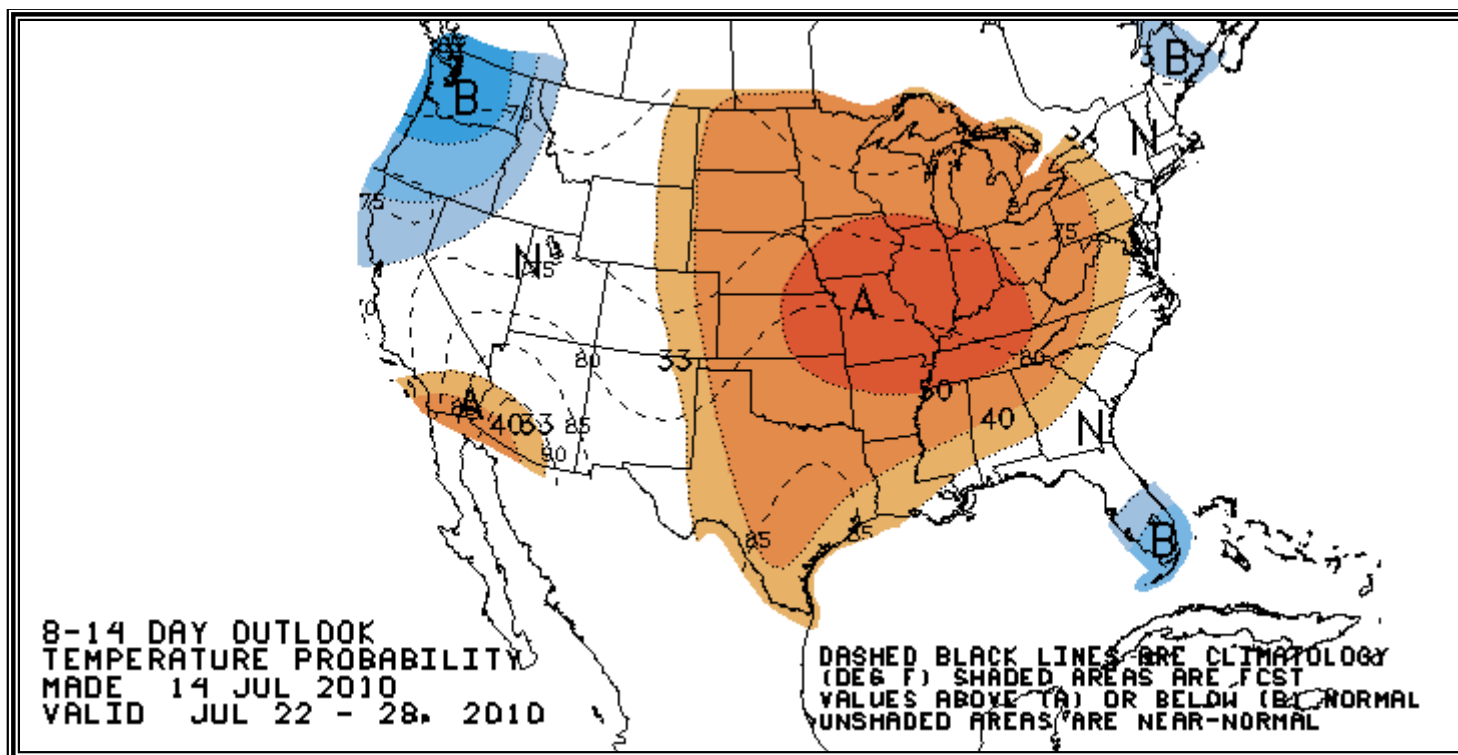
## National Weather Service Climate Prediction Center

## Degree Days 6 - 10 Day Temperature Forecast



## National Weather Service Climate Prediction Center

## Degree Days 8 - 14 Day Temperature Forecast





# American Gas Association Regions

