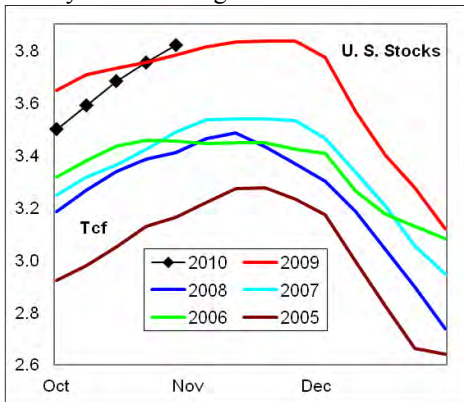
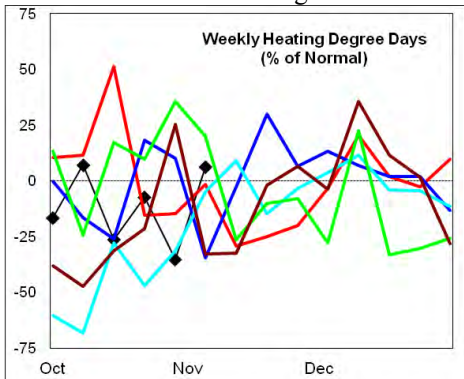




**Summary** <sup>1</sup> Stocks increased +67 Bcf last week, a level that matched the historic high for the period. Stock levels now exceed the 5-year record highs reached in 2009.



Heating degree days were -35% below normal for the week ending 30Oct10. Slightly cooler than normal temperatures are forecast for the week ending 06Nov10.



In the East Region stocks increased +39 Bcf, which was a record build for the week. Stocks increased +2 Bcf in the West Region, which was below the mid range. The stock build of +26 Bcf in the Producing Region was the 5th consecutive record weekly build.

Heating degree days were -41% below normal in the East Region, -2% below normal in the West Region and +30% above normal in the Producing Region for the week ending 30Oct10.

**Heating degree days** were -35% below normal for the week ended 30Oct10, with

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

[Data Source is EIA Weekly Statistics](#)

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

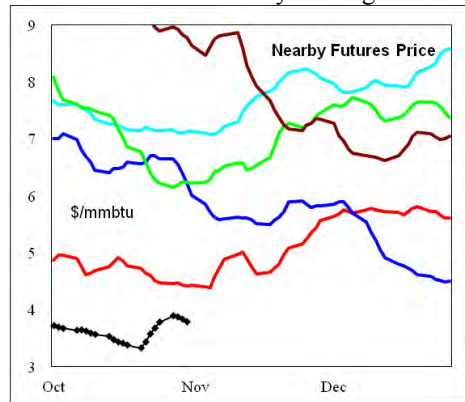
[National Weather Service 10-14 Day](#)

temperatures forecast to be below normal for the current week ending 06Nov10.

The 6-10 day NWS forecast for the week ending November 13th is for much above normal temperatures in the eastern 1/2 of the country and below normal in the western 1/2 of the country.

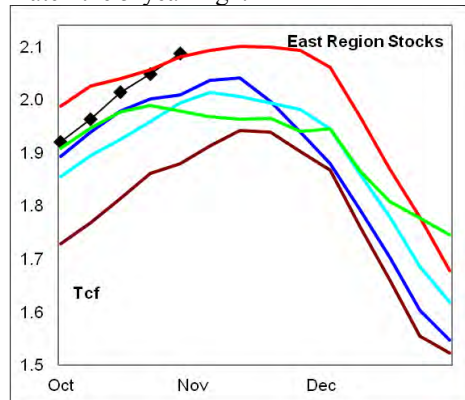
The 8-14 day NWS forecast for the week ending November 17th is for below normal temperatures in the western 1/2 of the country and near normal temperatures in eastern 1/2 of the country.

**Prices:** Nearby gas futures prices decreased -\$0.10/mmbtu for the week ending 04Nov10. Prompt month futures prices remain well below the 5-year range.



The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve trended higher on the week, due to the roll from November to December futures contract, with the spread ending the week near the historic mid range.

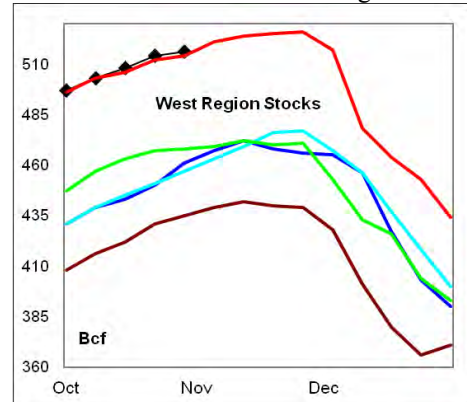
**East Region** stocks increased +39 Bcf on the week, a record build for the period. The latest 4-wk stock build was a record high for this time of year. Stock levels match the 5-year high.



Heating degree days in the region are forecast to be +14% above normal for the week ending 06Nov10. Below normal heating degree days are forecast for the next 10-days.

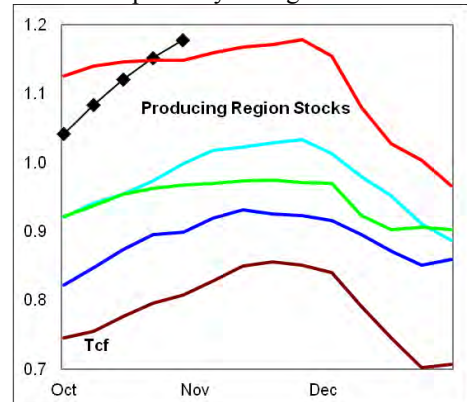
**West Region** stocks increased +2 Bcf on

the week, a build below the mid range for the period. which was at the historic mid range. Stock levels match last years' 5-year high. The latest 4-wk stock build was at the low end of the historic range.



Heating degree days are forecast to be -30% below normal for the week ending 06Nov10. Above normal heating degree days are forecast for the next 10-days.

**Producing Region** stocks increased +26 Bcf on the week, the 5th consecutive record weekly build. The latest 4-wk stock build was a record high. Stock levels now exceed the prior 5-year high.



Heating degree days are forecast to be -8% below normal for the week ending 06Nov10. Slightly below normal heating degree days are forecast for the next 10 days.

**Residual Fuel Oil Switching:** The price spread between fuel oil and natural gas remains highly favorable for gas.

**Outlook:** The weather outlook through mid month remains mild in key heating markets. High production continues to drive stock levels to new record highs. These trends point toward continued price weakness; partially offset by renewed market expectations of inflation that is lifting petroleum prices.



## NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: November 4, 2010

For the week ending: 31-Dec-10

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

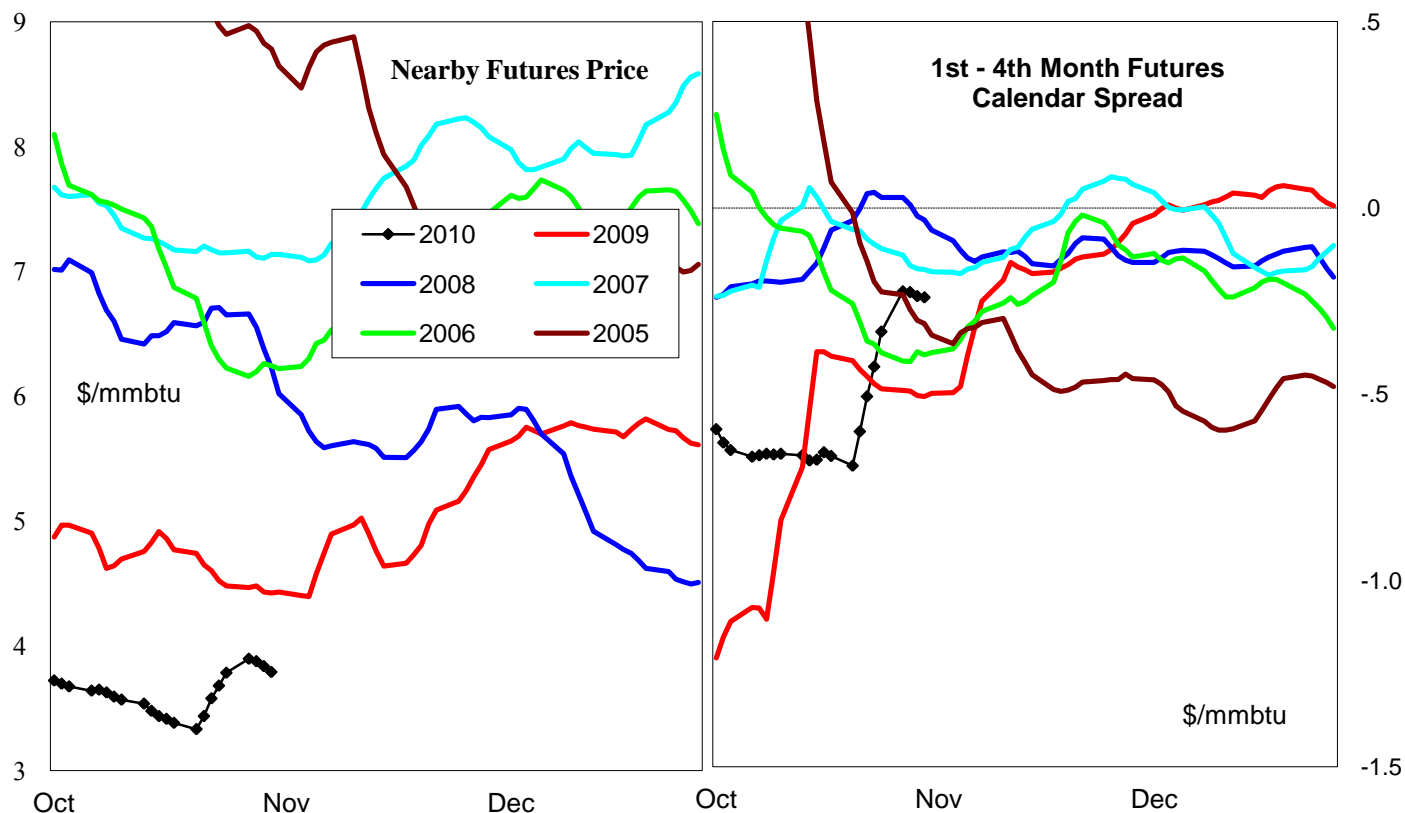
Week ending:	31-Dec-10			23-Oct-10		30-Oct-10		6-Nov-10	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,821	67	1.0	27	-7%	-13	-35%	56	6%
East	2,087	39	0.3	35	-2%	-27	-41%	78	14%
West	516	2	0.4	32	-8%	22	-2%	-17	-30%
Producing	1,218	26	2.4	-2	-50%	16	-30%	24	-8%

### Seasonal Trends in Stocks and Heating Degree Days

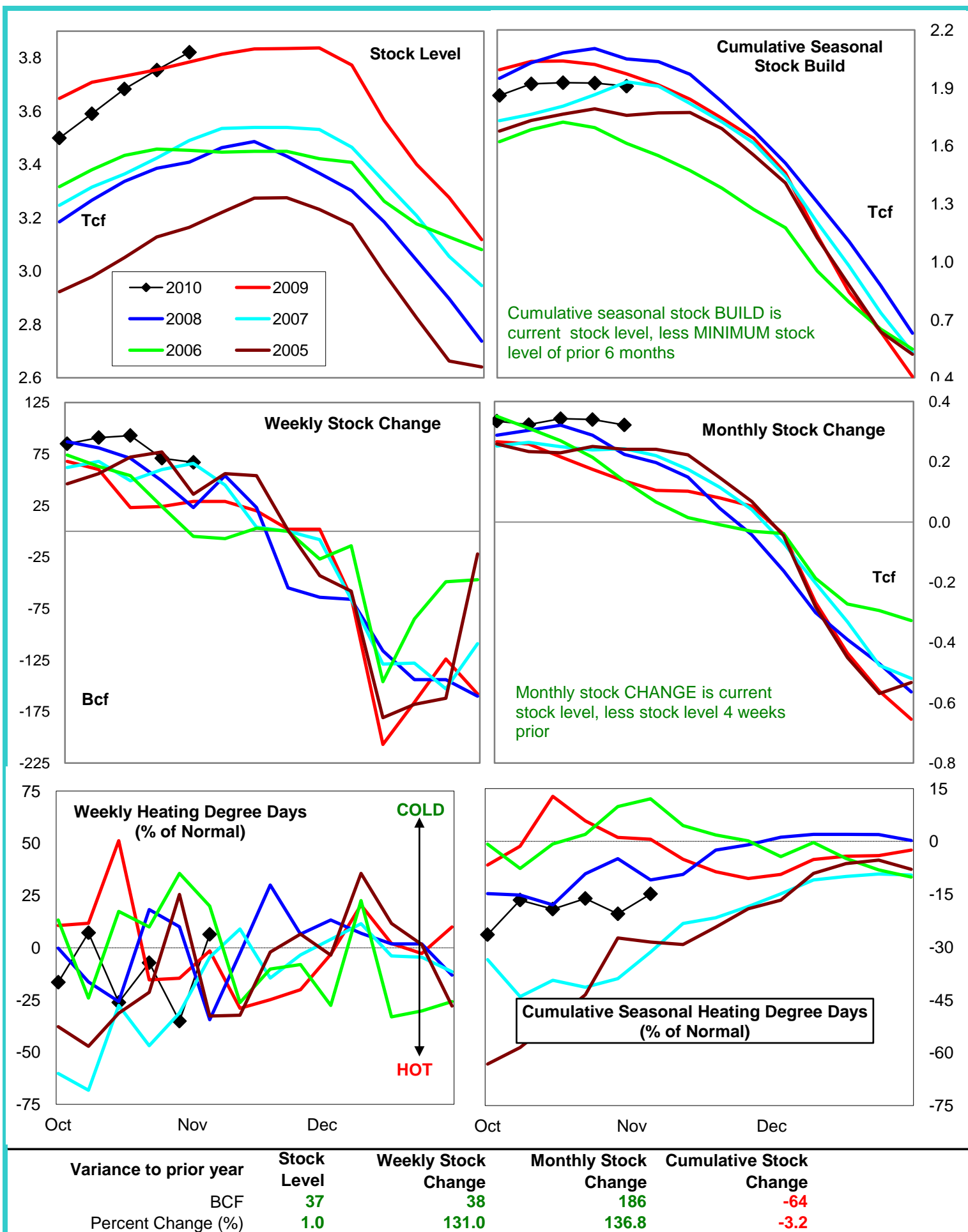
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
<b>U.S. Total</b>	<b>1,909</b>	<b>-64</b>	<b>-3.4</b>	<b>76</b>	<b>-16.2</b>	<b>63</b>	<b>-20.6</b>	<b>119</b>	<b>-14.9</b>
<b>East</b>	<b>1,220</b>	<b>-157</b>	<b>-12.9</b>	<b>92</b>	<b>-13.7</b>	<b>65</b>	<b>-20.0</b>	<b>143</b>	<b>-12.9</b>
<b>West</b>	<b>198</b>	<b>-10</b>	<b>-5.1</b>	<b>78</b>	<b>-26.6</b>	<b>100</b>	<b>-21.8</b>	<b>83</b>	<b>-23.4</b>
<b>Producing</b>	<b>491</b>	<b>103</b>	<b>21.0</b>	<b>18</b>	<b>-22.0</b>	<b>34</b>	<b>-24.5</b>	<b>58</b>	<b>-19.7</b>

### Futures Market Price Trends

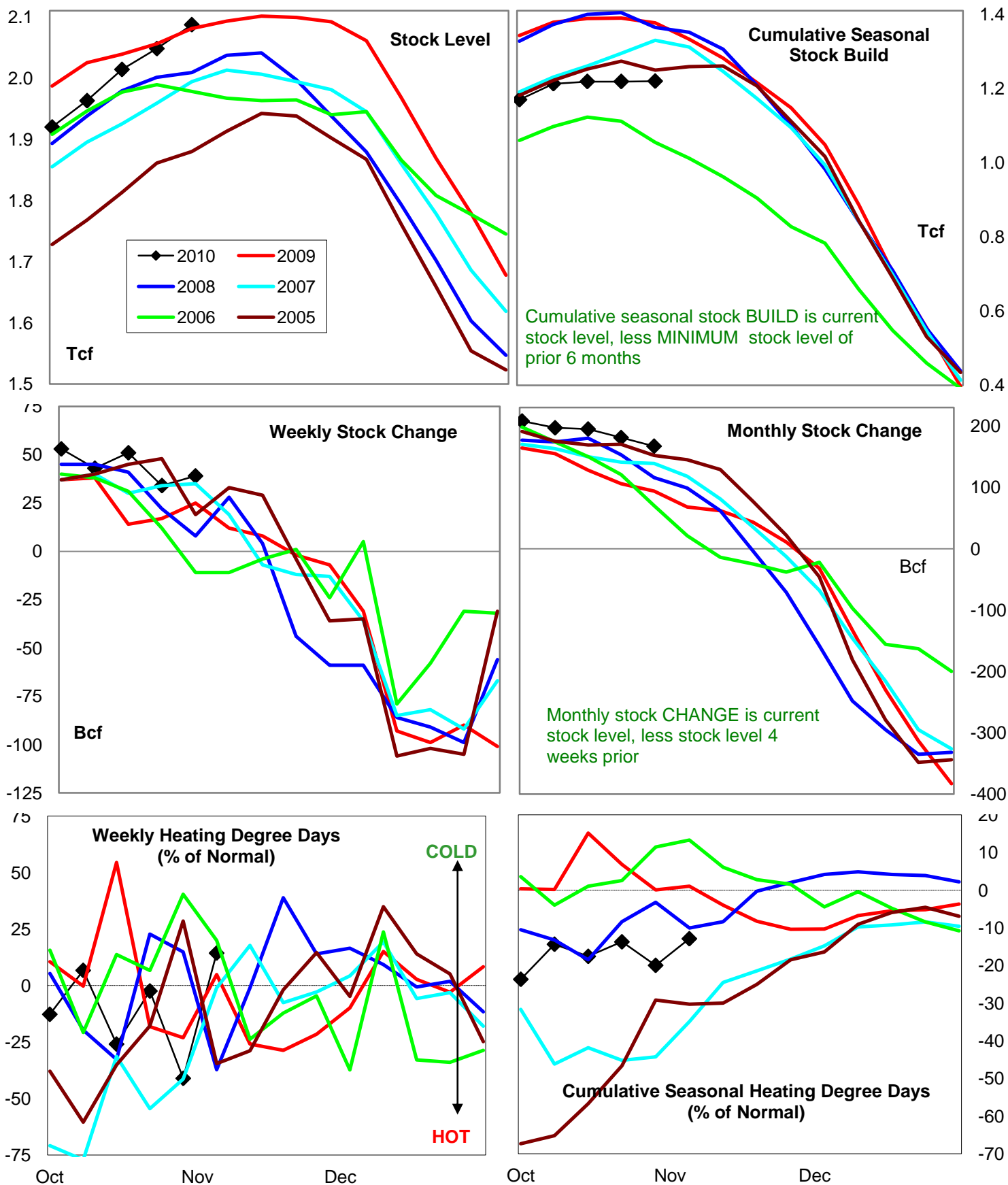
Date:	31-Dec-10	Change vs prior week, month, year		
		27-Dec-10	6-Dec-10	4-Jan-10
<b>1st month Futures</b>	<b>3.79</b>	<b>-0.25</b>	<b>0.14</b>	<b>-0.46</b>
<b>% change</b>	<b>xxxxx</b>	<b>-6.2</b>	<b>3.8</b>	<b>-10.8</b>



# United States Natural Gas Stock and Weather Trends



# Natural Gas East Region Stock and Weather Trends

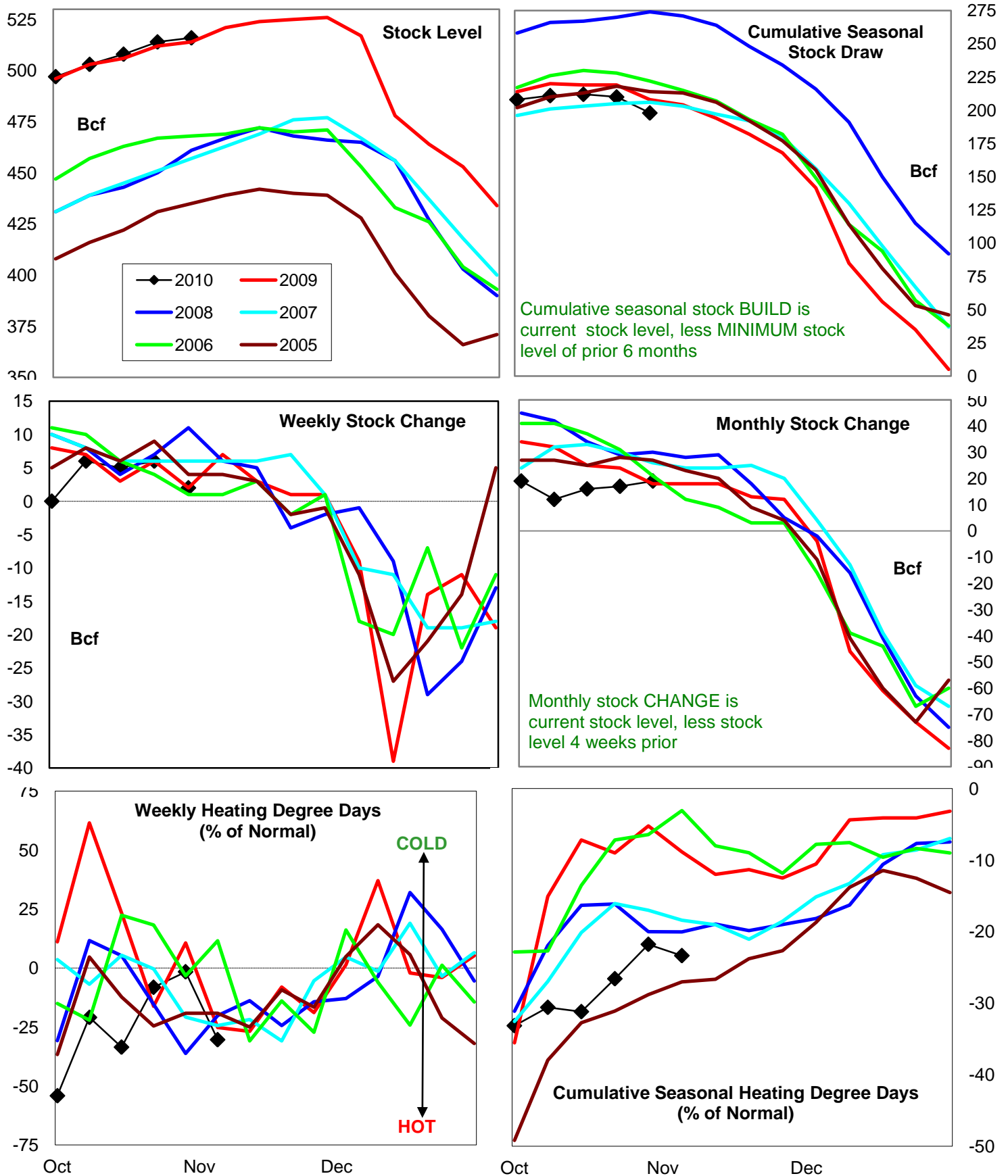


Variance to prior year

Stock  
LevelWeekly Stock  
ChangeMonthly Stock  
ChangeCumulative Stock  
ChangeBCF  
Percent Change (%)6  
0.314  
56.073  
77.7-157  
-11.4



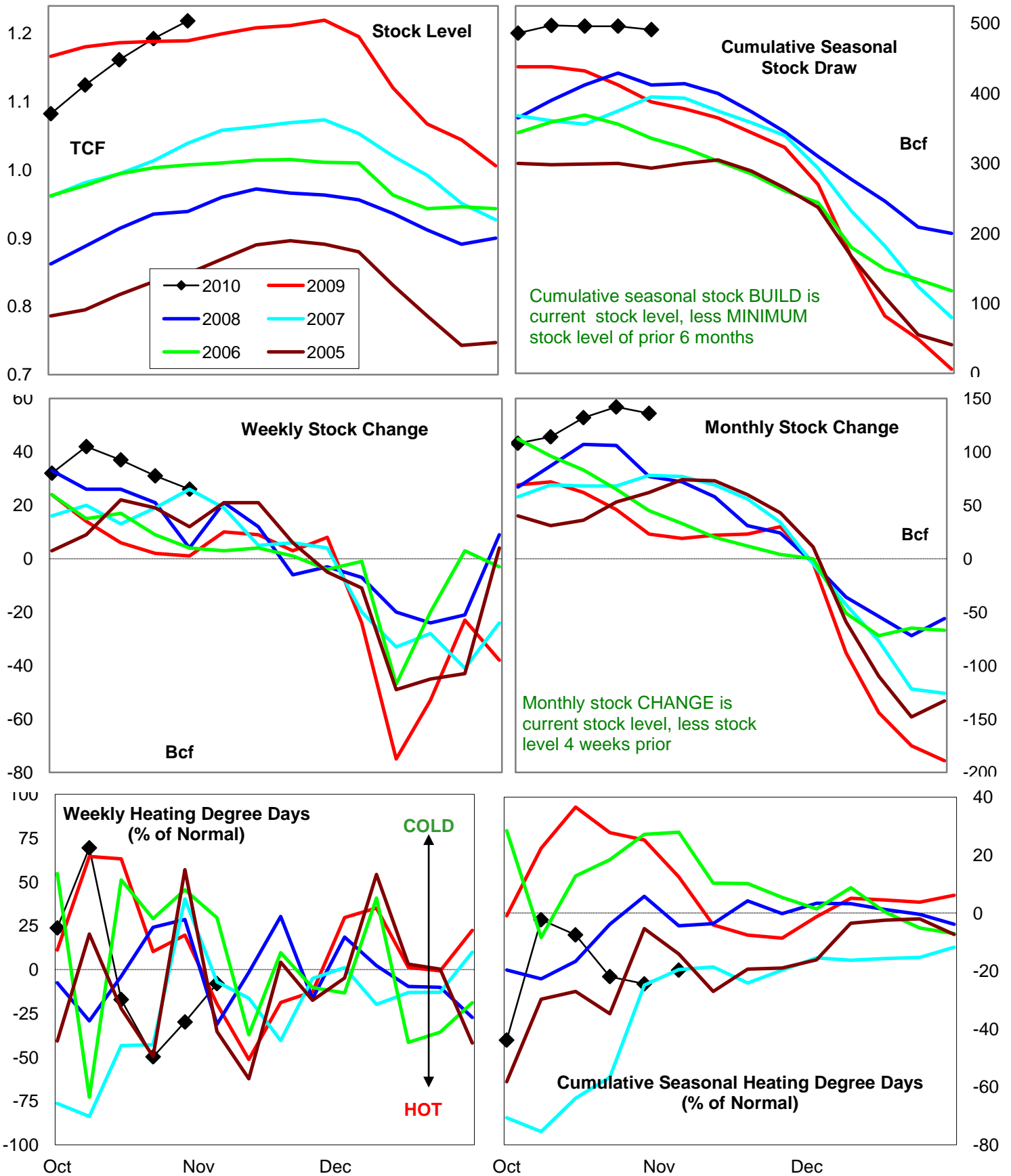
# Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock  
LevelWeekly Stock  
ChangeMonthly Stock  
ChangeCumulative Stock  
ChangeBCF  
Percent Change (%)2  
0.40  
0.01  
5.6-10  
-4.8

# Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

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

29

25

113

103

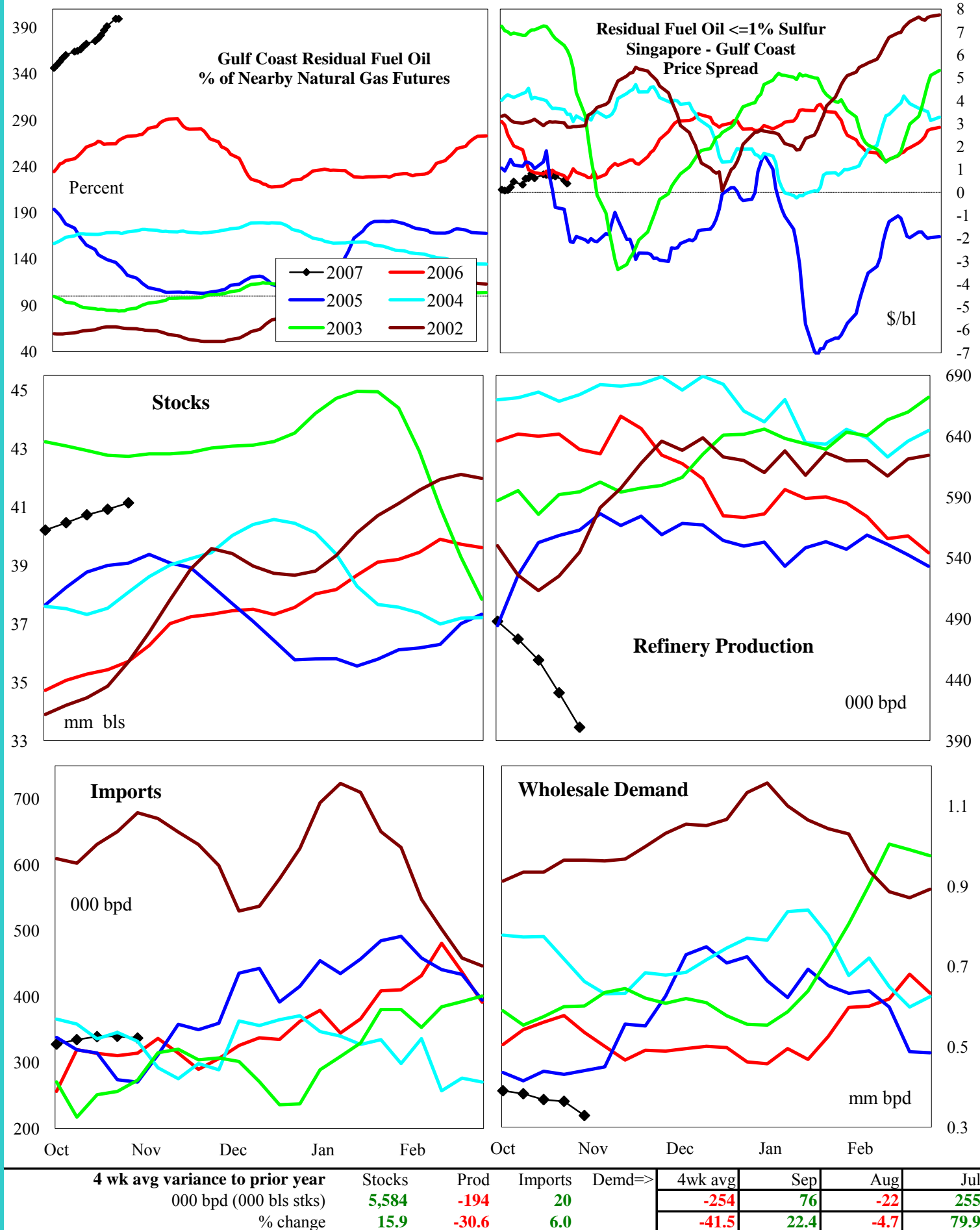
2.4

2,500.0

491.3

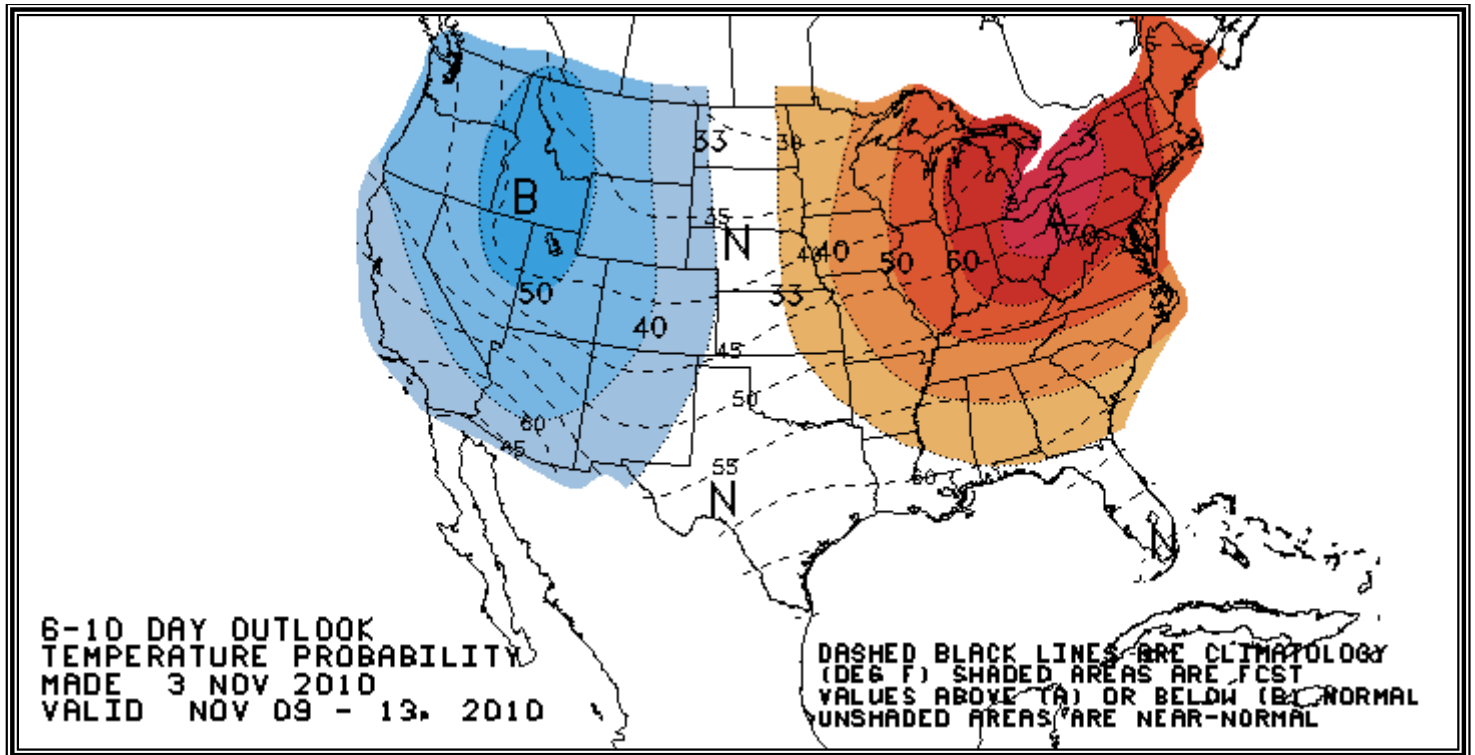
26.5

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



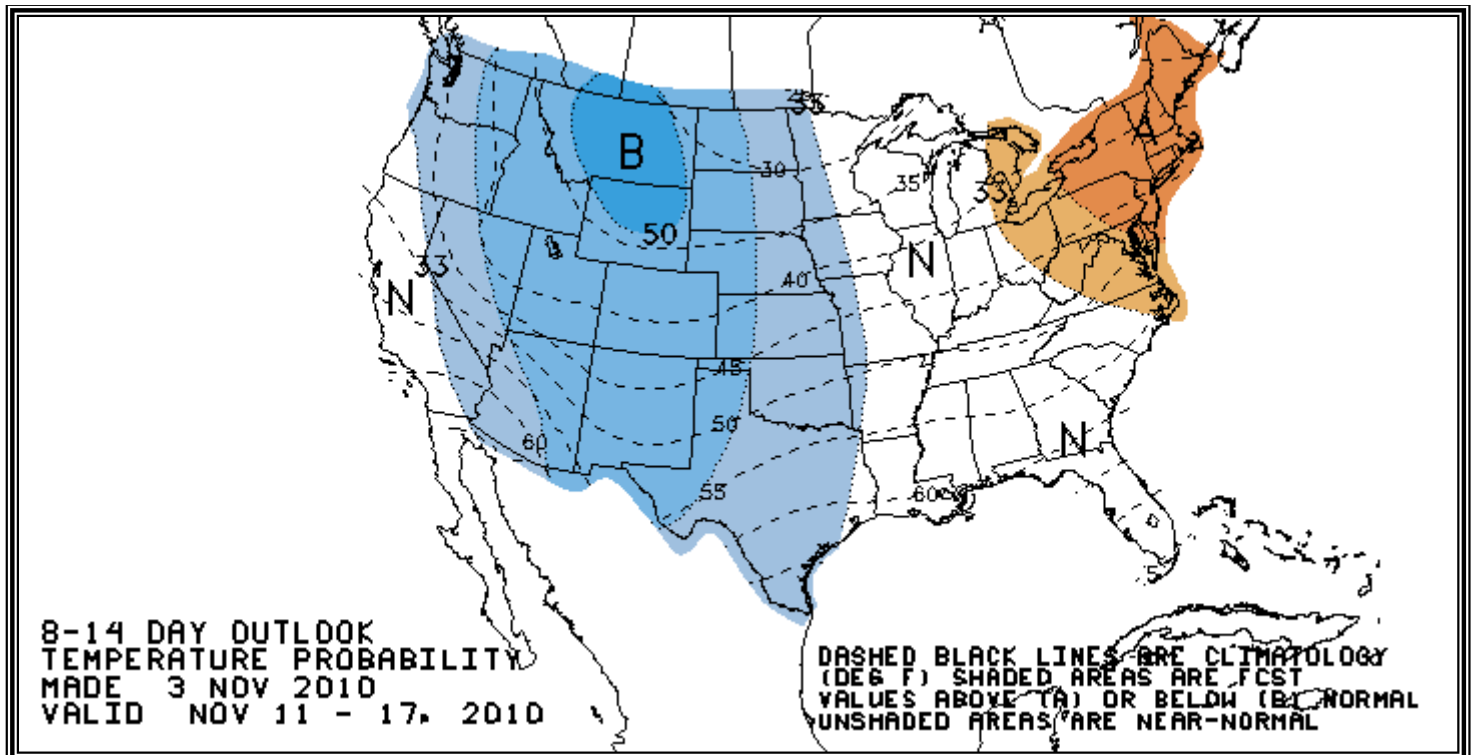
## National Weather Service Climate Prediction Center

## Degree Days 6 - 10 Day Temperature Forecast



## National Weather Service Climate Prediction Center

## Degree Days 8 - 14 Day Temperature Forecast





# American Gas Association Regions

