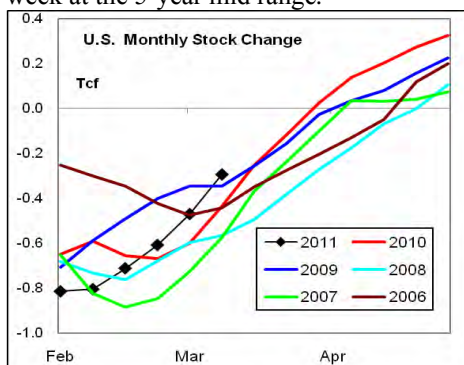
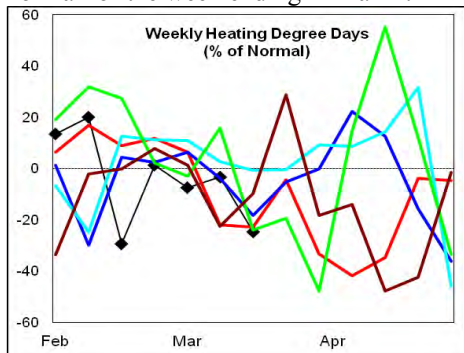




Summary¹ The stock draw of -56 Bcf last week matched the 5-year mid range for the week. The latest monthly stock change was the lowest draw of the last 5-years for this time of year. Stock levels ended the week at the 5-year mid range.



Heating degree days were -3% below normal for the week ending 12Mar11.



In the East Region stocks decreased -51 Bcf for the period, a draw that was less than the mid range. Stocks decreased -2 Bcf in the West Region, the lowest draw for this time of year during the last 5-years. The stock draw of -3 Bcf in the Producing Region was slightly greater than the mid range.

Heating degree days were -4% below normal in the East Region, -1% below normal in the West Region and +3% above normal in the Producing Region for the week ending 12Mar11.

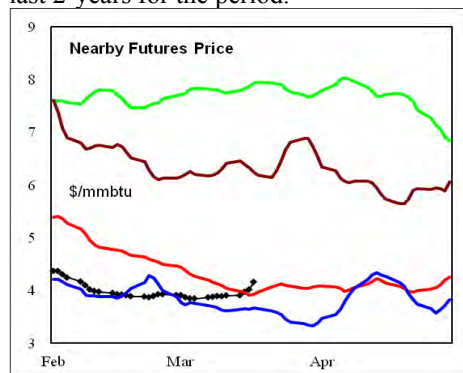
Heating degree days were -3% below normal for the week ended 12Mar11, and forecast to be -25% below normal for the

week ending 19Mar11.

The 6-10 day NWS forecast for the week ending 27Mar11 is for much warmer than normal temperatures across the south and central plains regions; and colder than normal temperatures in the great lakes, New England and West Coast regions.

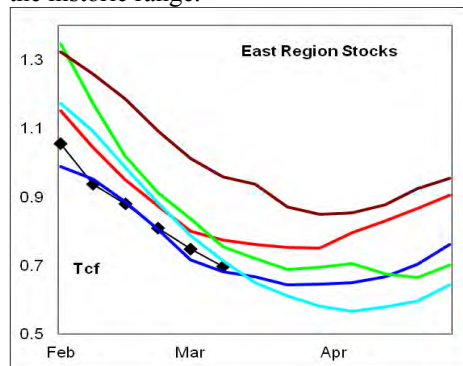
The 8-14 day NWS forecast for the week ending 31Mar11 is for warmer than normal temperatures across the central 1/3rd of the country; and cooler than normal in New England and the West Coast.

Prices: Nearby gas futures prices jumped + \$0.33/mmbtu for the week ending 17Mar11. Prices levels climbed above the last 2-years for the period.



The 1st - 4th month forward price curve traded sideways last week ending 17Mar11. The spread ended the week at a record low carry, pointing to expectations of abundant supply in the future.

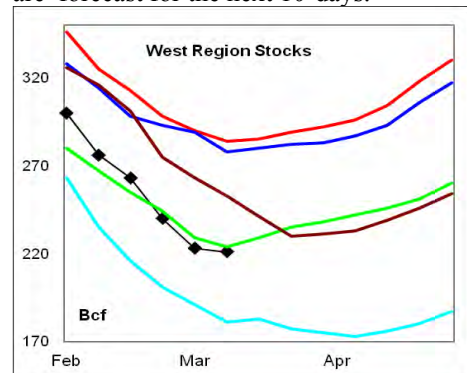
East Region stocks decreased -51 Bcf last week, a draw that was less than the mid range. The latest 4-wk draw was the lowest for this period during the past 5-years. Stock levels were at the low end of the historic range.



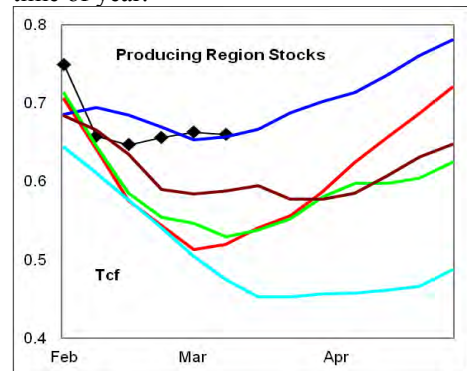
Heating degree days in the region were -4% below normal last week and are forecast to be -23% below normal for the week ending 129ar11. Near normal heating degree days are forecast for the next 10-days.

West Region stocks decreased -2 Bcf on the week, the lowest draw for this period during the last 5-years. Stock levels were well below the 5-year mid range. The latest 4-wk stock draw was greater than the mid range.

Heating degree days were -1% below normal last week, and forecast to be -20% below normal for the current week. Slightly above normal heating degree days are forecast for the next 10-days.



Producing Region stocks was a draw of -2 Bcf on the week, slightly greater than the mid range. Stock levels were unchanged for the latest 4-wk period, compared to draws in each of the last 5-years. Stock levels matched the record high for this time of year.



Heating degree days were +3% above normal last week, and estimated to be -43% below normal for the week ending 19Mar11. Warmer than normal temperatures are forecast next week.

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

Outlook: Unusually low heating degree days during the last month led to record low stock draws; including an earlier than normal stock builds in the Producing Region. Gas prices have recently increased on nuclear power risk with a potential shift to gas for power generation.

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: March 18, 2011

For the week ending: 11-Mar-11

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

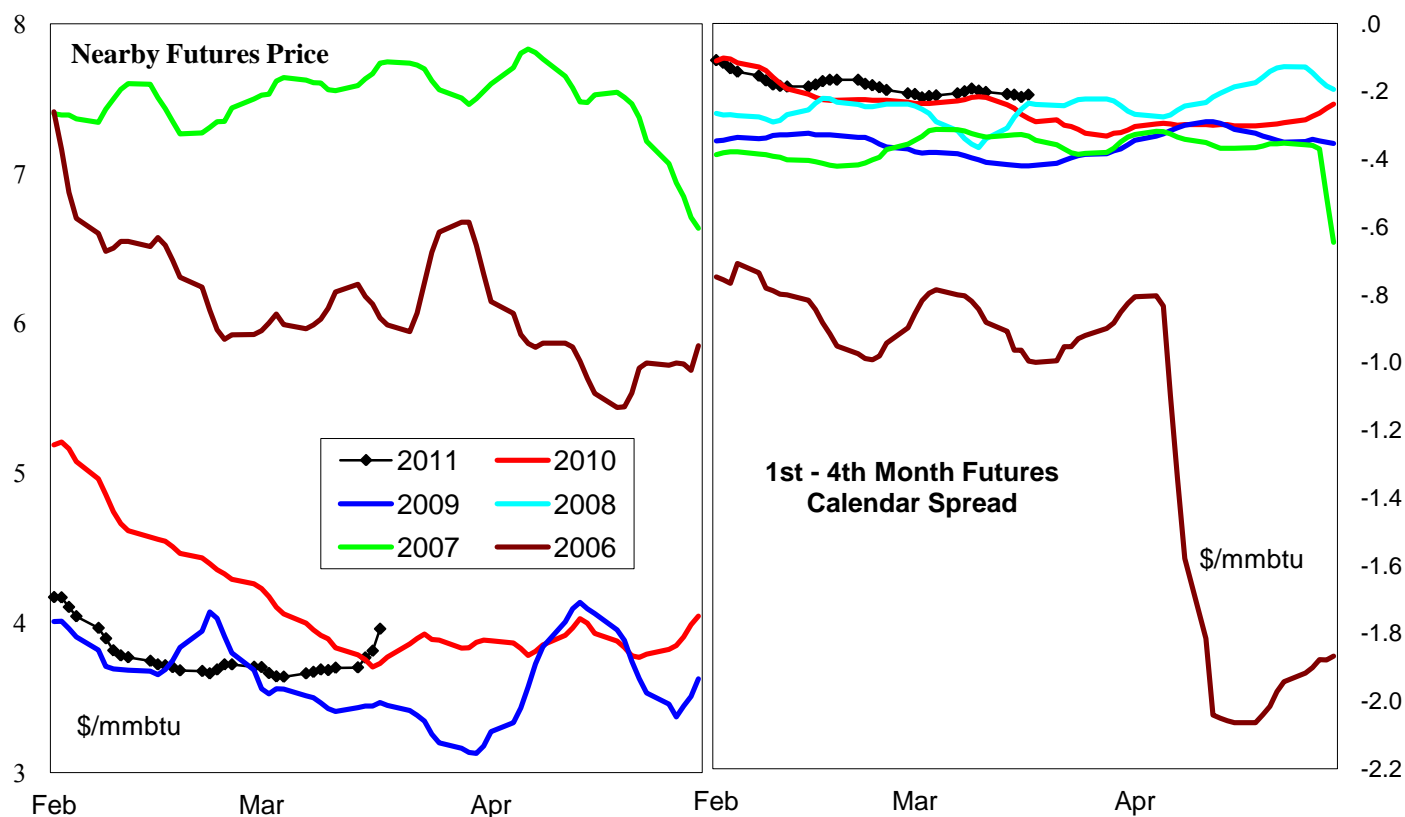
Week ending:	11-Mar-11			5-Mar-11		12-Mar-11		19-Mar-11	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,618	-56	0.1	-30	-7%	-6	-3%	-47	-25%
East	697	-51	-9.8	-37	-7%	-9	-4%	-49	-23%
West	221	-2	-22.2	-37	15%	-34	-1%	-36	-20%
Producing	700	-3	25.0	-2	-28%	21	3%	-48	-43%

Seasonal Trends in Stocks and Heating Degree Days

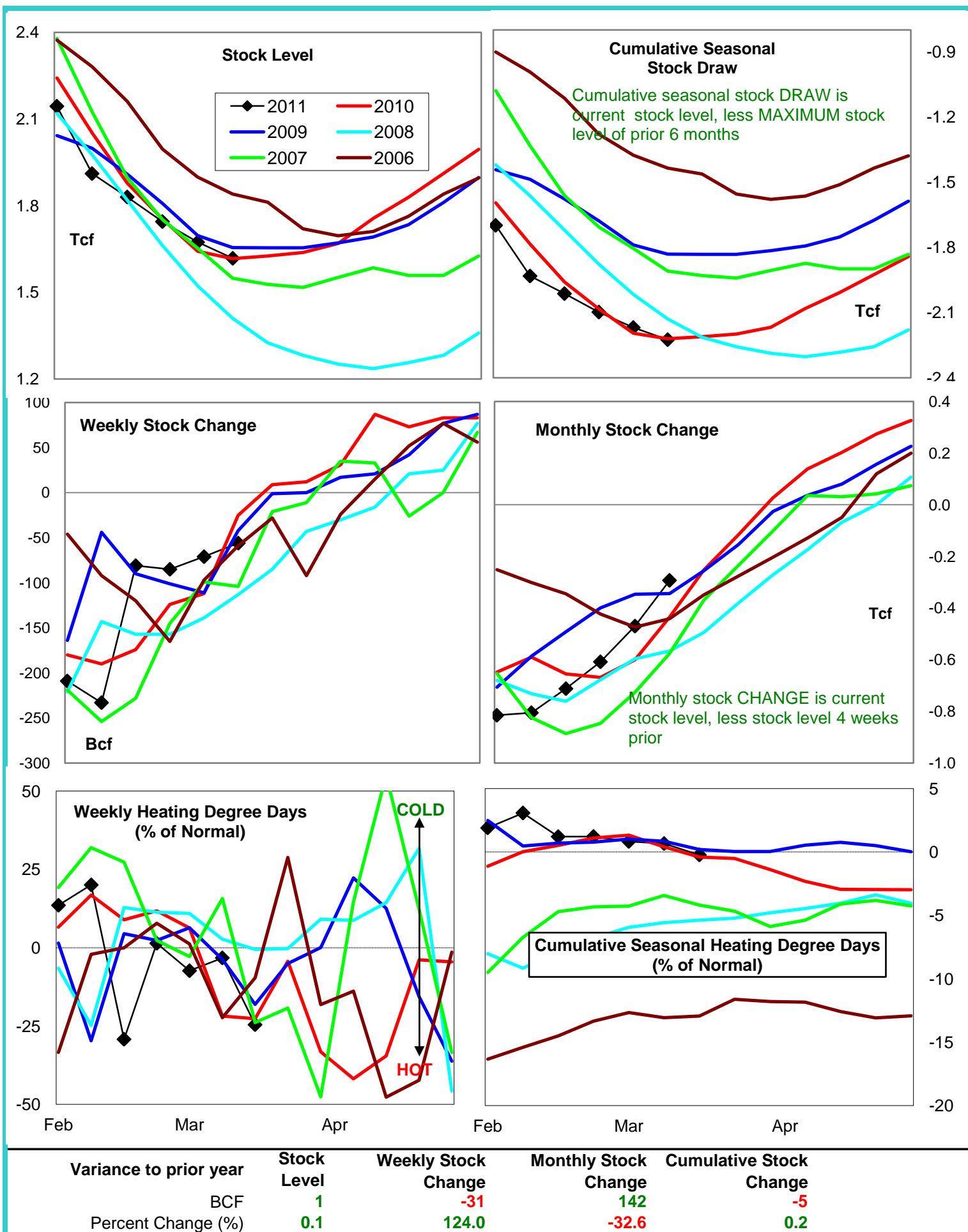
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-2,225	-5	0.2	168	0.8	162	0.7	115	-0.2
East	-1,390	-63	4.5	192	1.6	183	1.3	134	0.4
West	-299	-57	19.1	189	-2.6	155	-2.6	119	-3.2
Producing	-563	95	-16.9	74	-0.5	94	-0.4	46	-1.7

Futures Market Price Trends

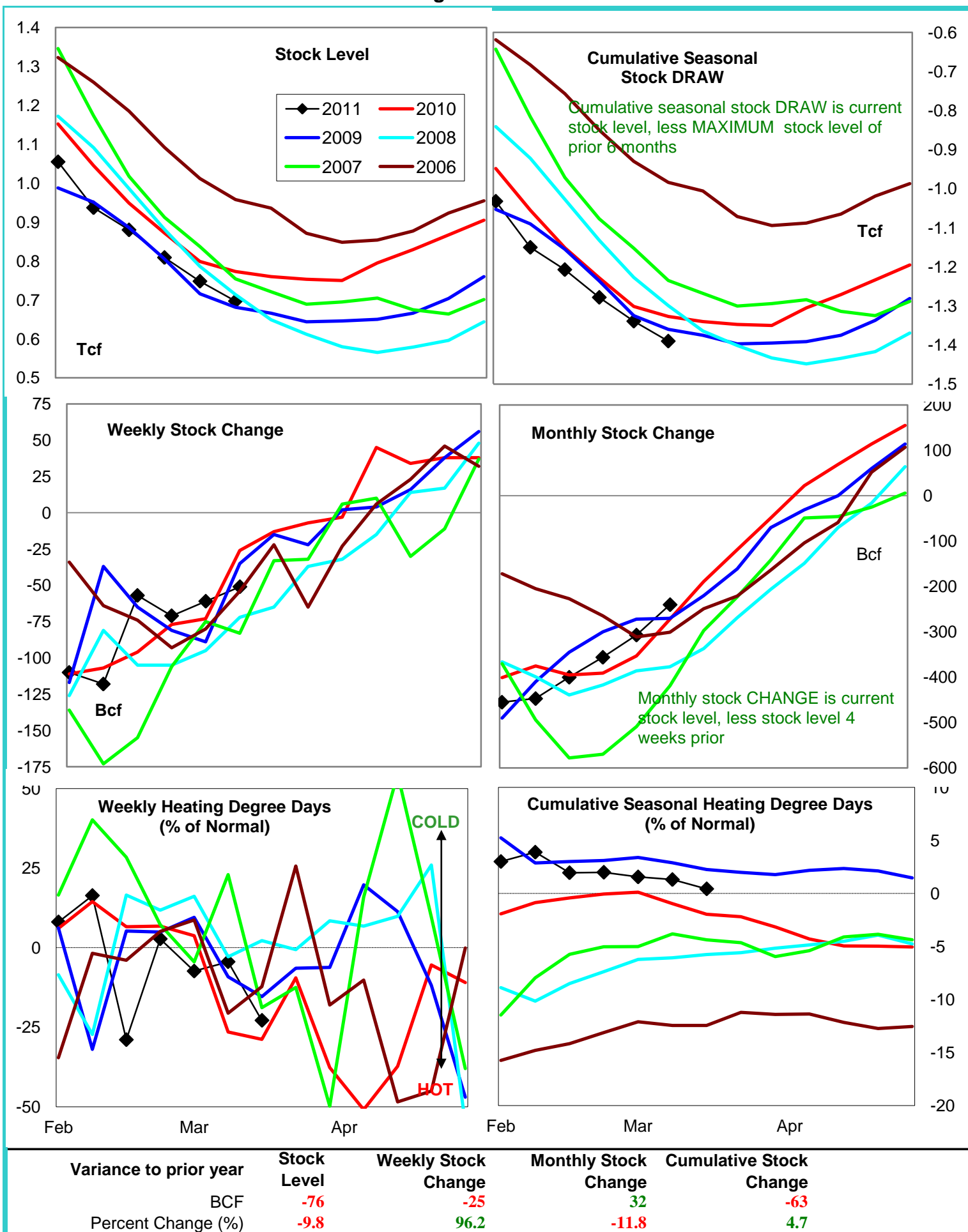
Date:	17-Mar-11	Change vs prior week, month, year		
		11-Mar-11	17-Feb-11	17-Mar-10
1st month Futures	4.16	0.27	0.28	0.29
% change	xxxxx	6.9	7.2	7.5



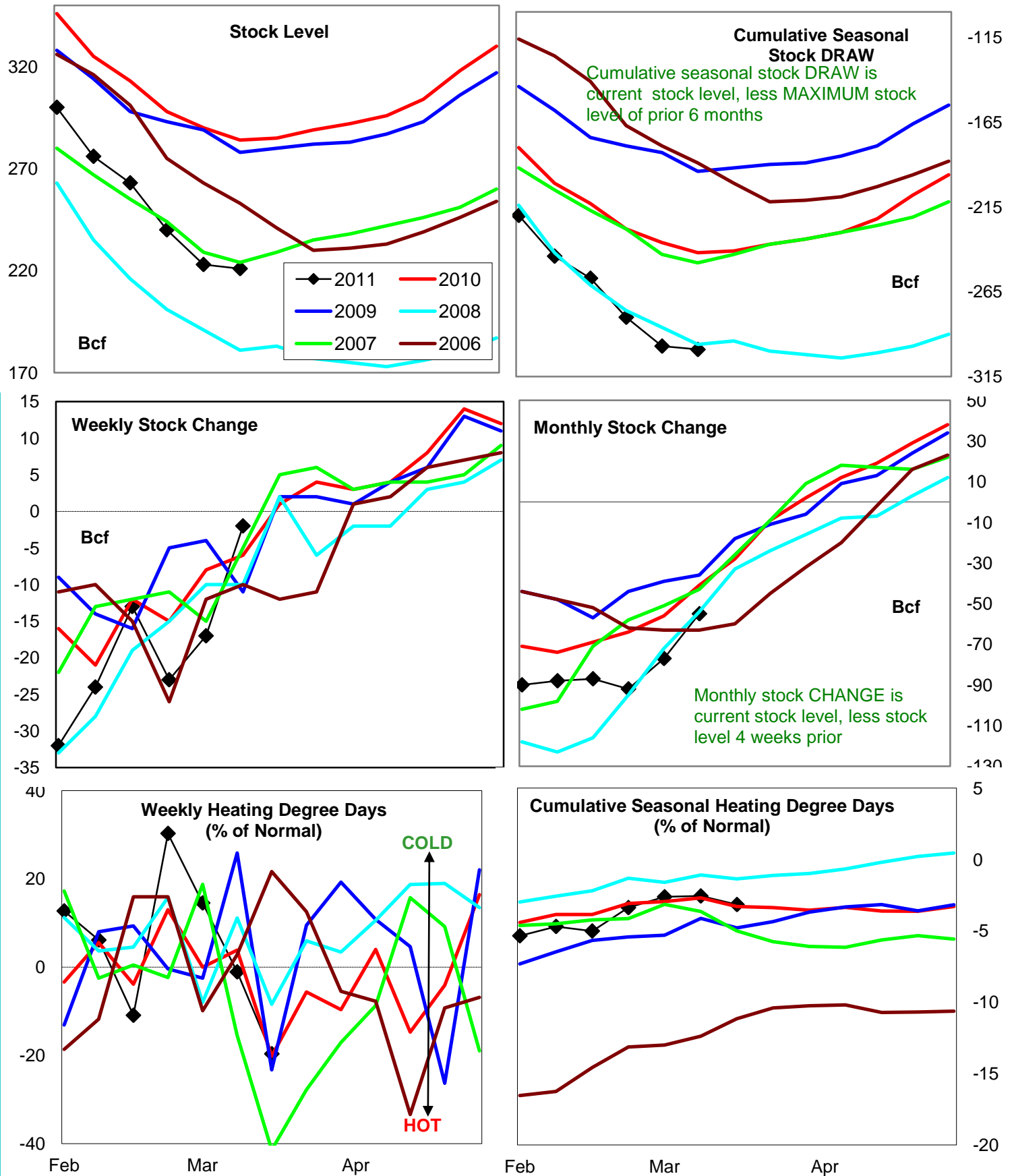
United States Natural Gas Stock and Weather Trends



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
Change

BCF

-63

4

-14

-57

Percent Change (%)

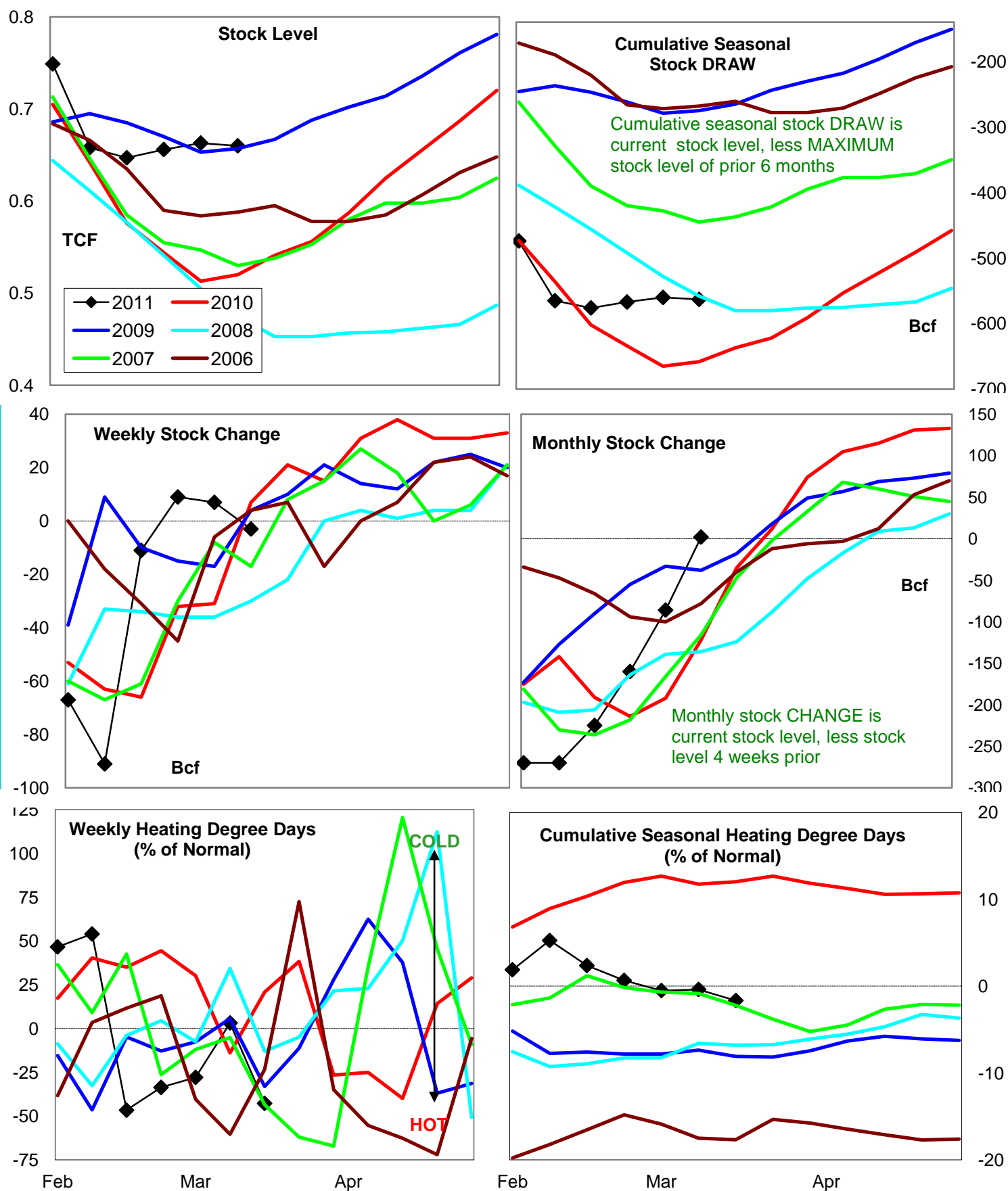
-22.2

-66.7

34.1

23.6

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

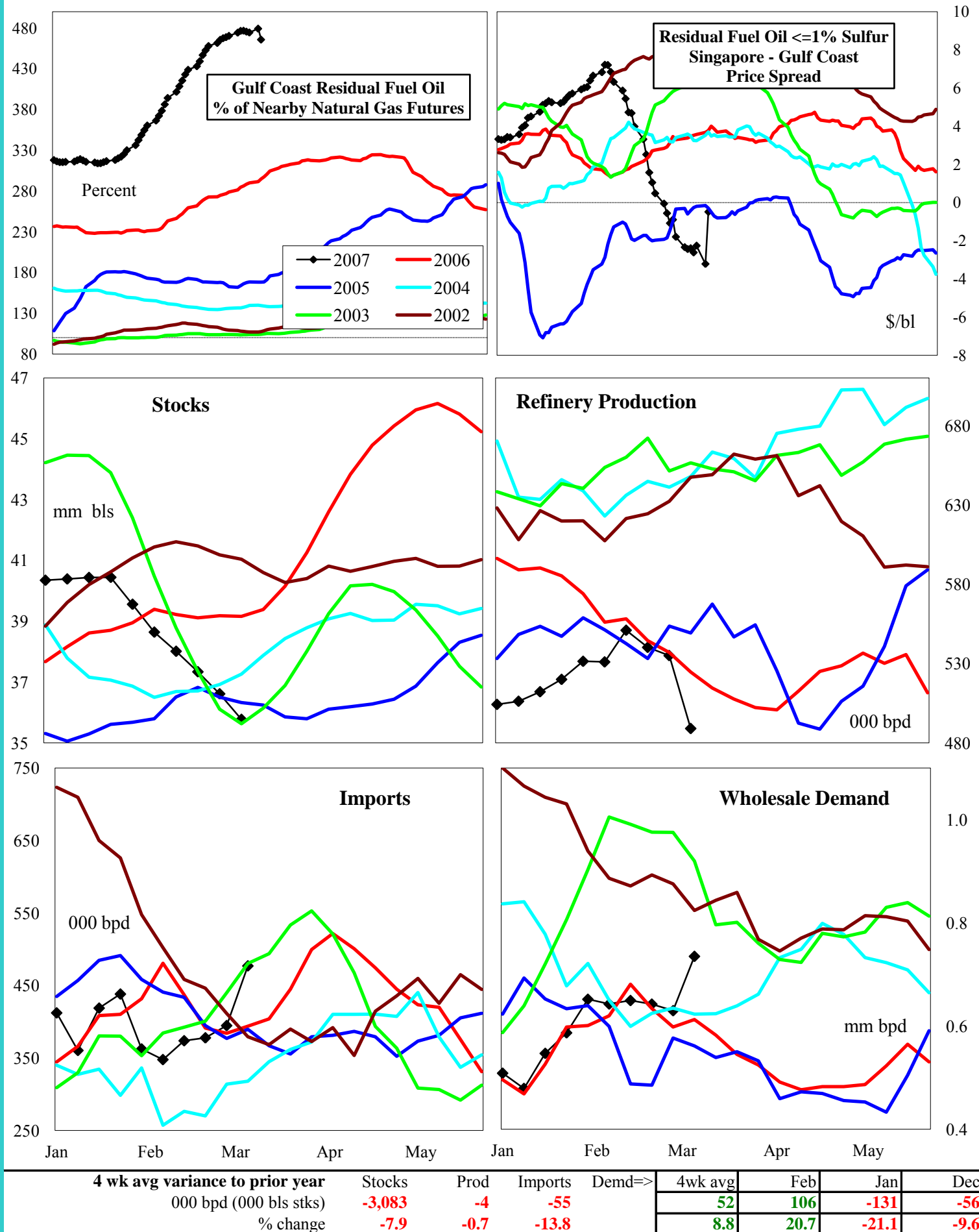
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

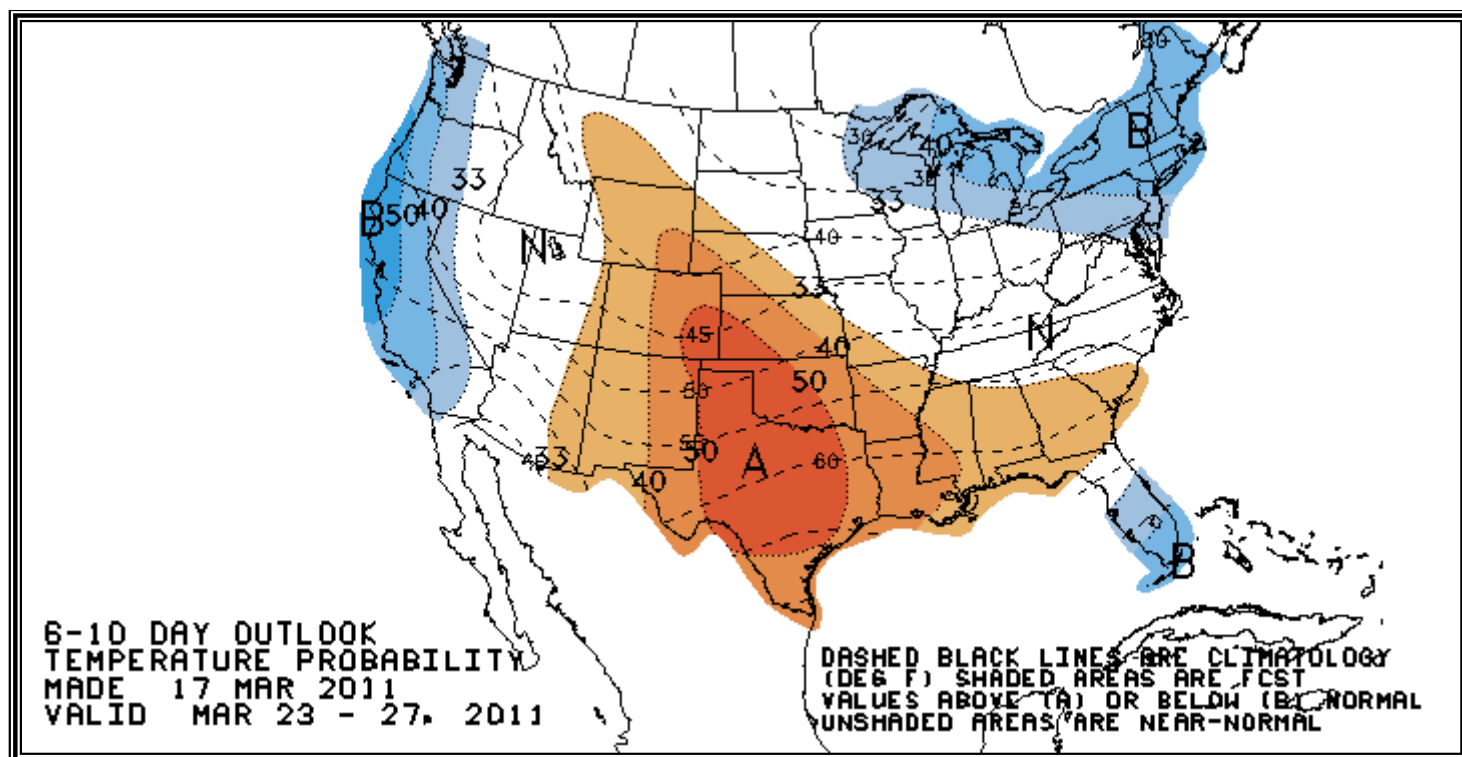
BCF
Percent Change (%)140
25.0-10
-142.9124
-101.695
-14.4

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



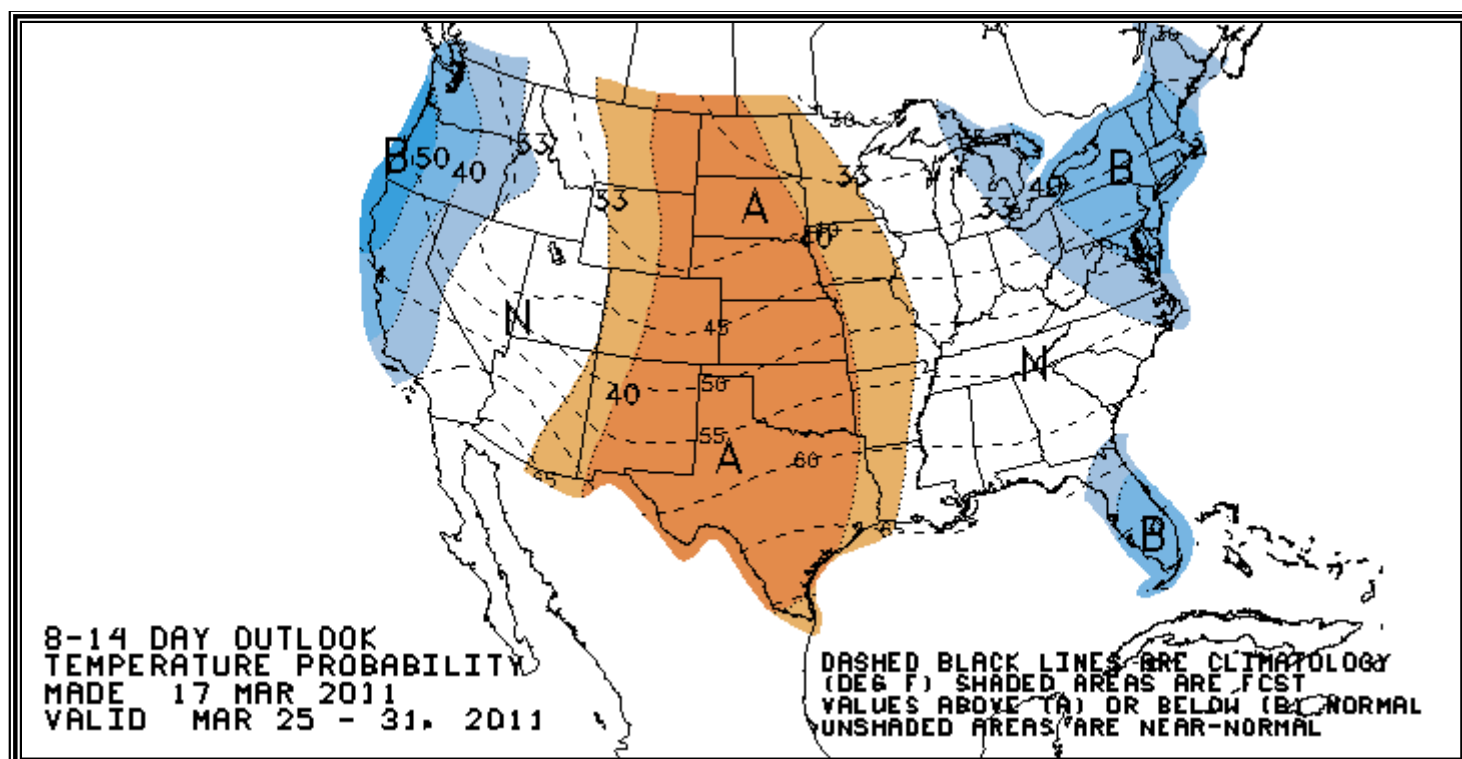
National Weather Service Climate Prediction Center

Degree Days 6 - 10 Day Temperature Forecast



National Weather Service Climate Prediction Center

Degree Days 8 - 14 Day Temperature Forecast



American Gas Association Regions

