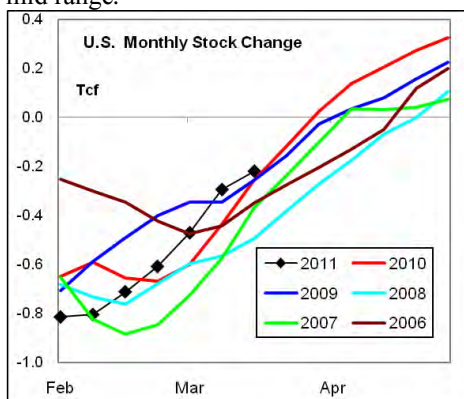
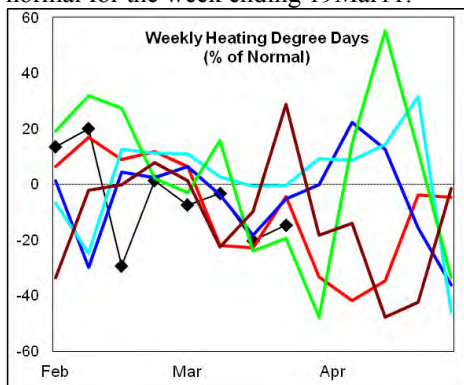




**Summary**<sup>1</sup> The stock draw of -6 Bcf last week was comparable to the last 2-years. The latest monthly stock change was a record low draw for this time of year. Stock levels ended the week at the 5-year mid range.



Heating degree days were -20% below normal for the week ending 19Mar11.



In the East Region stocks decreased -22 Bcf for the period, a draw that matched the mid range. Stocks increased +1 Bcf in the West Region, again matching the 5-year mid range. The stock build of +15 Bcf in the Producing Region was near the record build for this time of year.

Heating degree days were -19% below normal in the East Region, -11% below normal in the West Region and -37% below normal in the Producing Region for the week ending 19Mar11.

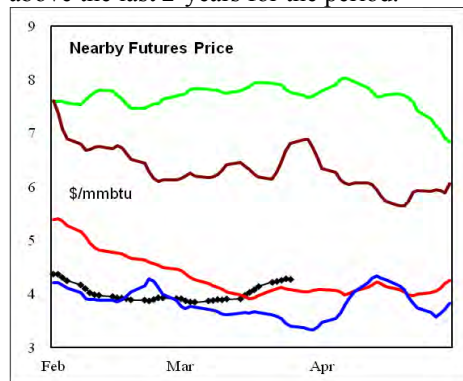
**Heating degree days** were -20% below normal for the week ended 19Mar11, and

forecast to be -15% below normal for the week ending 26Mar11.

The 6-10 day NWS forecast for the week ending 03Apr11 is for colder than normal temperatures across the eastern 1/2 of the country, and near normal in the West.

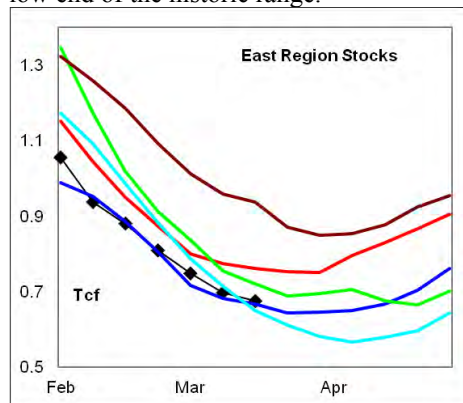
The 8-14 day NWS forecast for the week ending 07Apr11 is for colder than normal temperatures across the eastern 1/2 of the country and warmer than normal in the southwest.

**Prices:** Nearby gas futures prices increased +\$0.10/mmbtu for the week ending 25Mar11. Prices levels ended the week above the last 2-years for the period.



The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve traded sideways last week ending 25Mar11. The spread ended the week at a record low carry, pointing to expectations of abundant supply in the future.

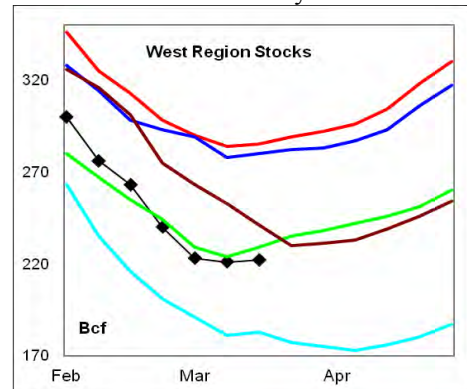
**East Region** stocks decreased -22 Bcf last week, a draw that matched the mid range. The latest 4-wk draw was less than four of the last 5-years. Stock levels were at the low end of the historic range.



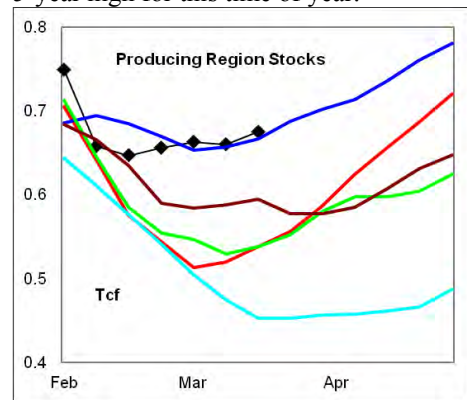
Heating degree days in the region were -19% below normal last week and are forecast to be -10% below normal for the week ending 26Mar11. Well above normal heating degree days are forecast for the next 10-days.

**West Region** stocks increased +1 Bcf on the week, matching the 5-year mid range. Stock levels were well below the 5-year mid range. The latest 4-wk stock draw was greater than four of the last 5-years.

Heating degree days were -11% below normal last week, and forecast to be normal for the current week. Slightly above normal heating degree days are forecast for the next 10-days.



**Producing Region** stocks saw a build of +15 Bcf on the week, which was near the record for this time of year. The region experienced a record stock build for the latest 4-wk period. Stock levels reached a 5-year high for this time of year.



Heating degree days were -37% below normal last week, and forecast to be -69% below normal for the week ending 26Mar11. Colder 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:** The Producing Region has witnessed record stock builds for this time of year, while carry out stock levels are also a record high. This key region remains over supplied. A return to colder than normal temperatures in the eastern 1/2 of the country should provide some support to gas prices in the near term.

<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, 2011

For the week ending: 18-Mar-11

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

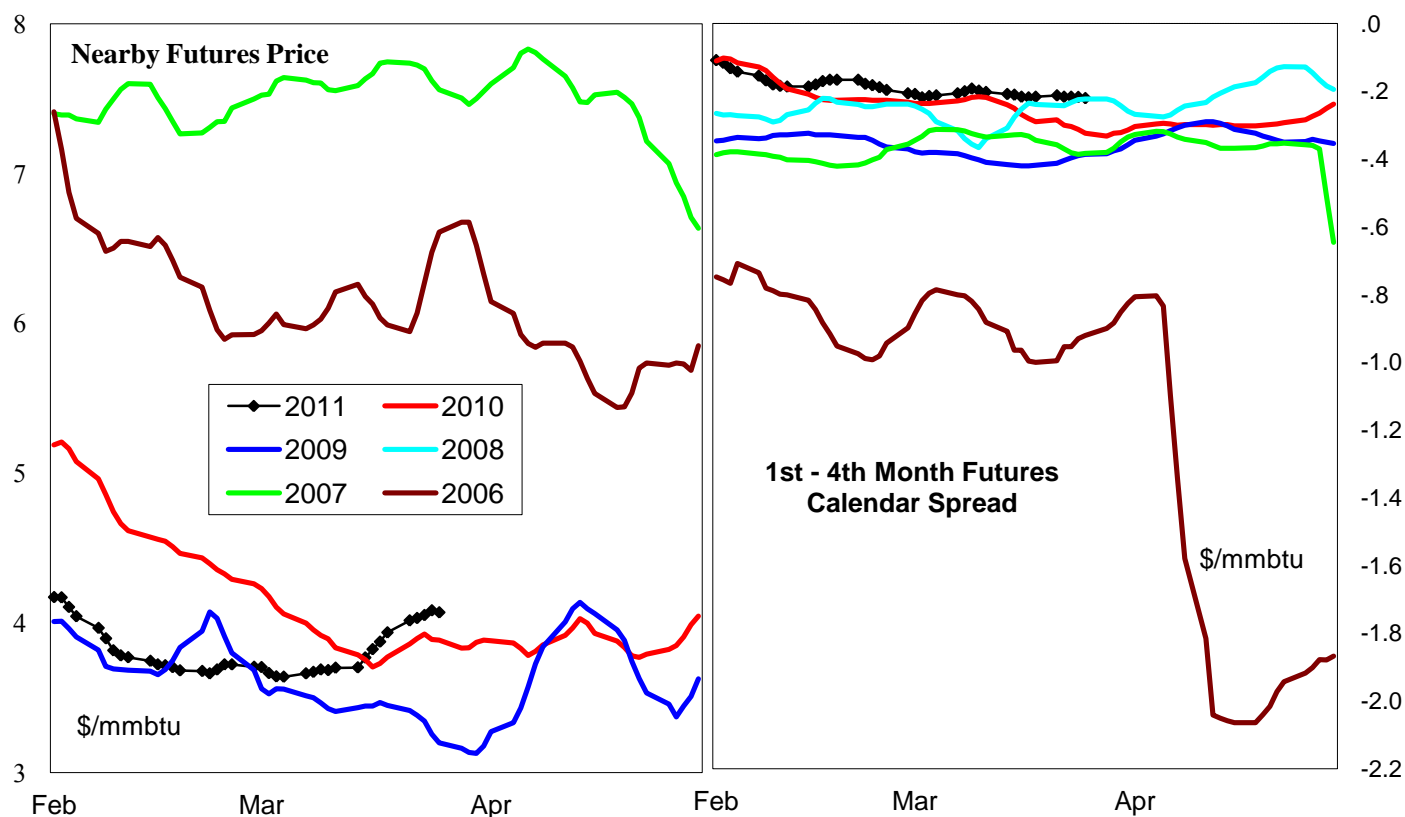
Week ending:	18-Mar-11			12-Mar-11		19-Mar-11		26-Mar-11	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,612	-6	-0.7	-6	-3%	-40	-20%	-4	-15%
East	675	-22	-11.3	-9	-4%	-42	-19%	1	-10%
West	222	1	-22.1	-34	-1%	-23	-11%	6	0%
Producing	715	15	23.7	21	3%	-44	-37%	-29	-69%

### 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>-2,231</b>	<b>-18</b>	<b>0.8</b>	<b>162</b>	<b>0.7</b>	<b>122</b>	<b>-0.1</b>	<b>118</b>	<b>-0.5</b>
<b>East</b>	<b>-1,412</b>	<b>-73</b>	<b>5.2</b>	<b>183</b>	<b>1.3</b>	<b>141</b>	<b>0.6</b>	<b>142</b>	<b>0.2</b>
<b>West</b>	<b>-298</b>	<b>-57</b>	<b>19.1</b>	<b>155</b>	<b>-2.6</b>	<b>131</b>	<b>-2.9</b>	<b>138</b>	<b>-2.8</b>
<b>Producing</b>	<b>-548</b>	<b>92</b>	<b>-16.8</b>	<b>94</b>	<b>-0.4</b>	<b>51</b>	<b>-1.5</b>	<b>21</b>	<b>-3.2</b>

### Futures Market Price Trends

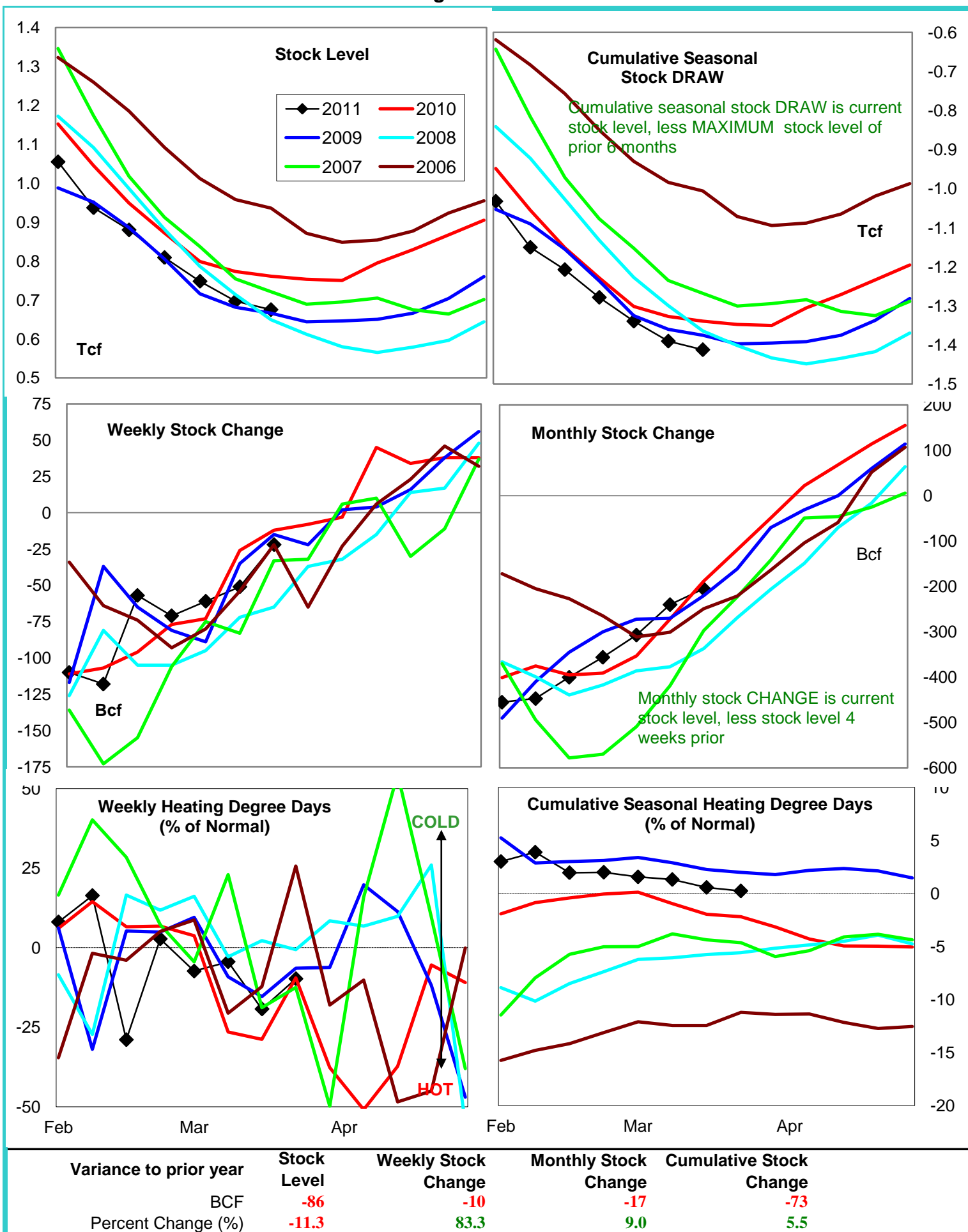
Date:	25-Mar-11	Change vs prior week, month, year		
		21-Mar-11	28-Feb-11	25-Mar-10
<b>1st month Futures</b>	<b>4.27</b>	<b>0.11</b>	<b>0.23</b>	<b>0.36</b>
<b>% change</b>	xxxxx	<b>2.6</b>	<b>5.7</b>	<b>9.2</b>



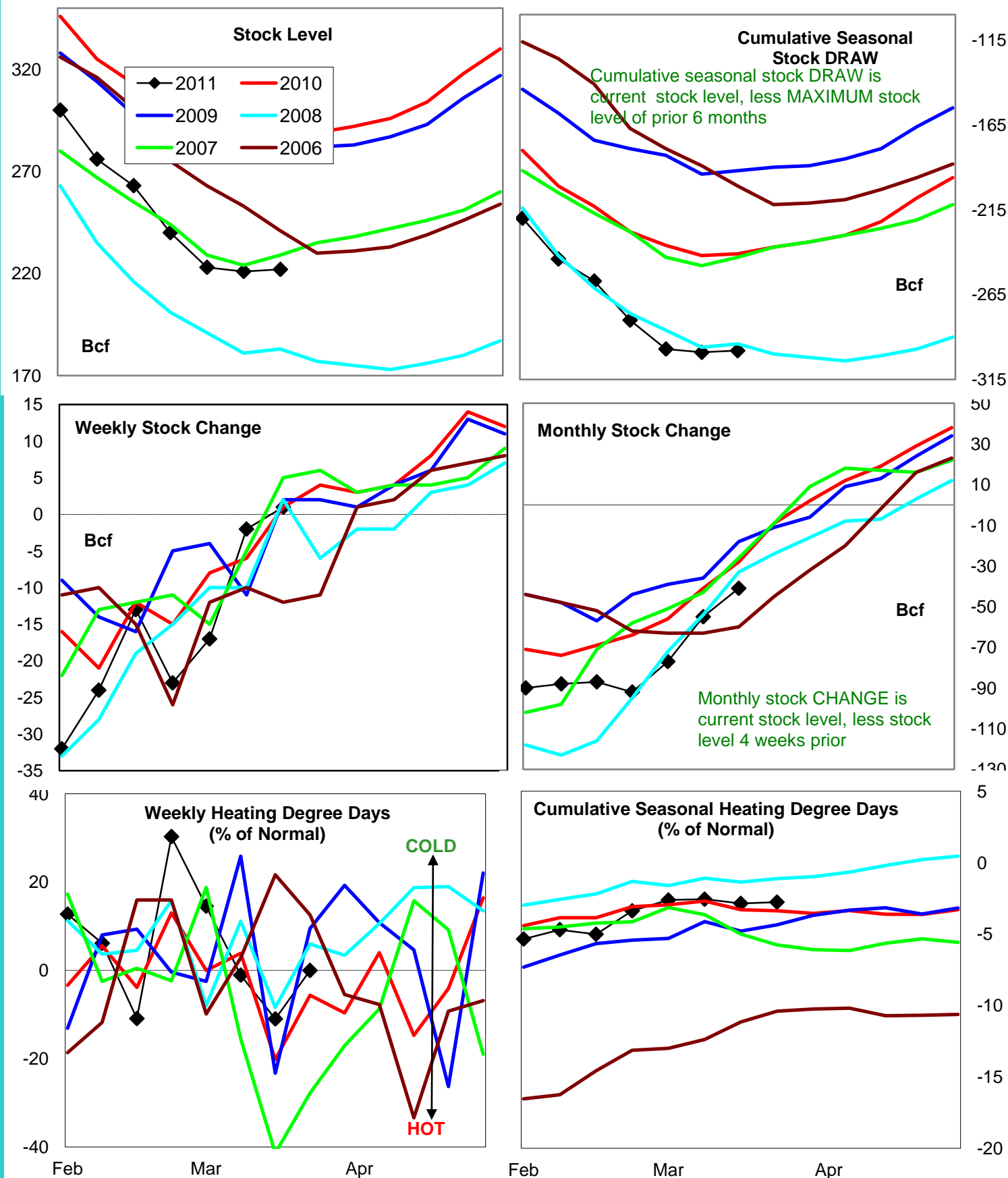
The figure consists of six line charts arranged in a 3x2 grid, showing data from February to April for the years 2006 through 2011. The left column contains three charts: 'Stock Level', 'Weekly Stock Change', and 'Weekly Heating Degree Days (% of Normal)'. The right column contains three charts: 'Cumulative Seasonal Stock Draw', 'Monthly Stock Change', and 'Cumulative Seasonal Heating Degree Days (% of Normal)'. The 'Stock Level' chart shows a general decline from 2006 to 2011, with a sharp drop in 2008. The 'Weekly Stock Change' chart shows significant volatility, with a major drop in 2008. The 'Weekly Heating Degree Days' chart shows a sharp increase in 2008, labeled 'COLD', and a sharp decrease in 2009, labeled 'HOT'. The 'Cumulative Seasonal Stock Draw' chart shows a steady increase in stock draw over the period. The 'Monthly Stock Change' chart shows a steady increase in stock change over the period. The 'Cumulative Seasonal Heating Degree Days' chart shows a steady increase in heating degree days over the period.

	Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	-12	-13	36	-18	
Percent Change (%)	-0.7	-185.7	-14.2	0.8	

# Natural Gas East Region Stock and Weather Trends



# Natural Gas West Region Stock and Weather Trends

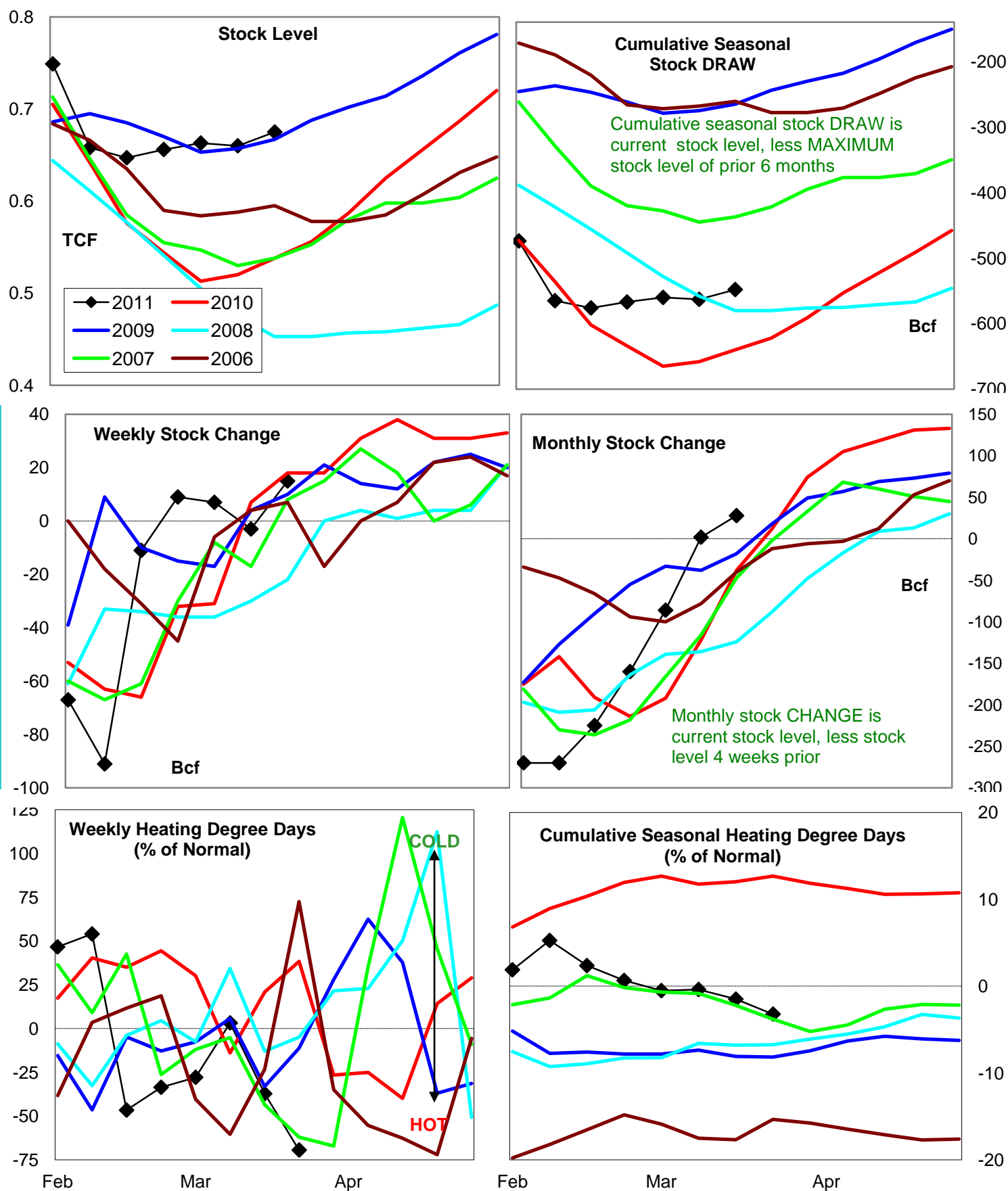


Variance to prior year

Stock  
LevelWeekly Stock  
ChangeMonthly Stock  
ChangeCumulative Stock  
ChangeBCF  
Percent Change (%)-63  
-22.10  
0.0-13  
46.4-57  
23.7



# Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

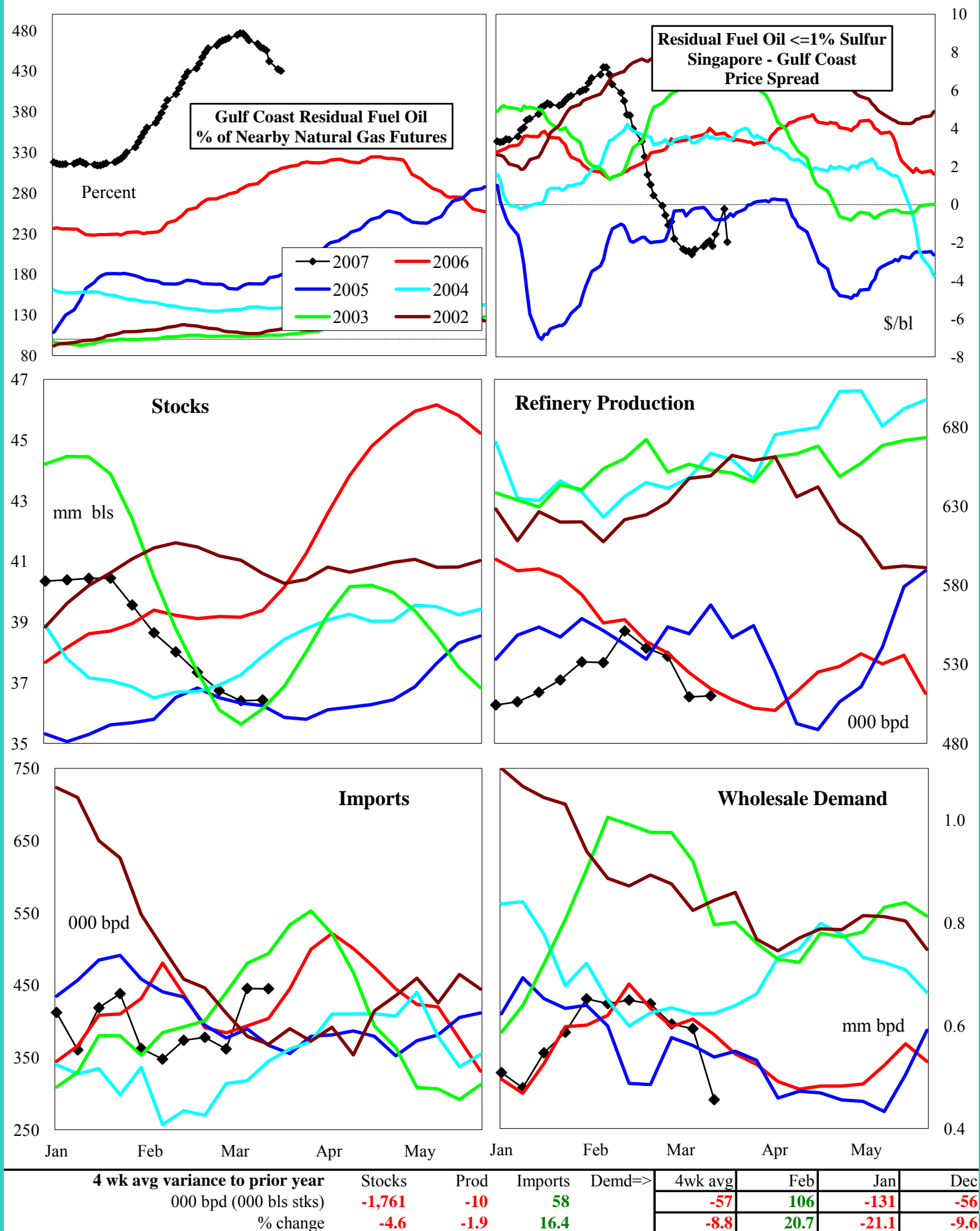
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

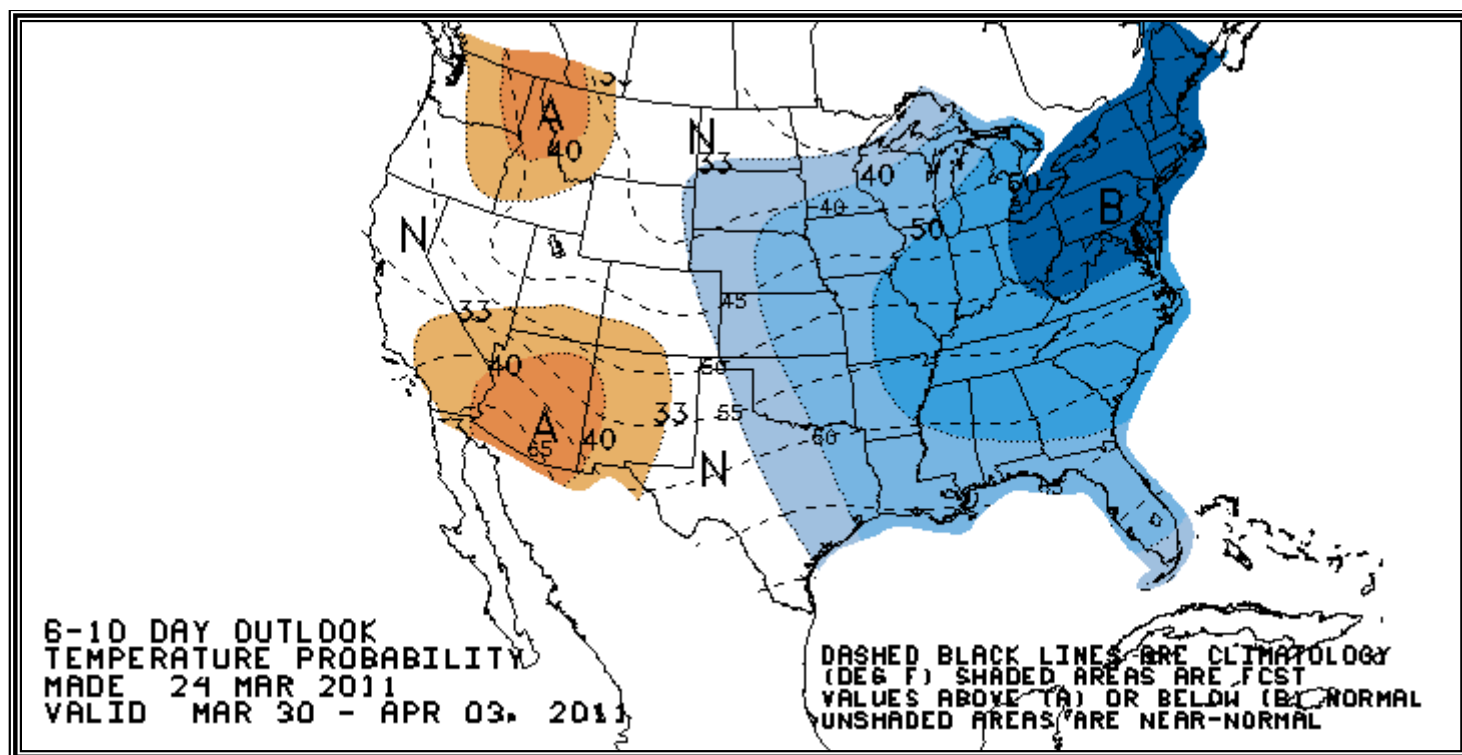
BCF  
Percent Change (%)137  
23.7-3  
-16.766  
-173.792  
-14.4

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



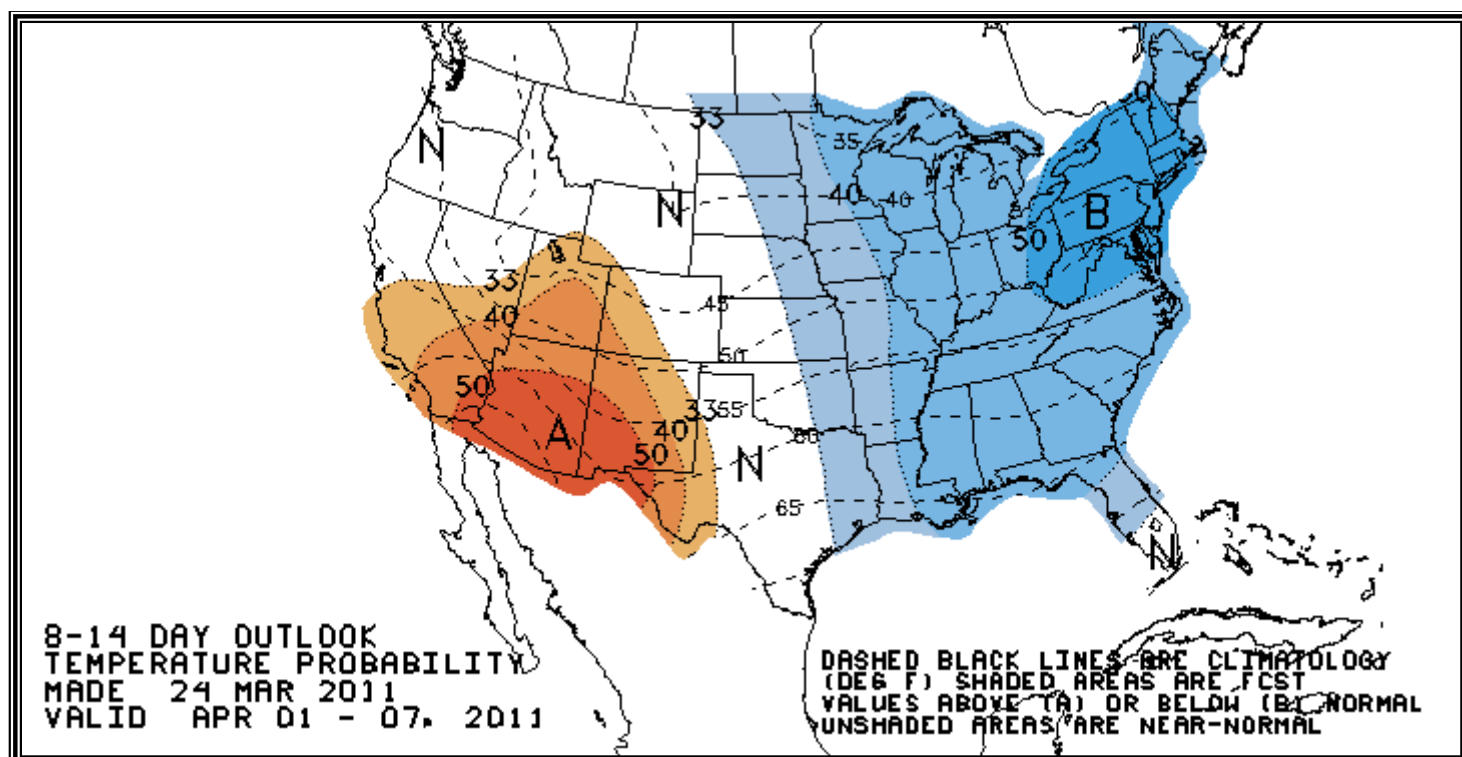
## National Weather Service Climate Prediction Center

## Degree Days 6 - 10 Day Temperature Forecast



## National Weather Service Climate Prediction Center

## Degree Days 8 - 14 Day Temperature Forecast





# American Gas Association Regions

