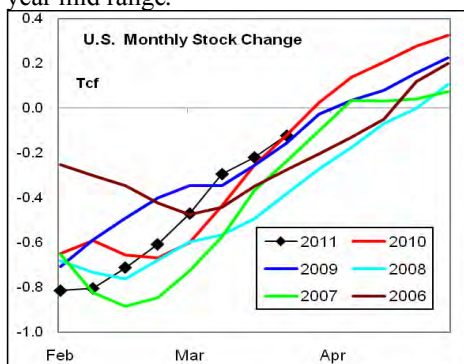
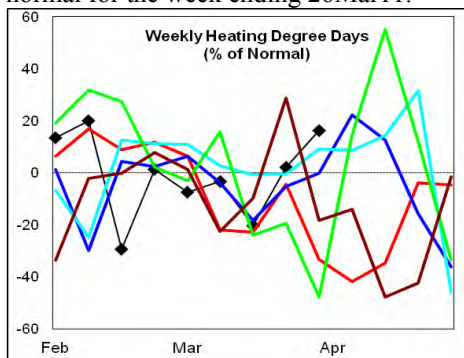




Summary¹ The stock build of +12 Bcf last week matched the 5-year high for this time of year. The latest monthly stock draw also matched the smallest draw for this time of year during the last 5-years. Stock levels ended the week just below the 5-year mid range.



Heating degree days were +2% above normal for the week ending 26Mar11.



In the East Region stocks decreased -7 Bcf for the period, a draw that matched the lowest draw of the last 5-years. Stocks decreased -6 Bcf in the West Region, a larger than average draw for the week. The stock build of +25 Bcf in the Producing Region was a record build for this time of year.

Heating degree days were +6% above normal in the East Region, +20% above normal in the West Region and -51% below normal in the Producing Region for the week ending 26Mar11.

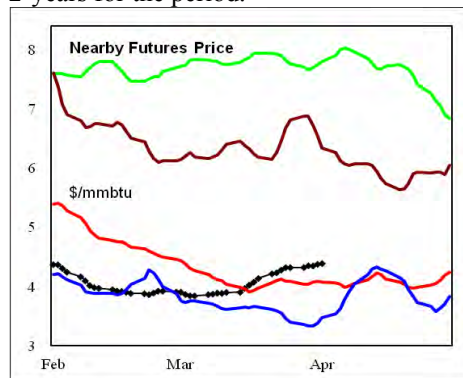
Heating degree days were +2% above normal for the week ended 26Mar11, and

forecast to be +16% above normal for the week ending 02Apr11.

The 6-10 day NWS forecast for the week ending 06Apr11 is for colder than normal temperatures across the western 1/3rd of the country and warmer than normal in the southeast.

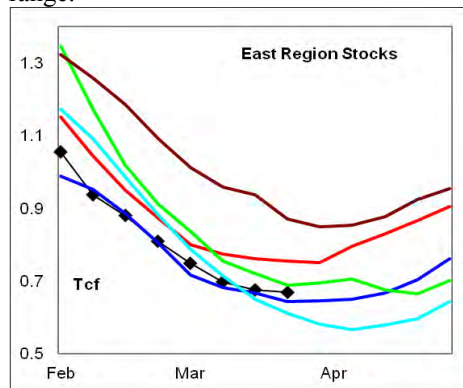
The 8-14 day NWS forecast for the week ending 08Apr11 is for warmer than normal temperatures in the south and slightly colder than normal along the Canadian border.

Prices: Nearby gas futures prices were unchanged for the week ending 01Apr11. Prices levels ended the week above the last 2-years for the period.



The 1st - 4th month forward price curve trended higher last week in favor of the nearby month for the week ending 01Apr11. The spread ended the week at a record low carry.

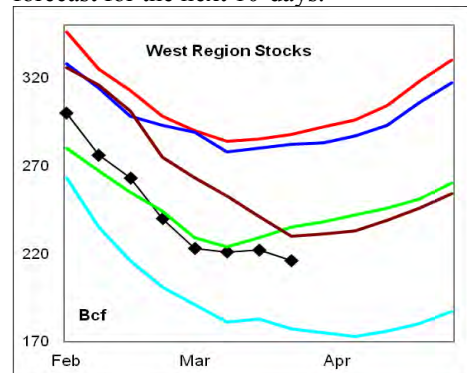
East Region stocks decreased -7 Bcf last week, a draw that matched the lowest draw of the last 5-years for the week. The latest 4-wk draw was less than four of the last 5-years. Stock levels were below the mid range.



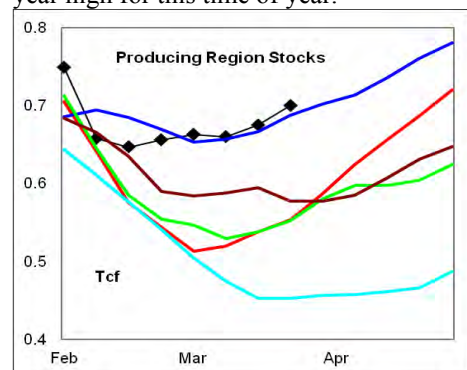
Heating degree days in the region were +6% above normal last week and are forecast to be +23% above normal for the week ending 02Apr11. Below normal heating degree days are forecast for the next 10-days.

West Region stocks decreased -6 Bcf on the week, a larger than average draw for the week. Stock levels ended the week at the low end of the historic range. The latest 4-wk stock draw was greater than the mid range.

Heating degree days were +20% above normal last week, and forecast to be -15% below normal for the current week. Above normal heating degree days are forecast for the next 10-days.



Producing Region stocks saw a build of +25 Bcf on the week, which was a record build for the week. The region also experienced a record stock build for the latest 4-wk period. Stock levels were a 5-year high for this time of year.



Heating degree days were -51% below normal last week, and forecast to be -1% below normal for the week ending 02Apr11. 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: Early spring heating degree days are running ahead of normal, providing near term support to gas prices. Offsetting this short term demand increase are record high carryout stocks in the Producing region. Domestic economic growth and Asian demand for NGL's should support gas prices above the last 2-years during the spring quarter.

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: April 1, 2011

For the week ending: 25-Mar-11

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

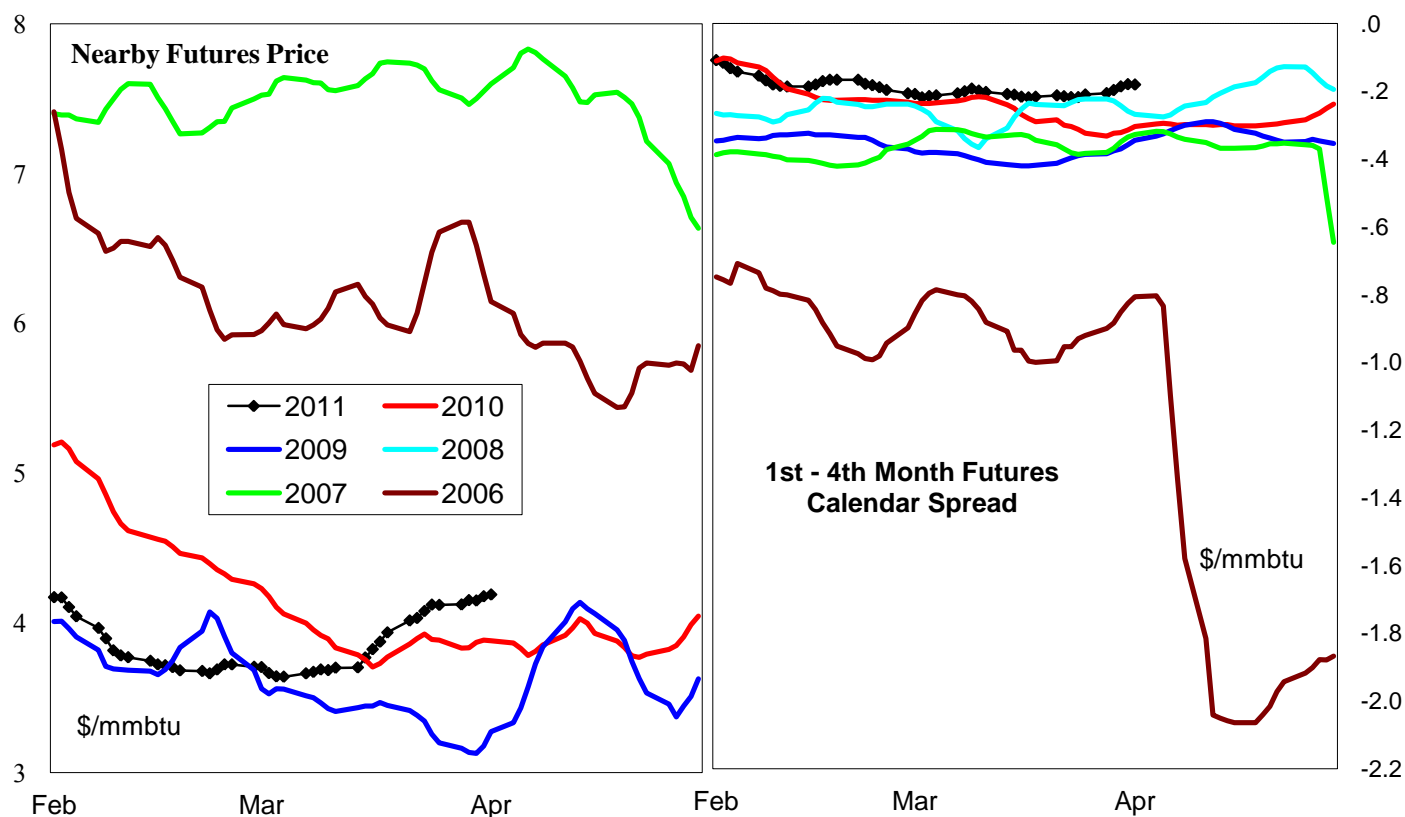
Week ending:	25-Mar-11			19-Mar-11		26-Mar-11		2-Apr-11	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,624	12	-0.7	-40	-20%	19	2%	3	16%
East	668	-7	-11.4	-42	-19%	27	6%	6	23%
West	216	-6	-25.0	-23	-11%	33	20%	-56	-15%
Producing	740	25	24.6	-44	-37%	-16	-51%	25	-1%

Seasonal Trends in Stocks and Heating Degree Days

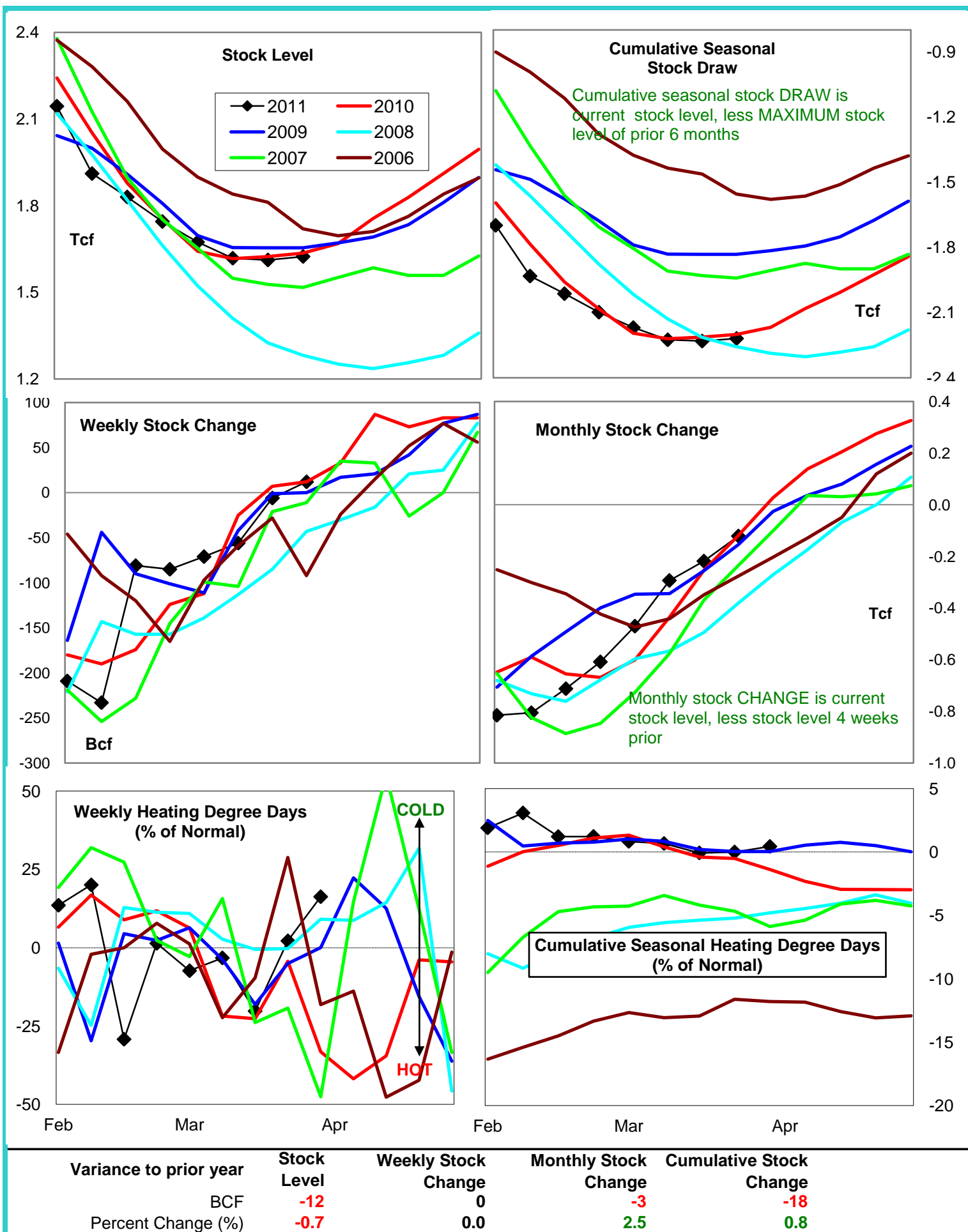
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-2,219	-18	0.8	122	-0.1	141	0.0	144	0.4
East	-1,419	-73	5.1	141	0.6	168	0.7	174	1.4
West	-304	-66	21.7	131	-2.9	165	-2.1	109	-2.5
Producing	-523	101	-19.3	51	-1.5	34	-2.8	59	-2.7

Futures Market Price Trends

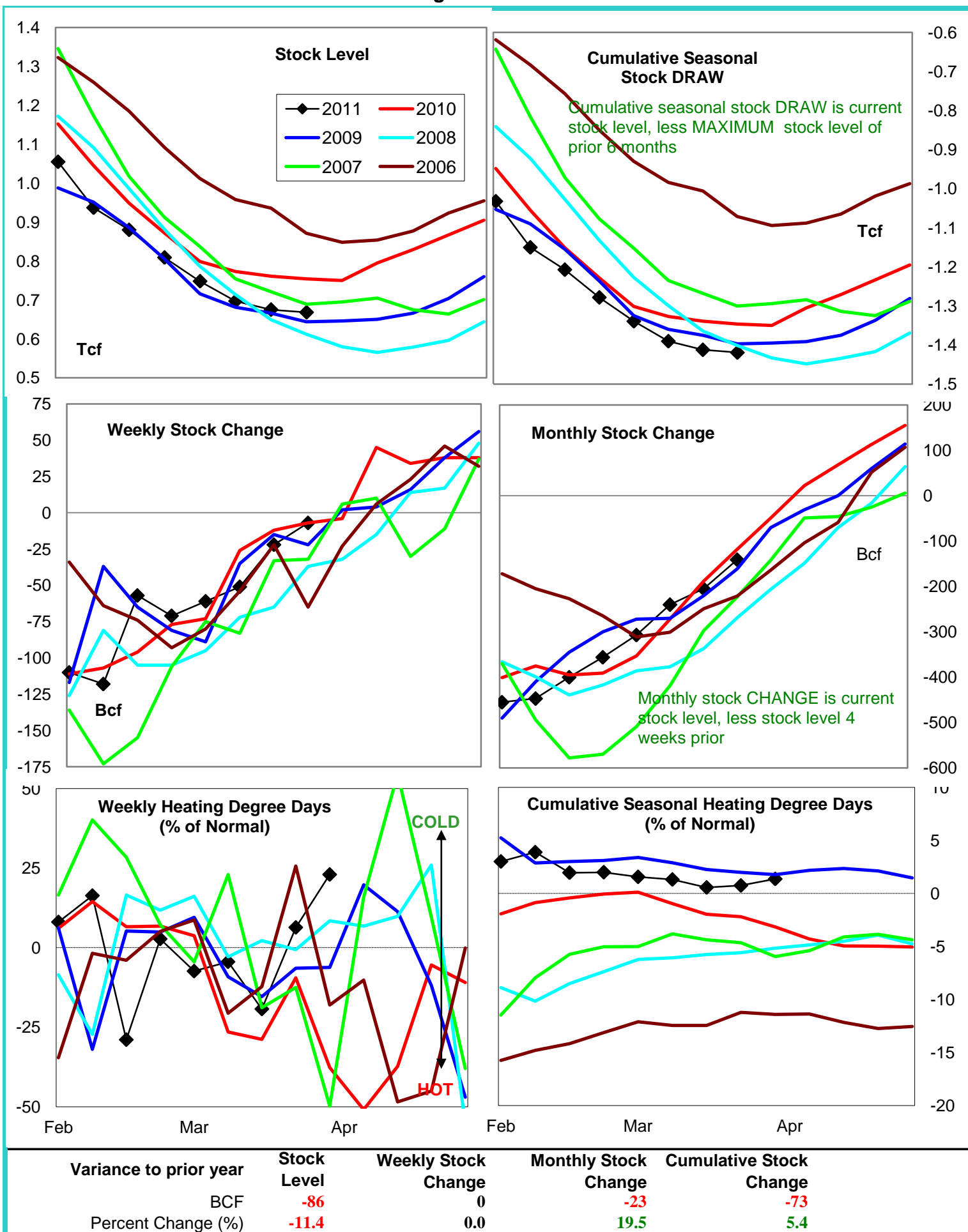
Date:	1-Apr-11	Change vs prior week, month, year		
		28-Mar-11	7-Mar-11	1-Apr-10
1st month Futures	4.39	0.02	0.46	0.40
% change	xxxxx	0.4	11.7	10.0



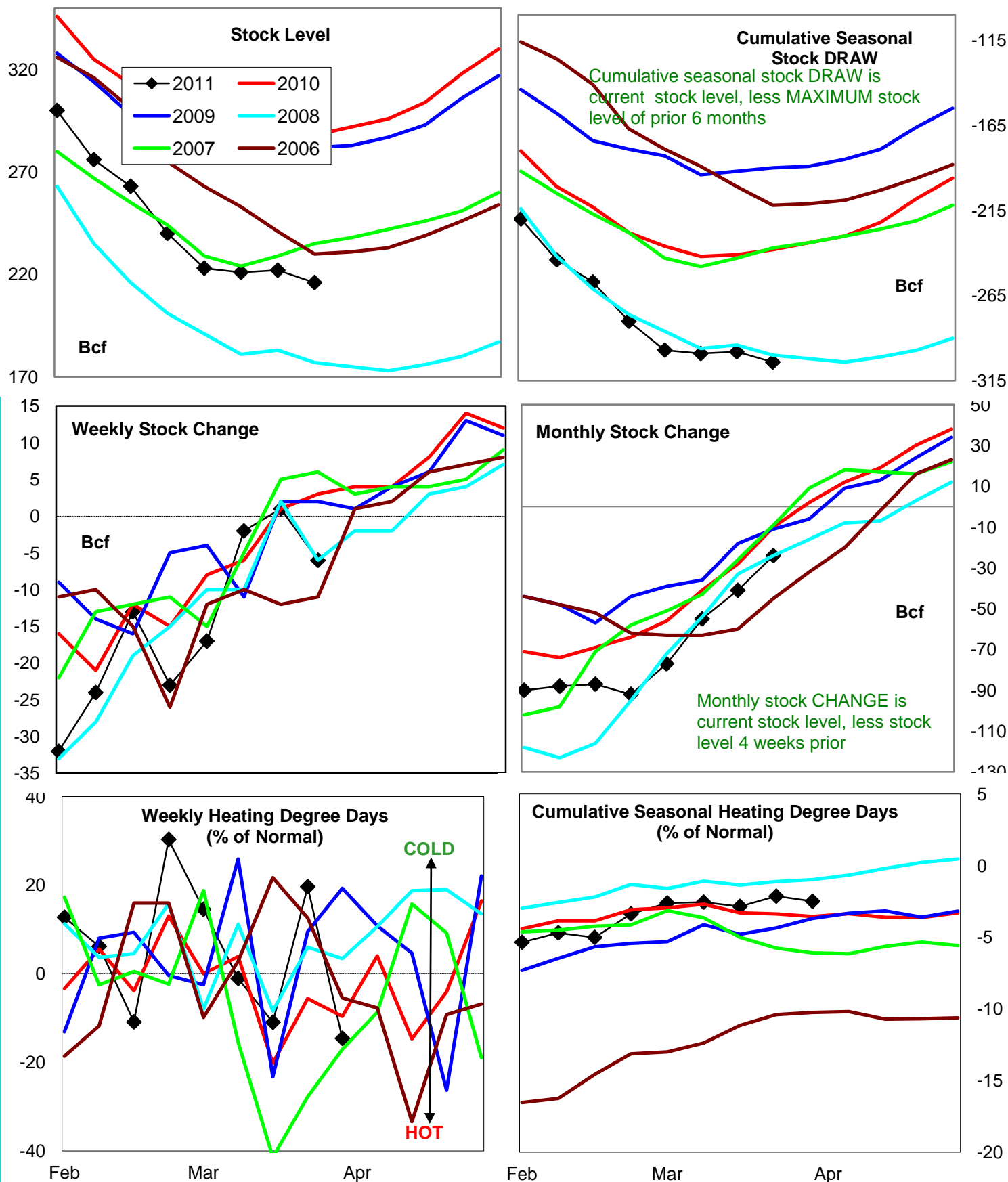
United States Natural Gas Stock and Weather Trends



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

-72

-9

-14

-66

Percent Change (%)

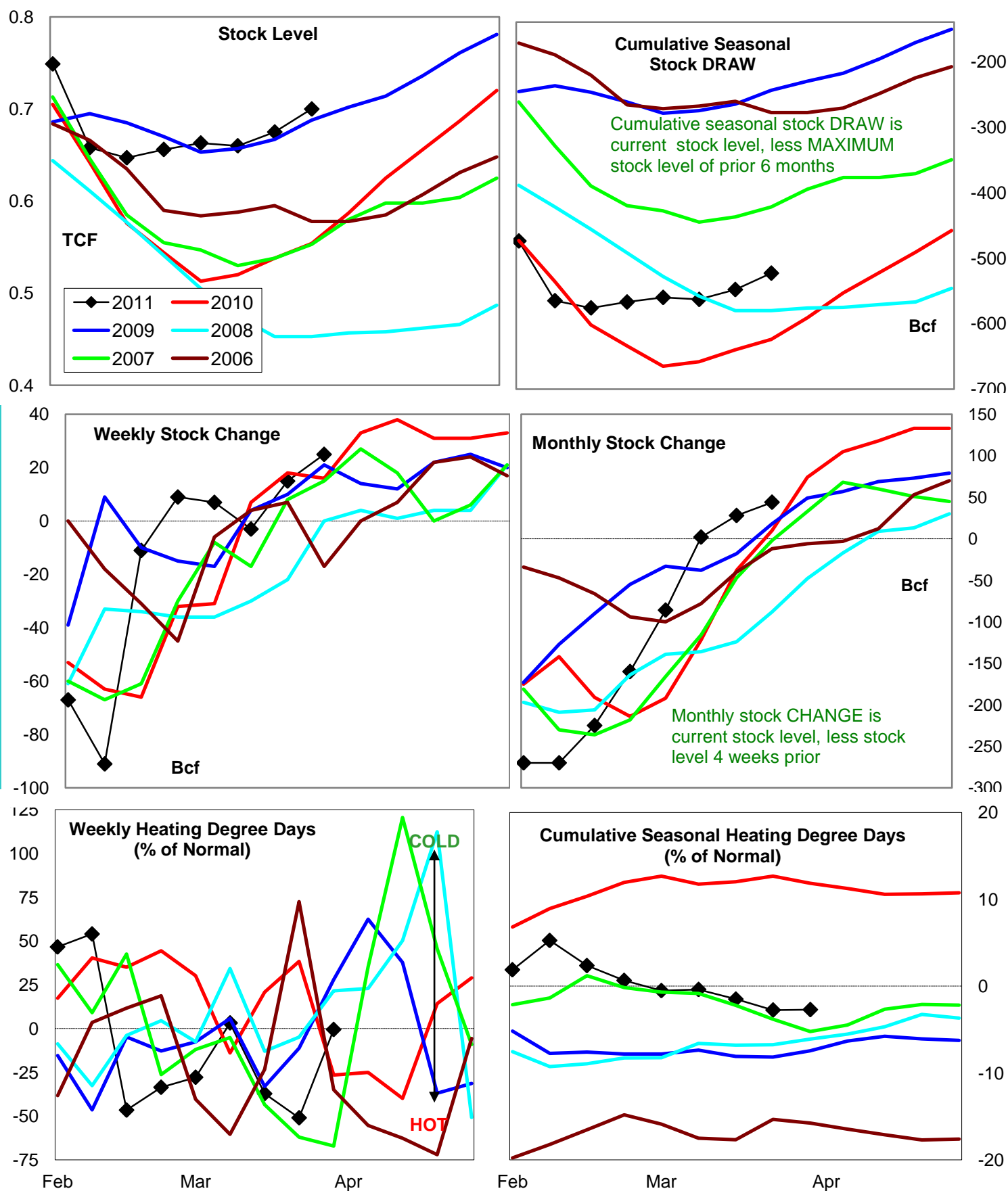
-25.0

-300.0

140.0

27.7

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

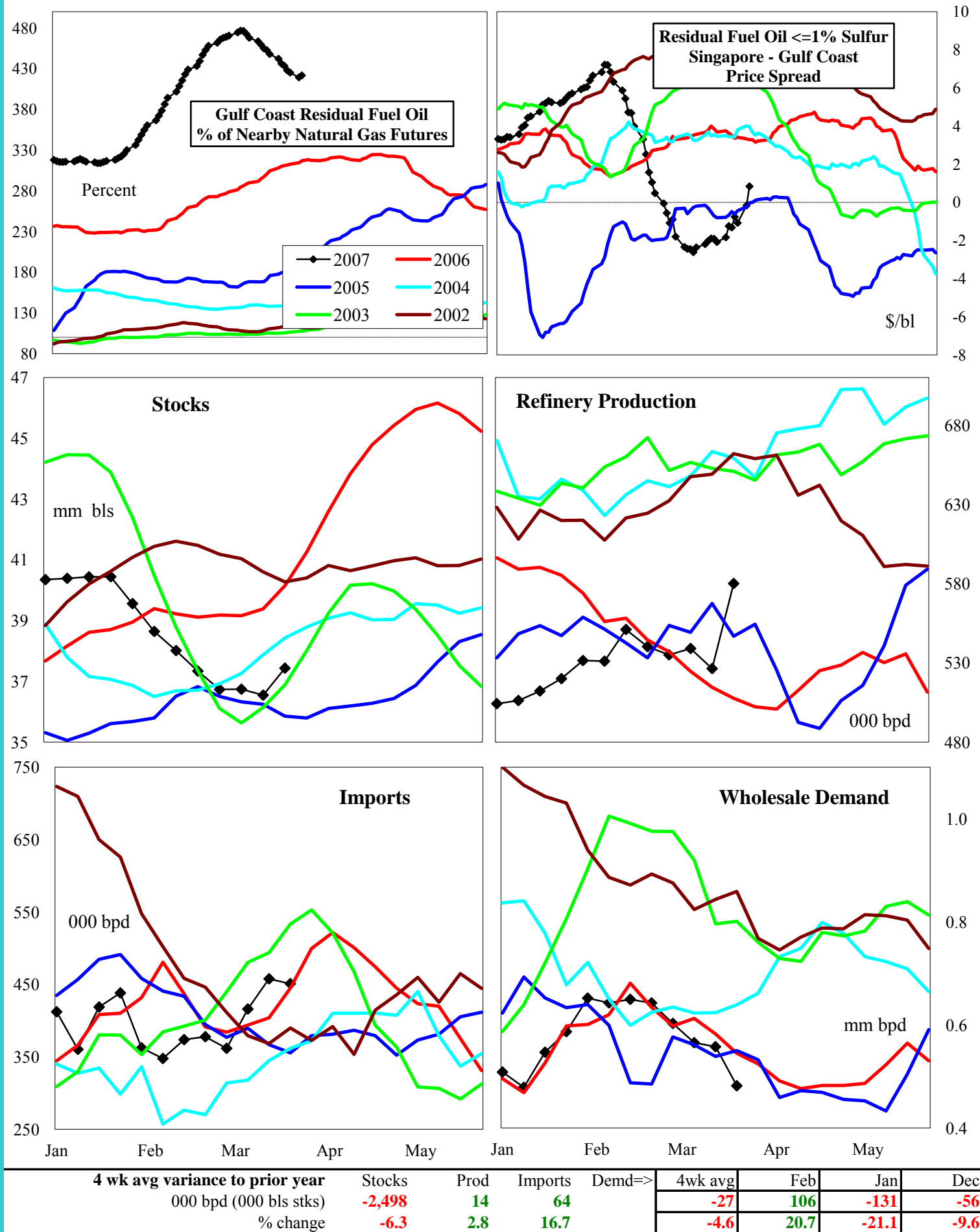
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

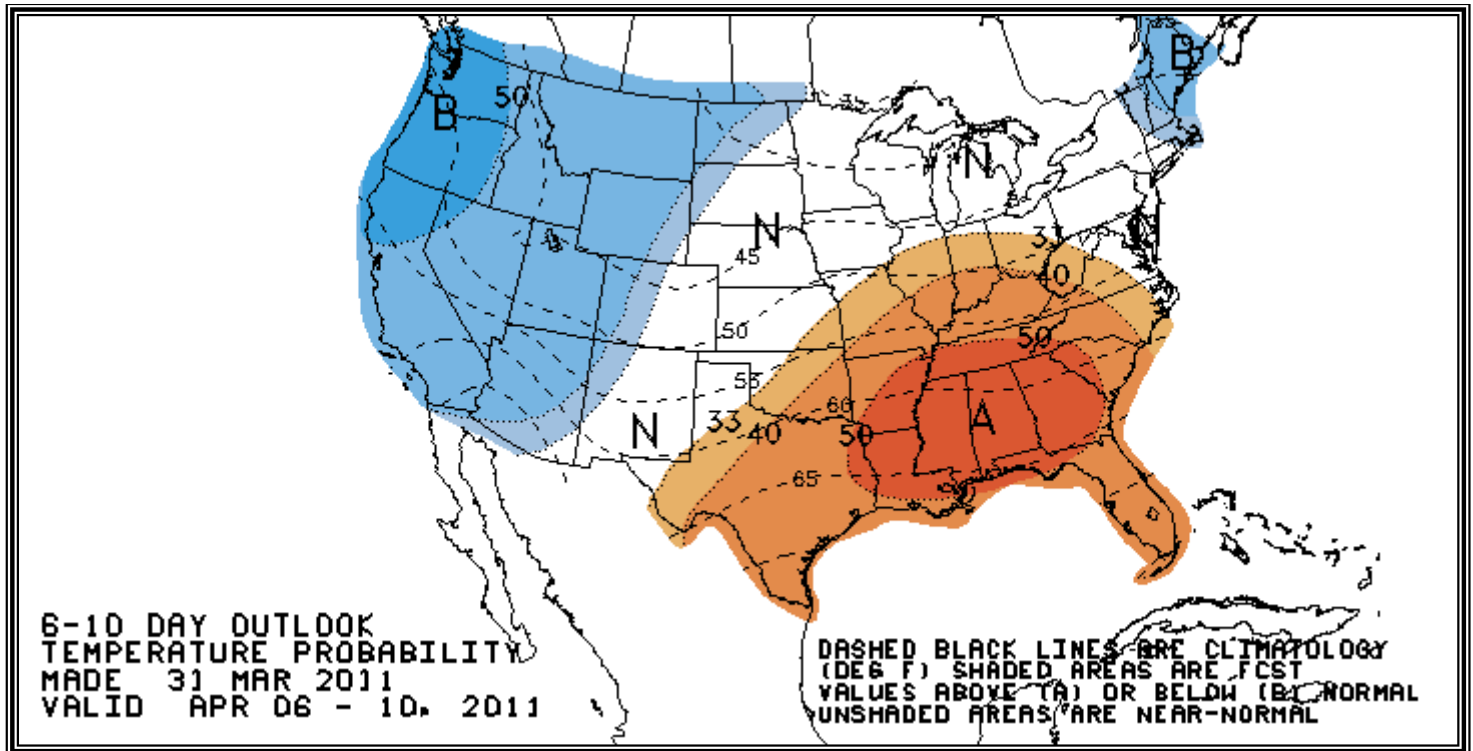
BCF
Percent Change (%)146
24.69
56.334
340.0101
-16.2

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



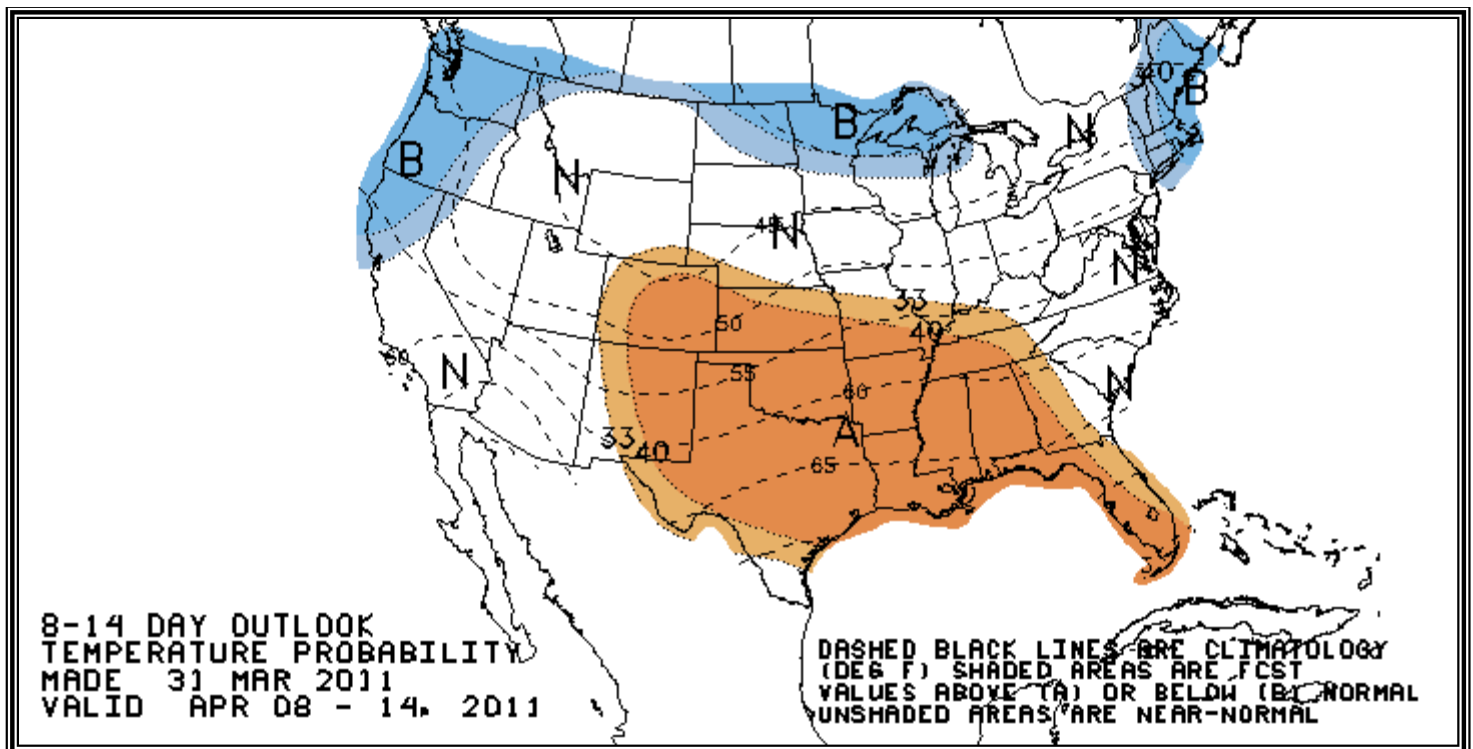
National Weather Service Climate Prediction Center

Degree Days 6 - 10 Day Temperature Forecast



National Weather Service Climate Prediction Center

Degree Days 8 - 14 Day Temperature Forecast



American Gas Association Regions

