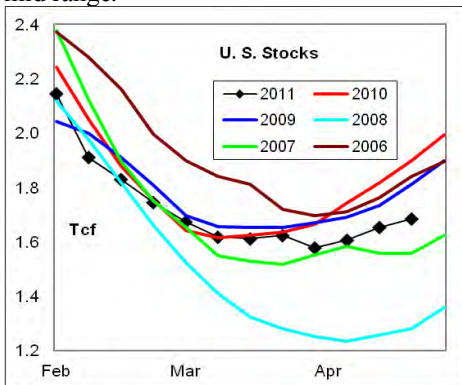
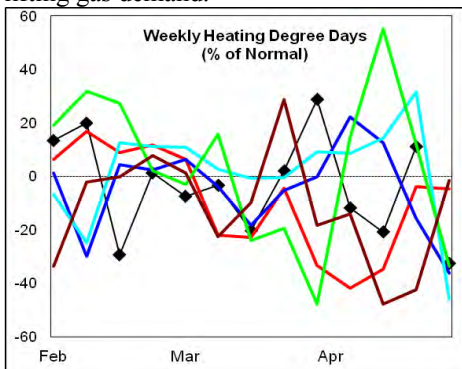


**Summary**<sup>1</sup> The stock build of +31 Bcf was below the mid range for the week. Stock levels ended the week below the 5-year mid range.



Heating degree days were +11% above normal for the week ending 23Apr11, lifting gas demand.



In the East Region stocks increased +14 Bcf for the period, a level at the low end of the historic range. Stocks increased +4 Bcf in the West Region, a build that matched 5-year lows for the week. The stock build of +13 Bcf in the Producing Region was below the 5-year mid range.

Heating degree days were +15% above normal in the East Region, +13% above normal in the West Region and -30% below normal in the Producing Region for the week ending 23Apr11.

**Heating degree days** were +11% above normal for the week ended 23Apr11, and forecast to be -32% below normal for the week ending 30Apr11.

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

[Data Source is EIA Weekly Statistics](#)

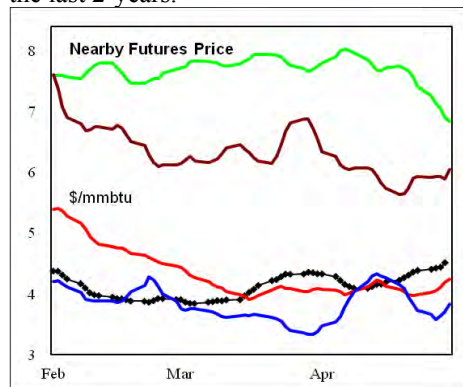
[National Weather Service 6-10 Day](#)

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

The 6-10 day NWS forecast for the week ending 07May11 is for colder than normal temperatures in the northern tier states and warmer than normal in the southwest.

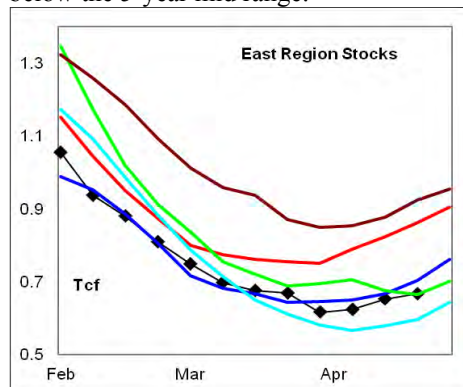
The 8-14 day NWS forecast for the week ending 11May11 is for colder than normal temperatures in the northeast 1/3rd of the country and warmer than normal in the south and southwest.

**Prices:** Nearby gas futures prices increased +10 cpg for the week ending 28Apr11. Prices levels ended the week above each of the last 2-years.



The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve trended higher last week ending 28Apr11. The spread ended the week at a record low carry.

**East Region** stocks increased +14 Bcf last week, a level at the low end of the historic range. The latest 4-wk draw was below the 5-year mid range. Stock levels were below the 5-year mid range.

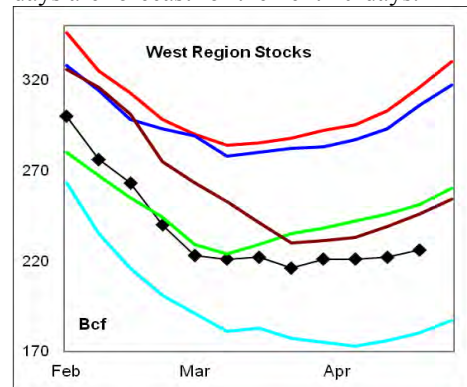


Heating degree days in the region were +15% above normal last week and forecast to be -37% below normal for week ending 30Apr11. Well above normal heating degree days are forecast for the next 10-days.

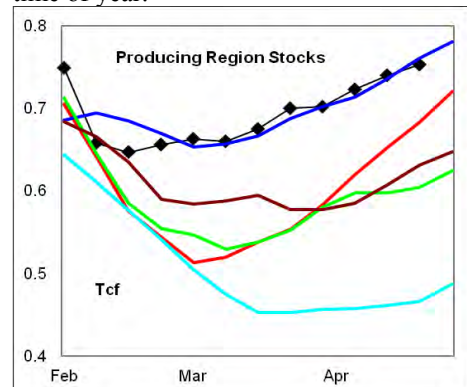
**West Region** stocks increased +4 Bcf on the week, a build that matched 5-year lows for the week. Stock levels ended the week at the low end of the historic range. The

latest 4-wk stock build was at the low end of the historic range.

Heating degree days were +13% above normal last week and forecast to be -6% below normal for the week ending 30Apr11. Below normal heating degree days are forecast for the next 10-days.



**Producing Region** stocks saw a build of +13 Bcf on the week, which was below the mid range. The monthly stock build matched the historic mid range last week. Stock levels match the 5-year high for this time of year.



Heating degree days were -30% below normal last week, and forecast to be -28% below normal for the week ending 30Apr11. Slightly above normal temperatures 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:** Gas prices extended the recent counter seasonal uptrend on much above normal heating degree days last week.

Gas producers appear to be limiting production in the face of the extended period of weak wellhead prices. Combined with a low rate of early spring stock building, prices should trend higher in the near term, then pull back on stock building ahead of peak summer demand.



## NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: April 28, 2011

For the week ending: 22-Apr-11

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

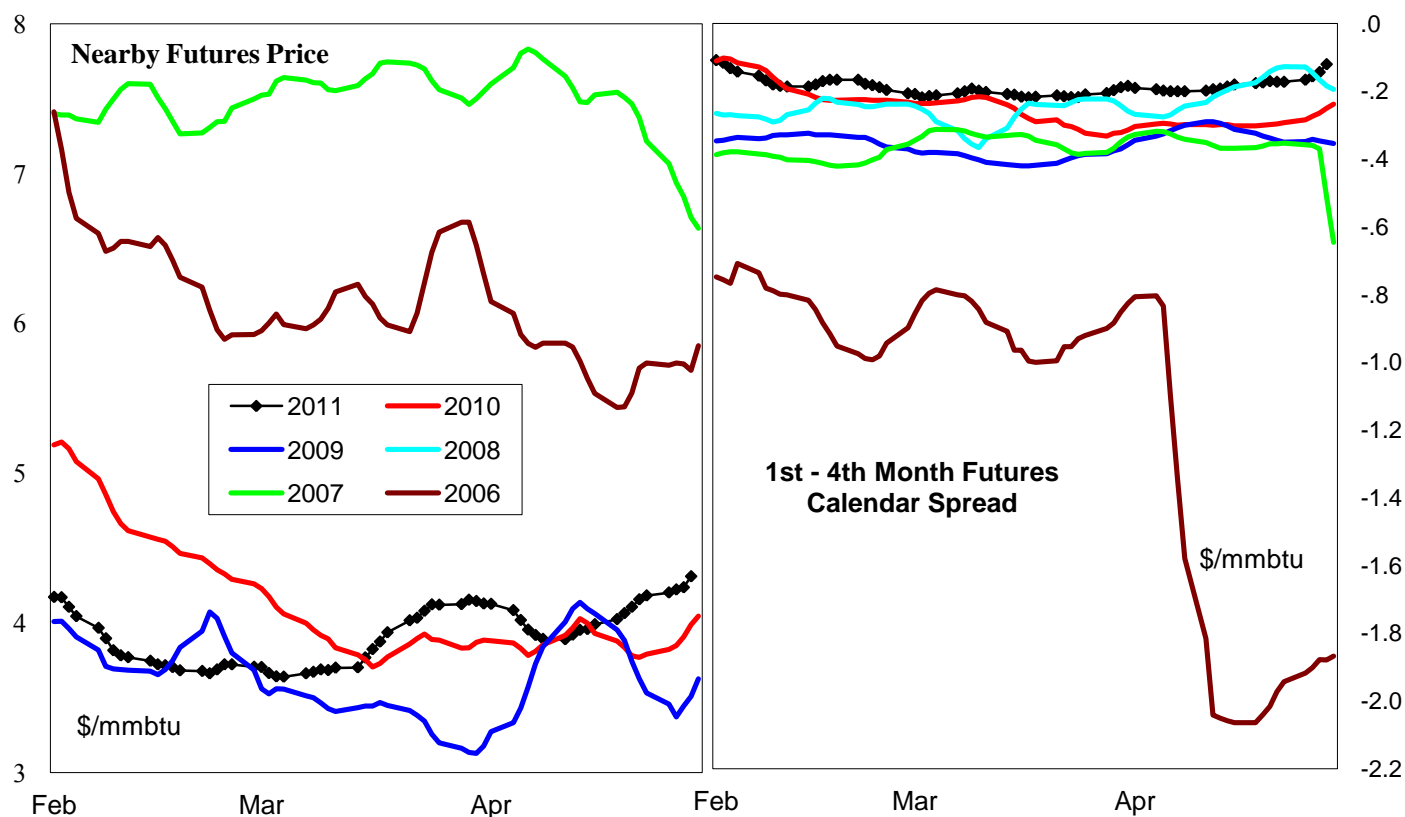
| Week ending: | 22-Apr-11     |                  |          | 16-Apr-11                  |             | 23-Apr-11            |             | 30-Apr-11            |             |
|--------------|---------------|------------------|----------|----------------------------|-------------|----------------------|-------------|----------------------|-------------|
| 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   | 1,685         | 31               | -11.3    | -21                        | -21%        | 15                   | 11%         | -45                  | -32%        |
| East         | 666           | 14               | -22.7    | -30                        | -25%        | 25                   | 15%         | -59                  | -37%        |
| West         | 226           | 4                | -28.5    | -8                         | 7%          | -8                   | 13%         | -28                  | -6%         |
| Producing    | 793           | 13               | 9.7      | 0                          | -26%        | -8                   | -30%        | -5                   | -28%        |

### Seasonal Trends in Stocks and Heating Degree Days

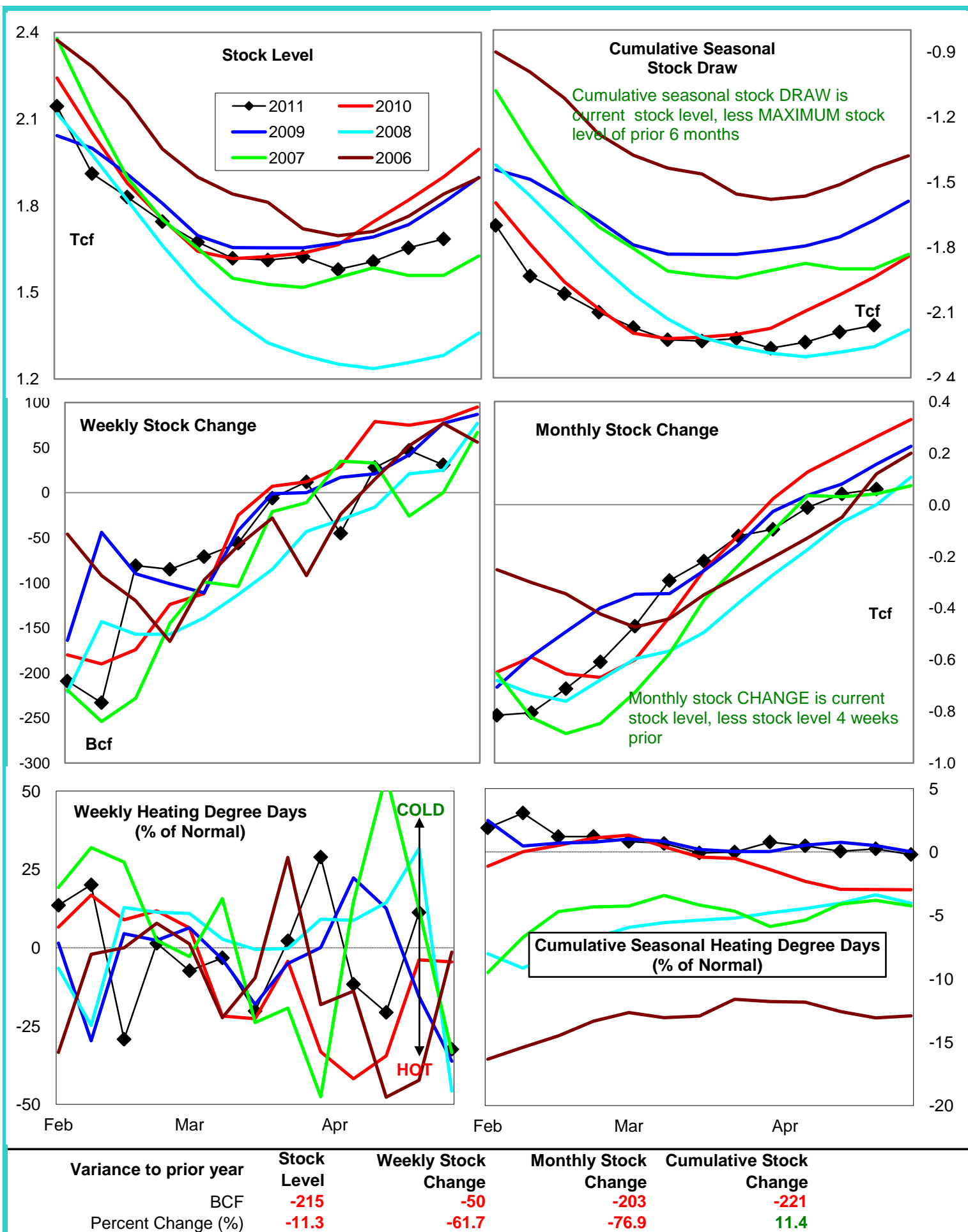
|                   | Cumulative Stock Draw |                             |             | Cumulative Heating Degree Days |                |                     |                |                     |                |
|-------------------|-----------------------|-----------------------------|-------------|--------------------------------|----------------|---------------------|----------------|---------------------|----------------|
|                   | Bcf                   | Change vs prior year<br>Bcf | %           | CHDD's vs<br>normal            | % of<br>normal | CHDD's vs<br>normal | % of<br>normal | CHDD's vs<br>normal | % of<br>normal |
| <b>U.S. Total</b> | <b>-2,158</b>         | <b>-221</b>                 | <b>10.2</b> | <b>76</b>                      | <b>0.1</b>     | <b>91</b>           | <b>0.2</b>     | <b>46</b>           | <b>-0.2</b>    |
| <b>East</b>       | <b>-1,421</b>         | <b>-183</b>                 | <b>12.9</b> | <b>83</b>                      | <b>0.9</b>     | <b>108</b>          | <b>1.1</b>     | <b>49</b>           | <b>0.6</b>     |
| <b>West</b>       | <b>-294</b>           | <b>-84</b>                  | <b>28.6</b> | <b>114</b>                     | <b>-2.0</b>    | <b>106</b>          | <b>-1.7</b>    | <b>78</b>           | <b>-1.7</b>    |
| <b>Producing</b>  | <b>-470</b>           | <b>25</b>                   | <b>-5.3</b> | <b>29</b>                      | <b>-3.2</b>    | <b>21</b>           | <b>-3.5</b>    | <b>16</b>           | <b>-3.7</b>    |

### Futures Market Price Trends

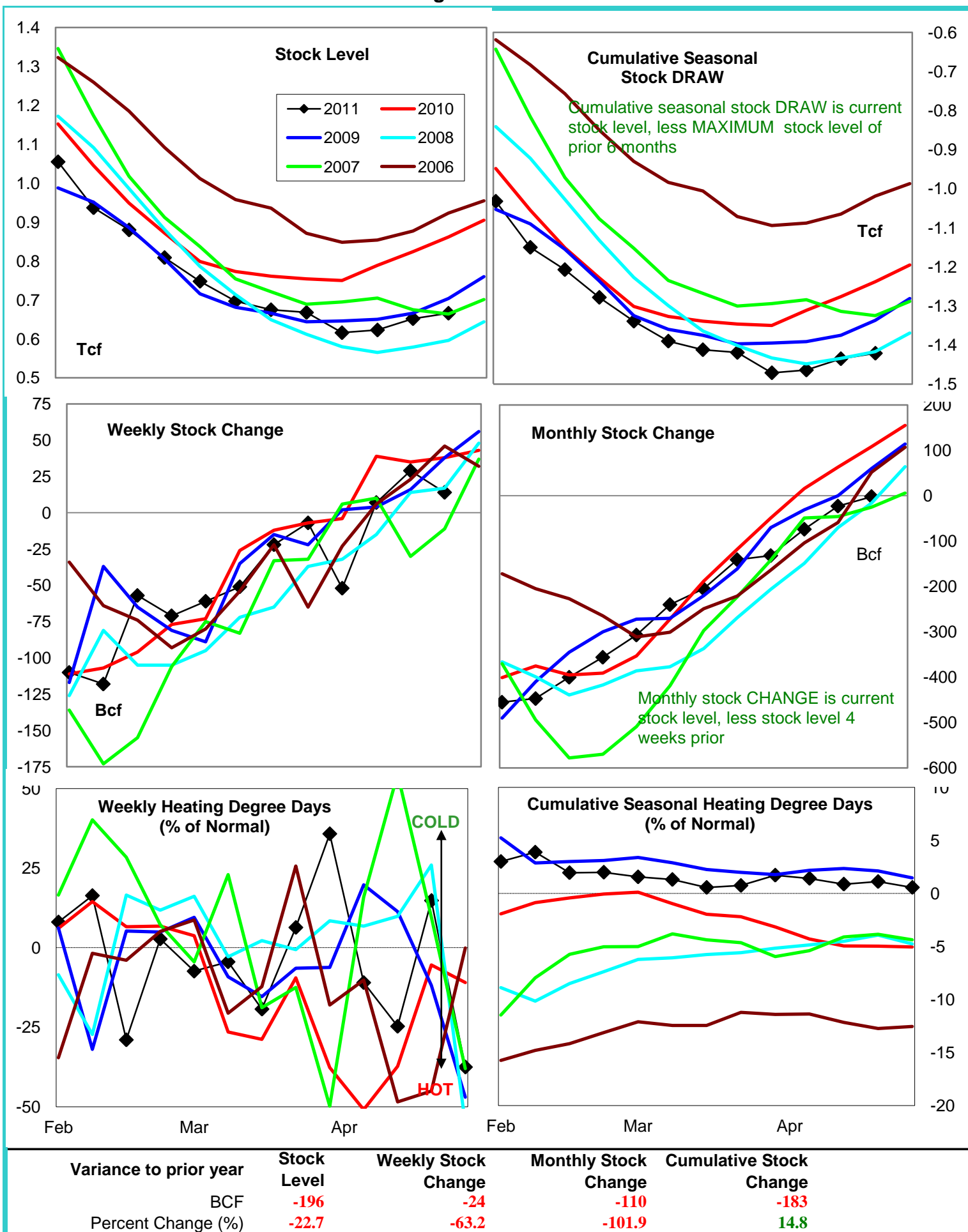
| Date:                        | 28-Apr-11    | Change vs prior week, month, year |             |             |
|------------------------------|--------------|-----------------------------------|-------------|-------------|
|                              |              | 21-Apr-11                         | 31-Mar-11   | 28-Apr-10   |
| <b>1st month<br/>Futures</b> | <b>4.51</b>  | <b>0.10</b>                       | <b>0.15</b> | <b>0.23</b> |
| <b>% change</b>              | <b>xxxxx</b> | <b>2.3</b>                        | <b>3.4</b>  | <b>5.4</b>  |



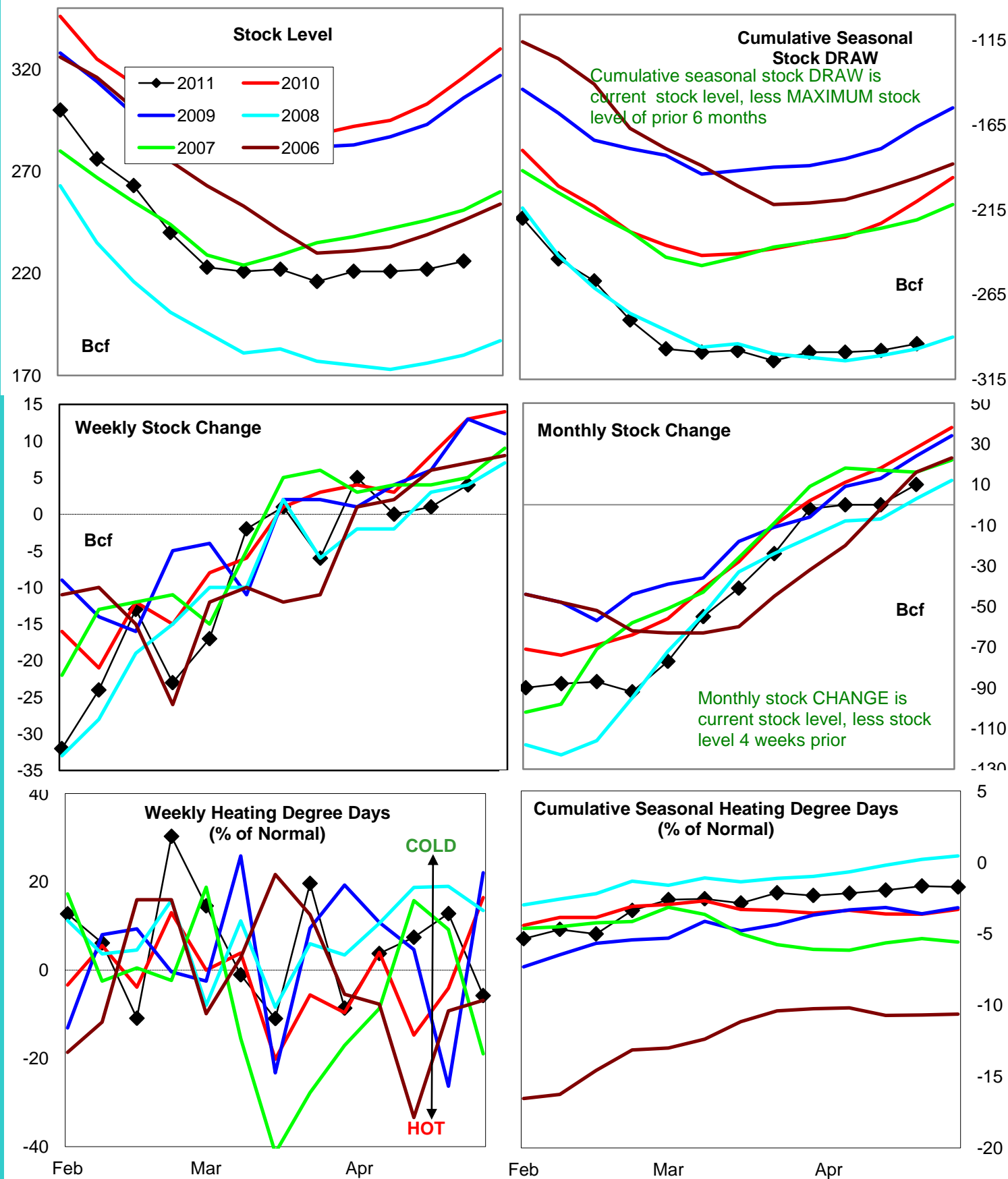
# United States Natural Gas Stock and Weather Trends



# Natural Gas East Region Stock and Weather Trends



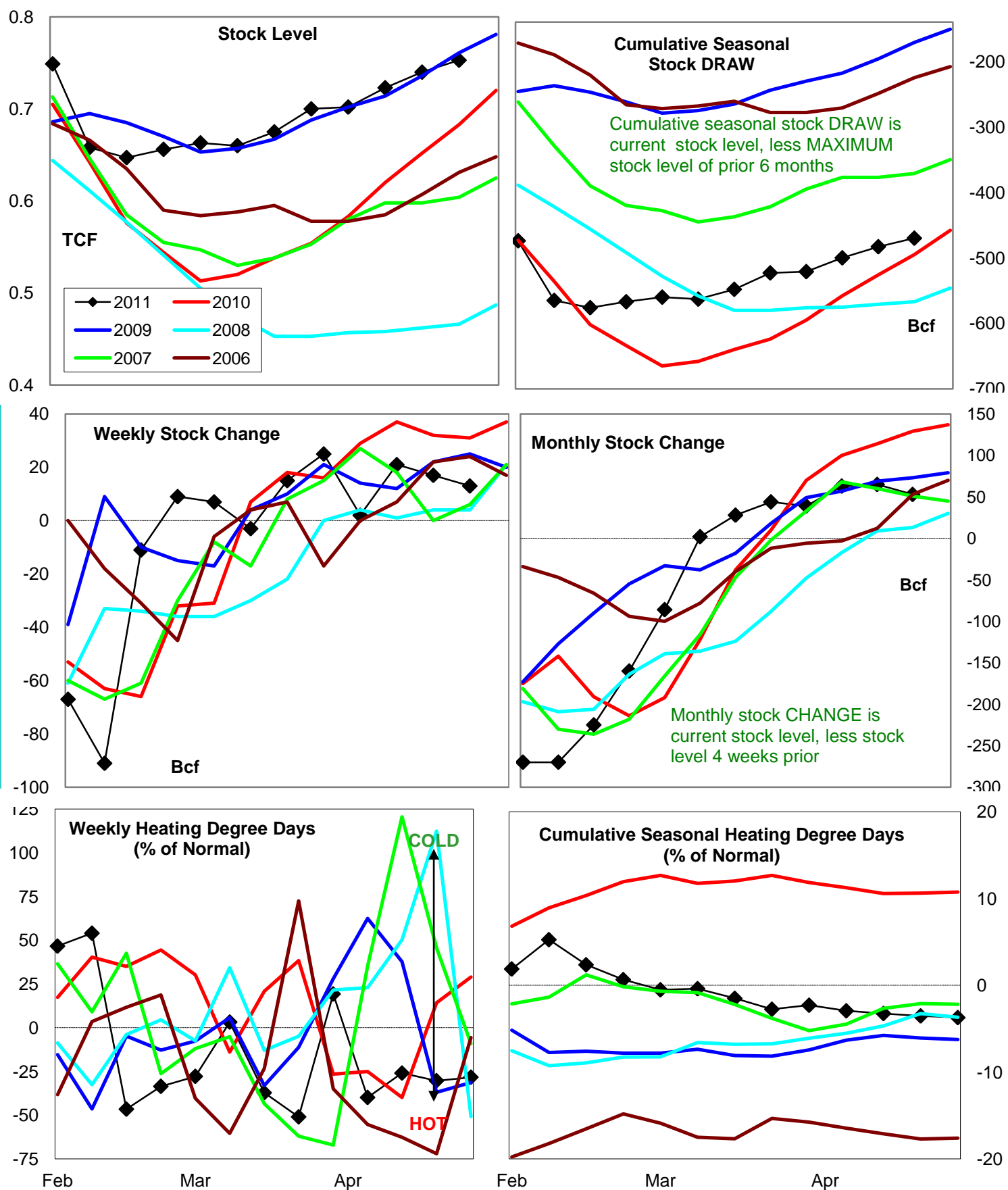
# Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock  
LevelWeekly Stock  
ChangeMonthly Stock  
ChangeCumulative Stock  
ChangeBCF  
Percent Change (%)-90  
-28.5-9  
-69.2-18  
-64.3-84  
40.0

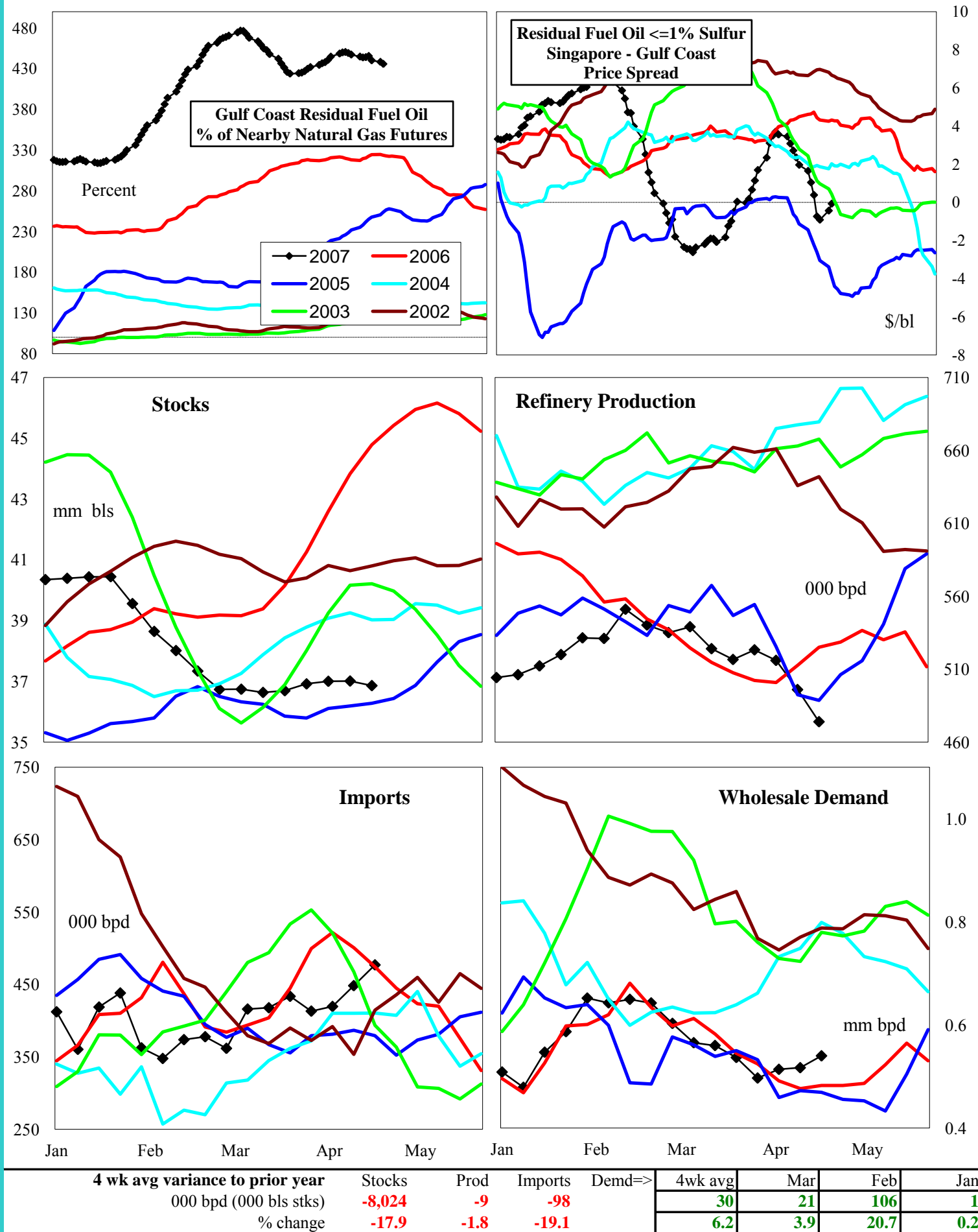
# Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

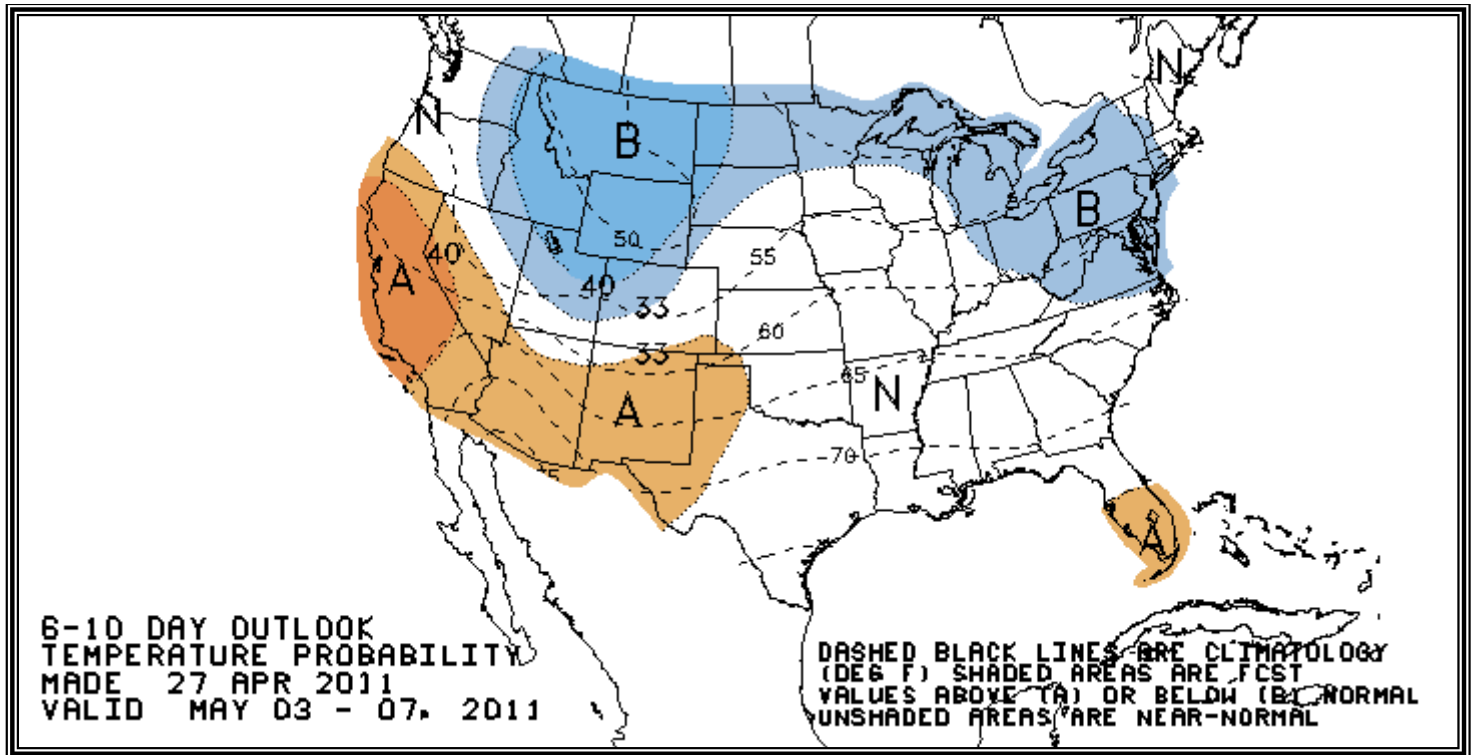
Stock  
LevelWeekly Stock  
ChangeMonthly Stock  
ChangeCumulative Stock  
ChangeBCF  
Percent Change (%)70  
9.7-18  
-58.1-76  
-58.925  
-5.1

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



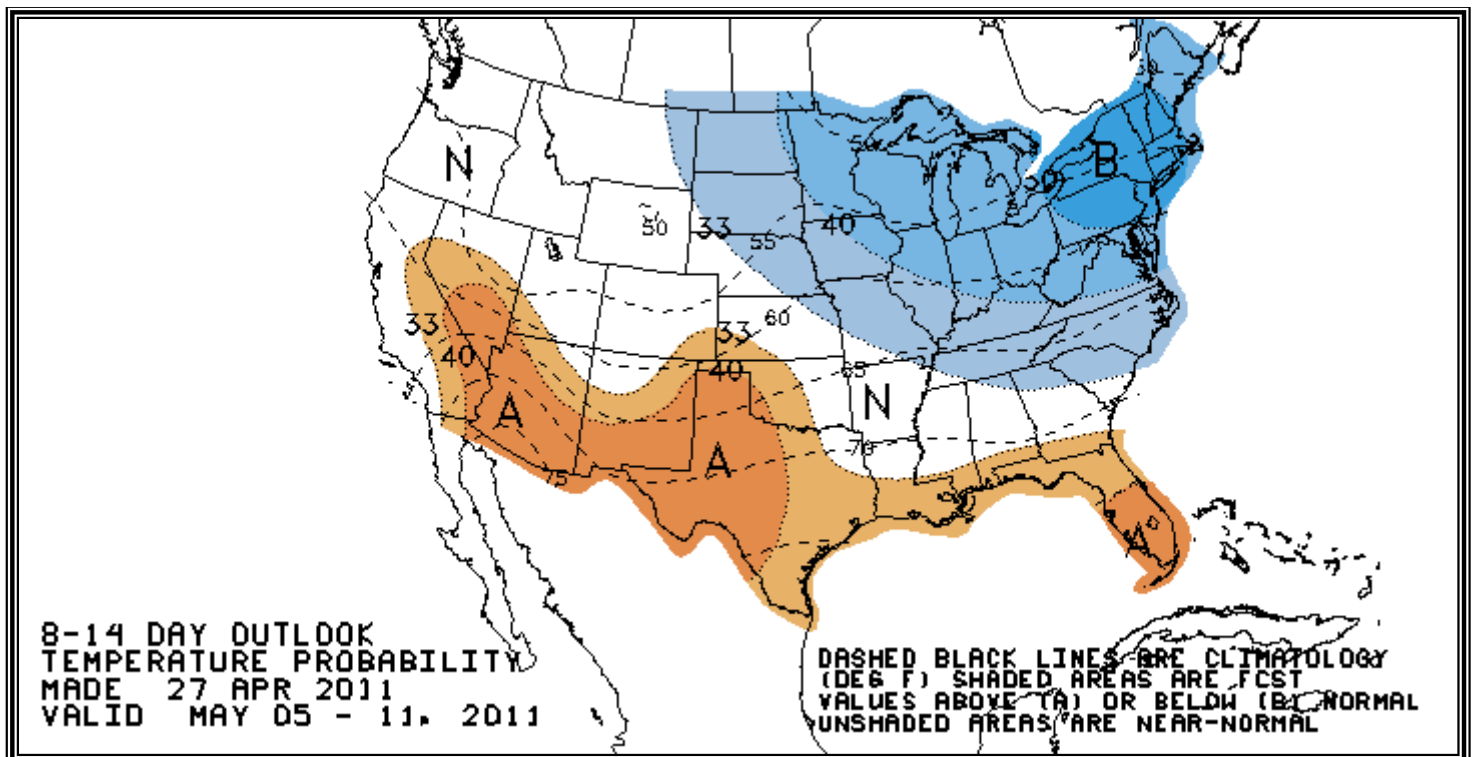
## National Weather Service Climate Prediction Center

## Degree Days 6 - 10 Day Temperature Forecast



## National Weather Service Climate Prediction Center

## Degree Days 8 - 14 Day Temperature Forecast



# American Gas Association Regions

