



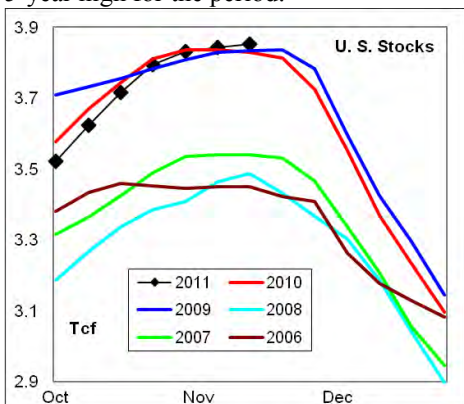
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

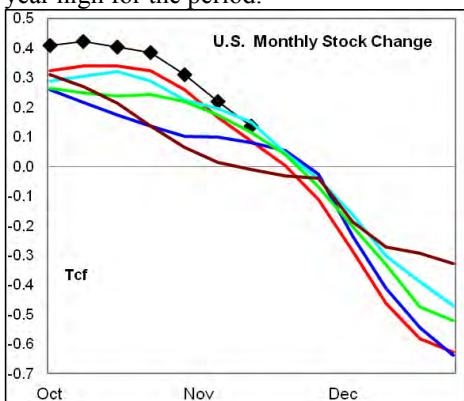
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Sunday, November 27, 2011



Summary¹ The stock build of +9 Bcf for the week was slightly above the mid range for the week. Stock levels reached a new 5-year high for the period.



The latest 4-wk stock build matched the 5-year high for the period.



In the East Region stocks were unchanged for the week, a level that matched the mid range for the period. Stocks increased +4 Bcf in the West Region, a level at the upper end of the historic range for the week. The stock build of +5 Bcf in the Producing Region was at the mid range for this time of year.

Heating degree days were -21% below normal in the East Region, +18% above normal in the West Region and -18% above normal in the Producing Region for the week ending 19Nov11.

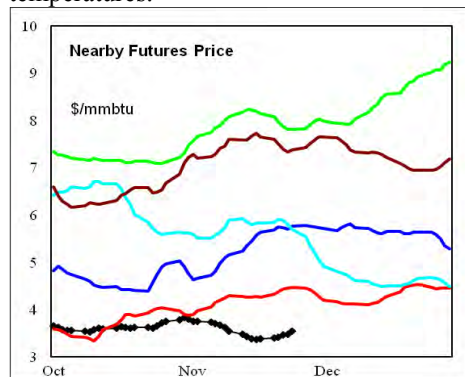
Heating degree days were -16% below normal for the week ended 19Nov11, and estimated to be -27% below normal for the

week ending 26Nov11.

The 6-10 day NWS forecast for the week ending 07Dec11 is for well above normal heating degree days in all areas of the country except the Great Lakes and New England regions - forecast to be near normal.

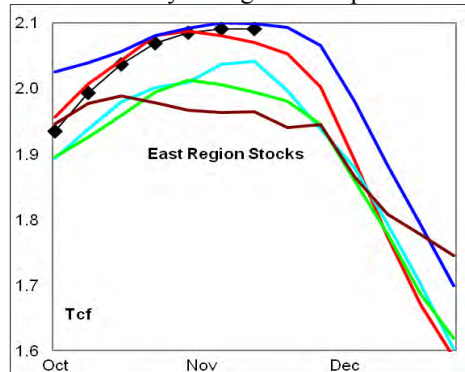
The 8-14 day NWS forecast for the week ending 11Dec11 is for above normal heating degrees in all areas of the country except the upper Midwest, Great Lakes and New England regions - forecast to be near normal.

Prices: Nearby gas futures prices increased +\$0.22/mmbtu for the week ending 25Nov11; a level -\$0.75/mmbtu below last years' record low for the period. The week-on-week price increase was driven by a forecast of colder than normal temperatures.



The 1st - 4th month forward price curve traded sideways for the week ending 25Nov11 at a level near the low end of the historic range.

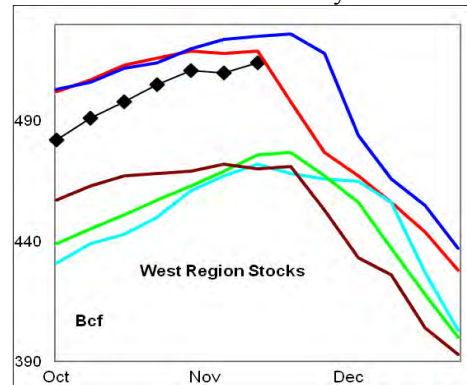
East Region stocks were unchanged last week, a level that matched the mid range for the period. The latest 4-wk stock build matched the 5-year high for the period.



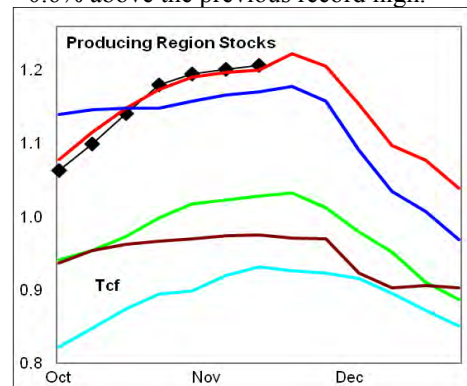
Heating degree days in the region were -21% below normal for the week ending 19Nov11, and estimated to be -28% below normal for the week ending 26Nov11. Above normal heating degree days are forecast for the next 10-days.

West Region stocks increased +4 Bcf on the week, a level at the upper end of the historic range for the period. Stock levels ended the week -1% below last year. The latest 4-wk stock build was above the mid range for the week.

Heating degree days were +18% above normal for the week ending 19Nov11, and estimated to be +1% above normal for the week ending 26Nov11. Much above normal heating degree days are forecast for the next 10-days.



Producing Region stocks experienced a build of +5 Bcf on the week, a level that matched the mid range. The monthly stock build was above the historic range for the period. Stock levels ended the week +0.6% above the previous record high.



Heating degree days were -18% below normal for the week ending 19Nov11, and estimated to be -45% below normal for the week ending 26Nov11. Much above 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: Much above normal heating degree days are forecast for the first 10-days of December across nearly the entire country. Increased heating demand should support prices for the 1st half of December.

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: November 27, 2011

For the week ending: 18-Nov-11

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

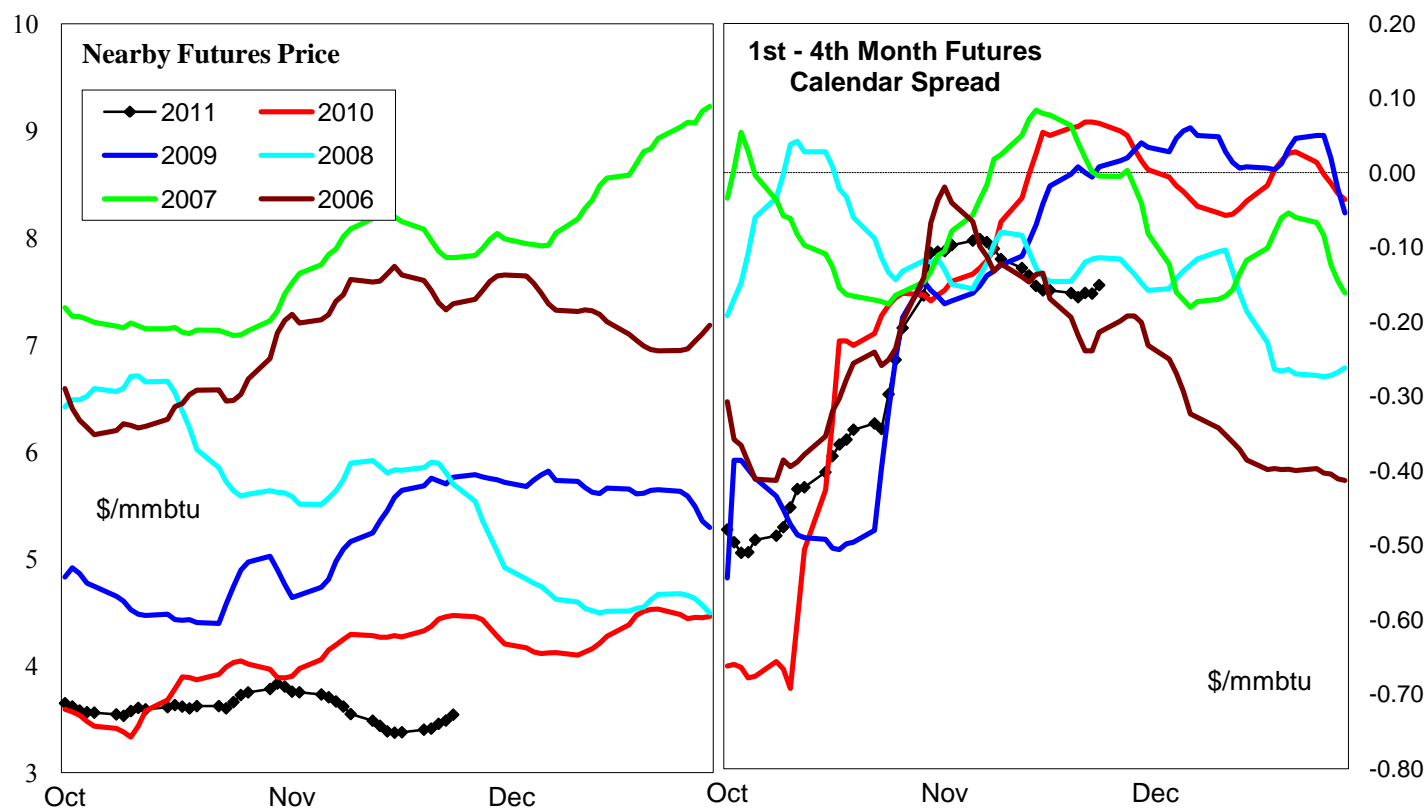
Week ending:	18-Nov-11			12-Nov-11		19-Nov-11		26-Nov-11	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,852	9	0.6	-8	-3%	0	-16%	-1	-27%
East	2,091	0	1.0	-15	-13%	3	-21%	1	-28%
West	514	4	-1.0	31	53%	1	18%	-4	1%
Producing	1,247	5	0.6	-5	24%	-11	-18%	-6	-45%

Seasonal Trends in Stocks and Heating Degree Days

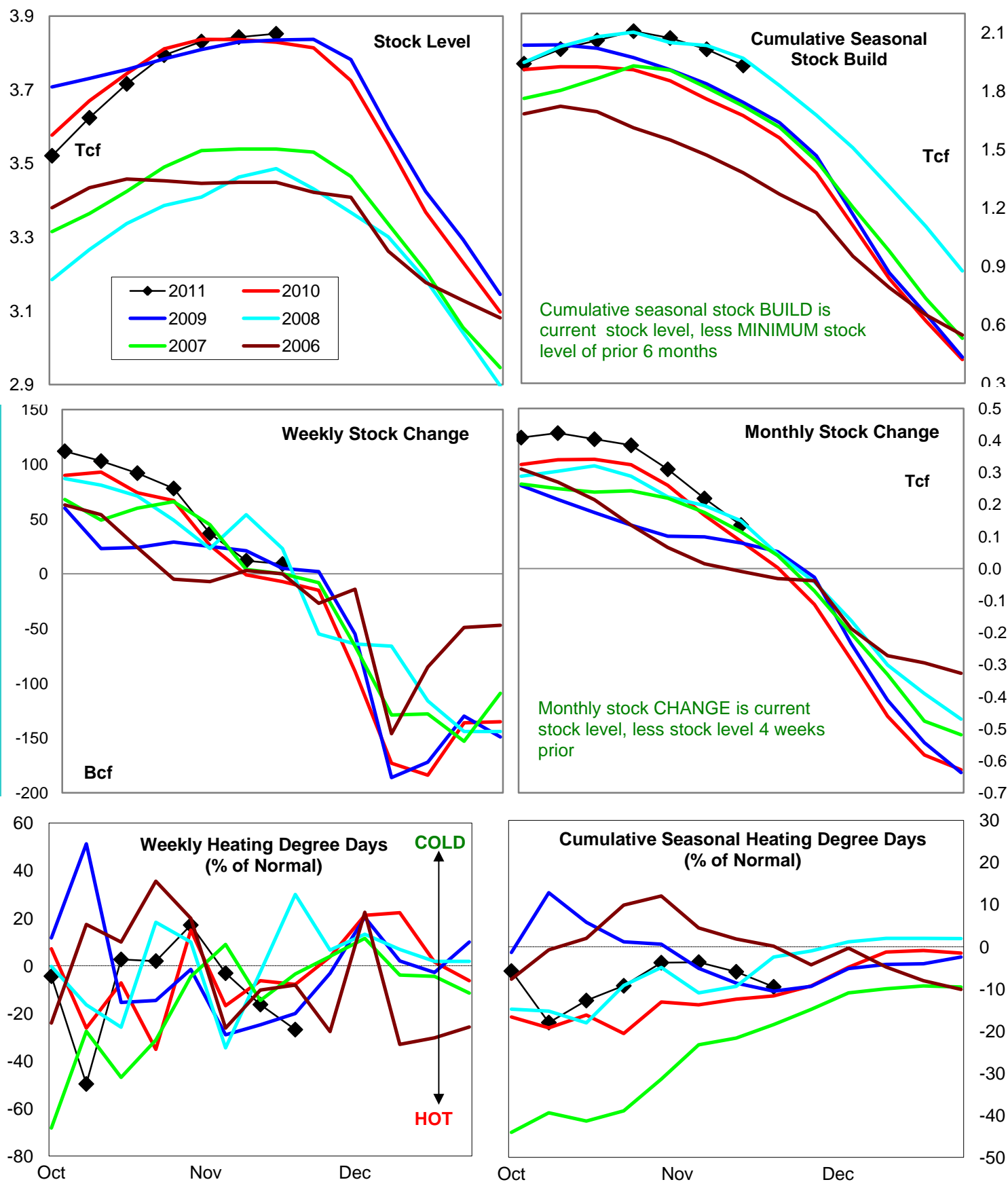
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	1,933	258	13.3	115	-3.7	115	-5.9	114	-9.5
East	1,287	204	15.9	122	-7.1	125	-9.5	126	-12.5
West	263	101	38.4	149	-2.0	151	1.2	146	1.2
Producing	383	-47	-12.3	72	31.6	61	19.2	55	3.1

Futures Market Price Trends

Date:	25-Nov-11	Change vs prior week, month, year		
		21-Nov-11	31-Oct-11	26-Nov-10
1st month Futures	3.54	0.14	-0.39	-0.90
% change	xxxxx	4.2	-10.0	-20.2



United States Natural Gas Stock and Weather Trends



Variance to prior year

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

23

16

51

258

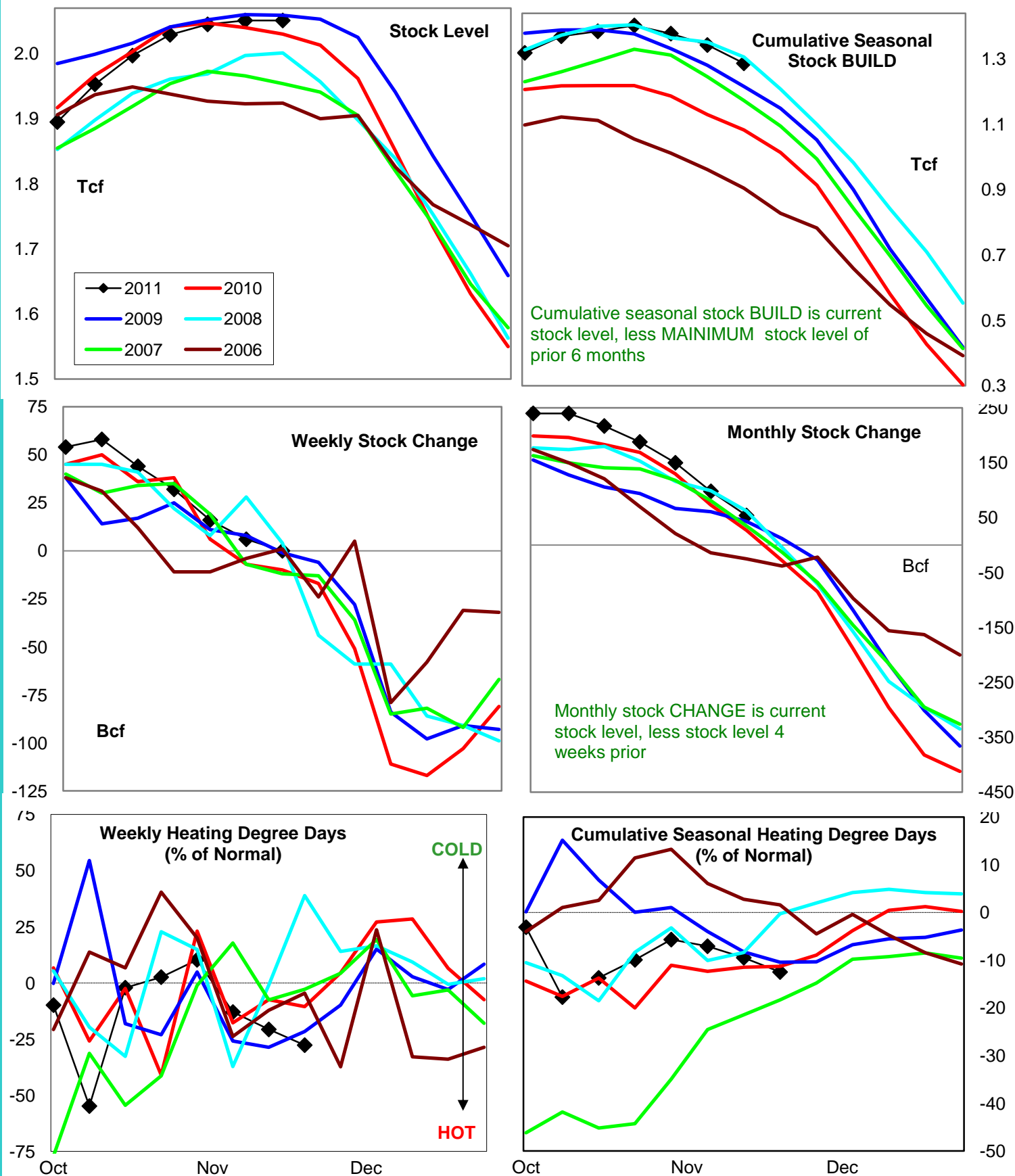
0.6

-228.6

60.0

15.4

Natural Gas East Region Stock and Weather Trends



Variance to prior year

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

21

10

27

204

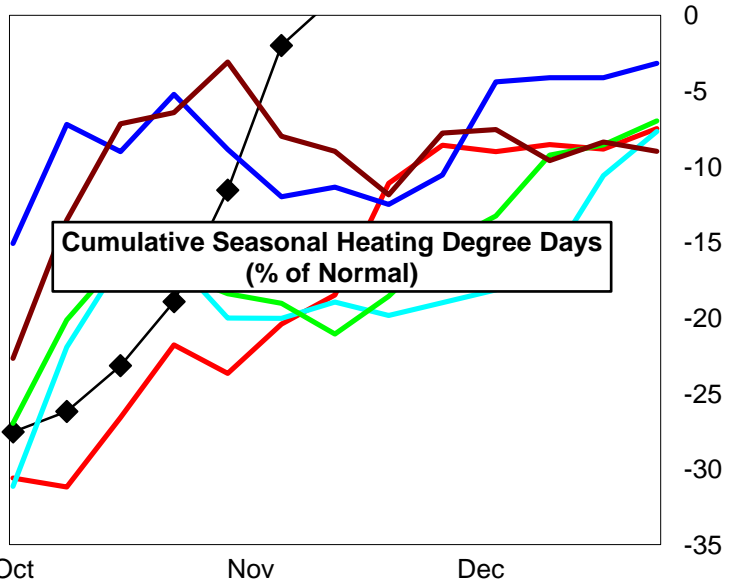
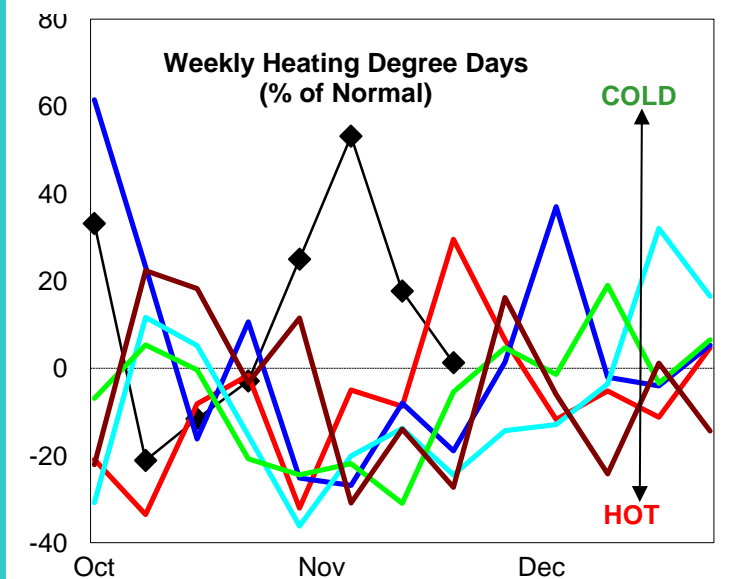
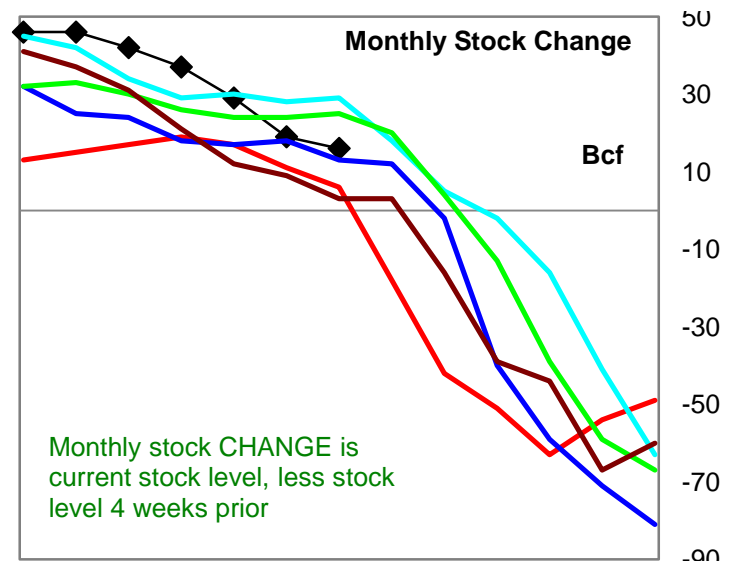
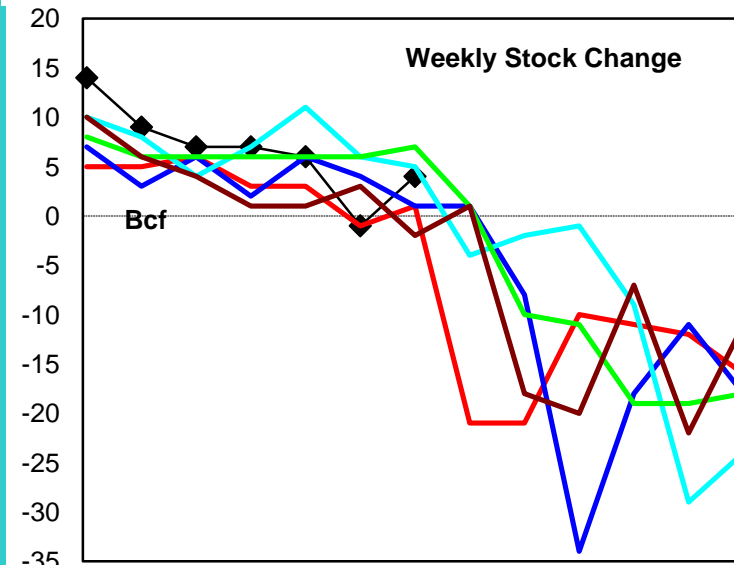
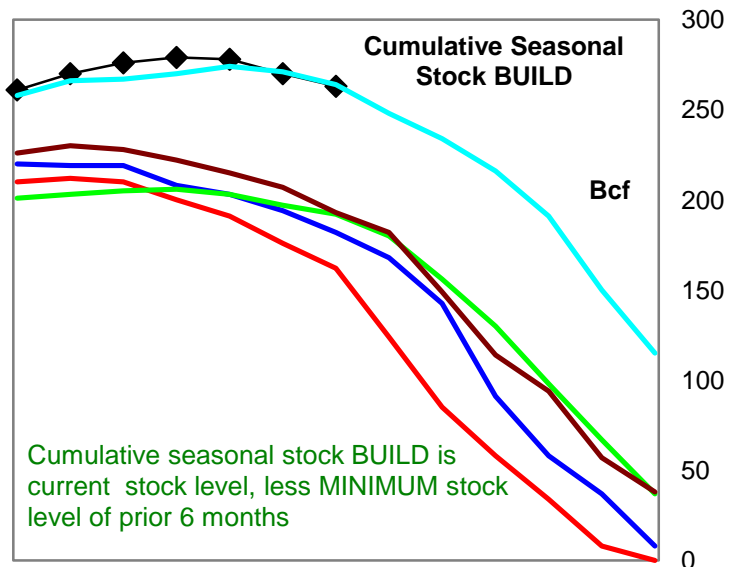
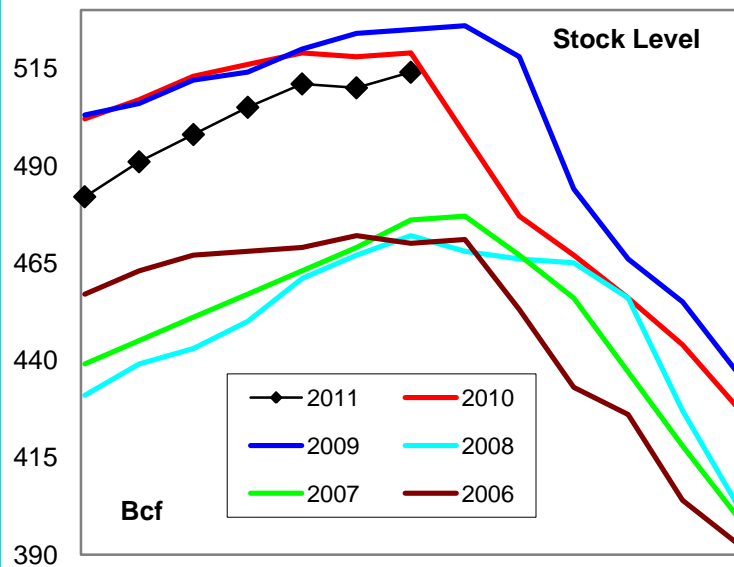
1.0

-100.0

100.0

18.8

Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF
Percent Change (%)

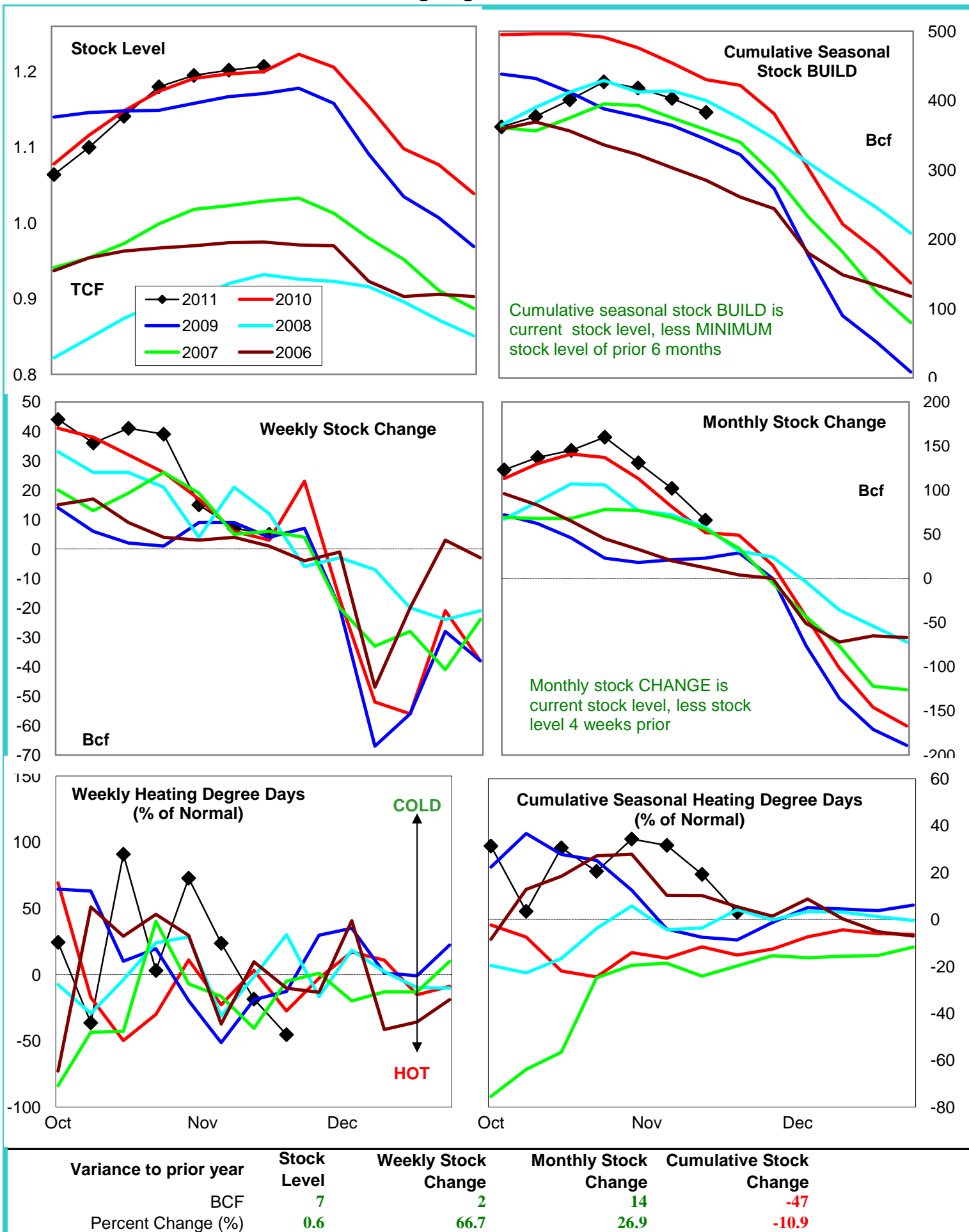
-5
-1.0

3
300.0

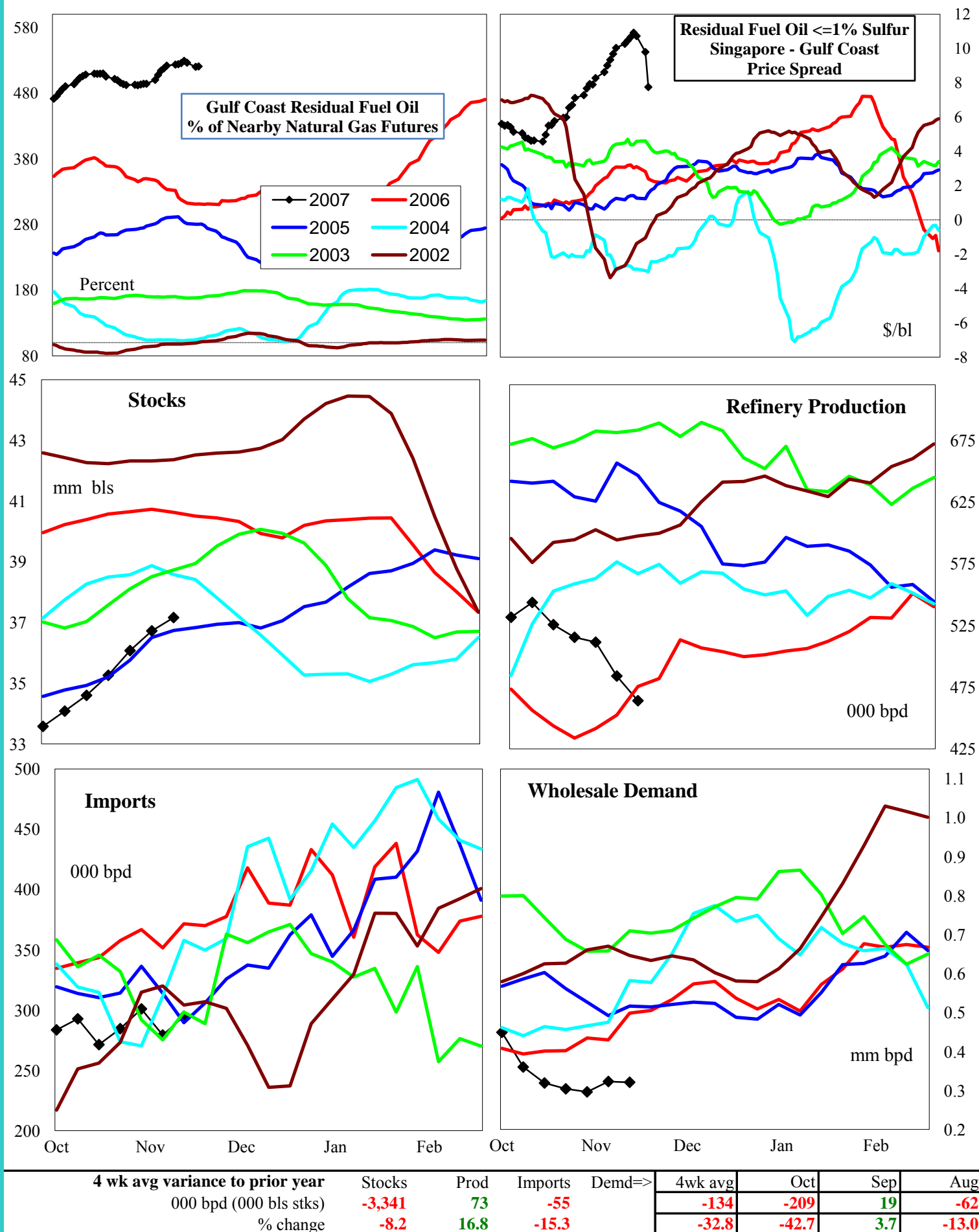
10
166.7

101
62.3

Natural Gas Producing Region Stock and Weather Trends

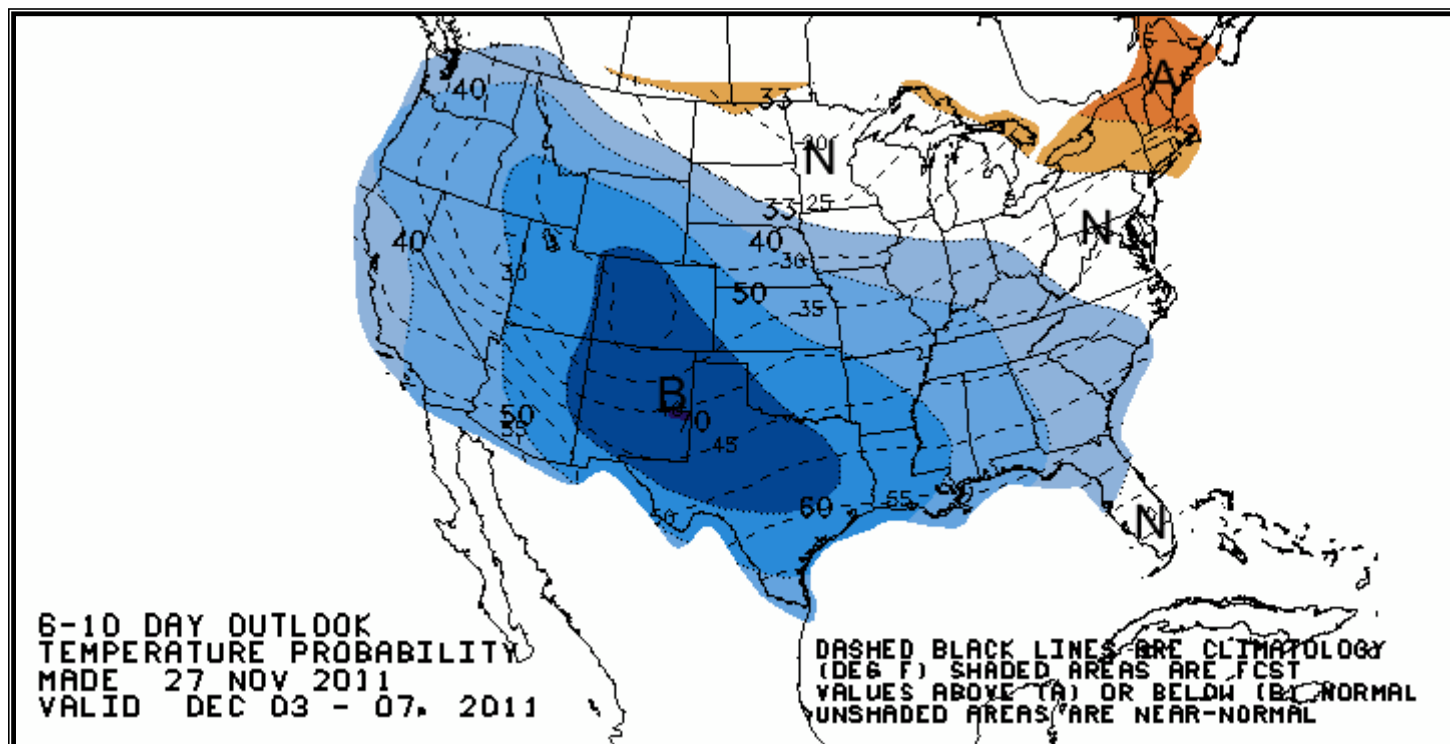


U.S. Residual Fuel Oil Price Spreads and Supply Balance



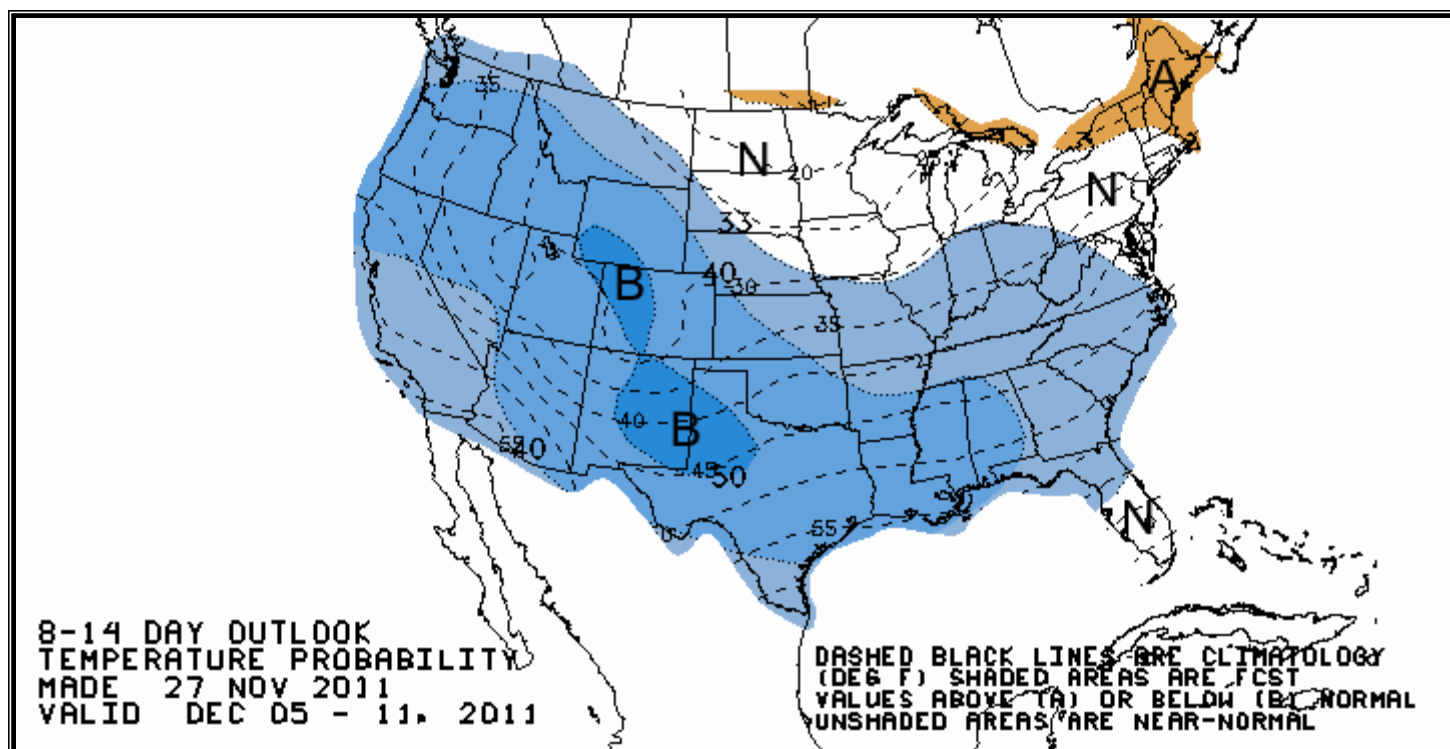
National Weather Service Climate Prediction Center

Degree Days 6 - 10 Day Temperature Forecast



National Weather Service Climate Prediction Center

Degree Days 8 - 14 Day Temperature Forecast



American Gas Association Regions

