



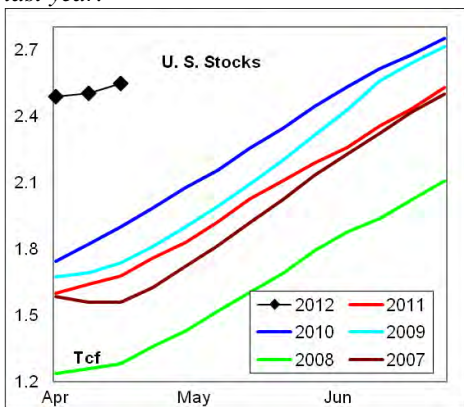
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

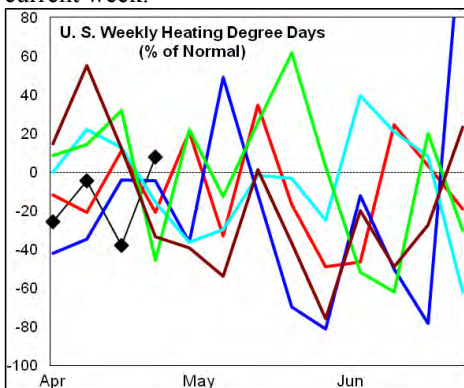
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Thursday, April 26, 2012



Summary¹ The stock build of +47 Bcf for the week was above the 5-year mid range. *Stock levels ended the week +52% above last year.*



Heating degree days for the week ending 21Apr12 were -38% below normal and forecast to be +8% above normal for the current week.



In the East Region stocks increased +42 Bcf for the week, a record build for this time of year. Stocks increased +4 Bcf in the West Region, a build that matched last years' low. The stock build of +1 Bcf in the Producing Region reflects exceptionally high cooling degree days.

Heating degree days were -44% below normal in the East Region, -15% below normal in the West Region and -15% below normal in the Producing Region for the week ending 21Apr12.

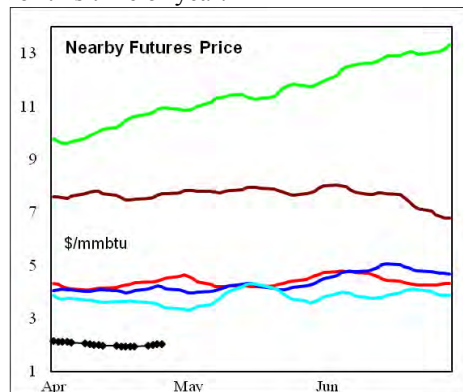
Heating degree days were -38% below normal for the week ended 21Apr12, and forecast to be +8% above normal for the

current week.

The 6-10 day NWS forecast for the week ending 05May12 is for much warmer than normal temperatures across the eastern 3/4ths of the country.

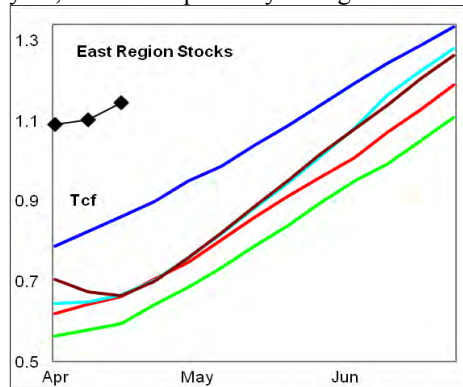
The 8-14 day NWS forecast for the week ending 09May12 is for below normal heating degree days, again, across the eastern 3/4ths of the country.

Prices: Nearby gas futures prices increased +\$0.14/mmbtu for the week ending 26Apr12. The current price is - \$1.20/mmbtu below the prior 5-year low for this time of year.



The 1st - 4th month forward price curve traded sideways for the week ending 26Apr12, ending at a level near the mid range.

East Region stocks increased +42 Bcf for the week, a record build for the week. The current stock level was +73% above last year, and above prior 5-year highs.

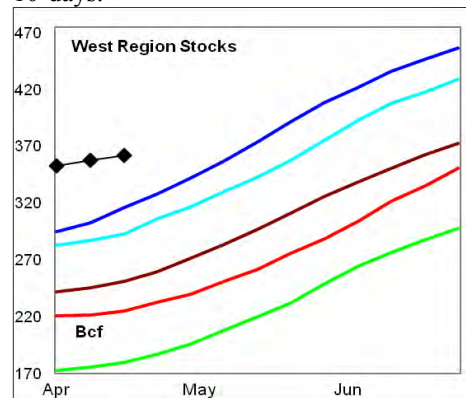


Heating degree days in the region were -44% below normal for the week ending 21Apr12, and forecast to be +20% above normal for the current week. Temperatures are forecast to be above normal for the next 10-days.

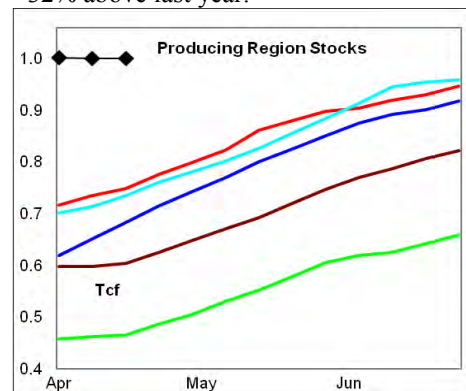
West Region stocks increased +4 Bcf on the week, a build that matched last years' lows. Stock levels ended the week +61% above last year and above the 5-year range. The latest 4-wk stock build was matched

the mid range for the week.

Heating degree days were -15% below normal for the week ending 21Apr12, and forecast to be -48% below normal for the current week. Temperatures are forecast to slightly warmer than normal for the next 10-days.



Producing Region stocks experienced a build of +1 Bcf on the week, a record low build for the week. Low stock builds are being driven by unusually high cooling degree days and the shut in of production in the region. Stock levels ended the week +32% above last year.



Heating degree days were -15% below normal for the week ending 21Apr12, and forecast to be -24% below normal for the current week. 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, with residual fuel demand -38% below last year.

Outlook: Stocks are +52% above a year ago. Lower rates of stock building reflect the shutting in of wells, particularly in the Producing Region. An earlier than normal start to the summer cooling season in the south and west has given prices a lift this week, which should continue on a forecast of unusually warm temperatures into early May.

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 26, 2012

For the week ending: 20-Apr-12

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

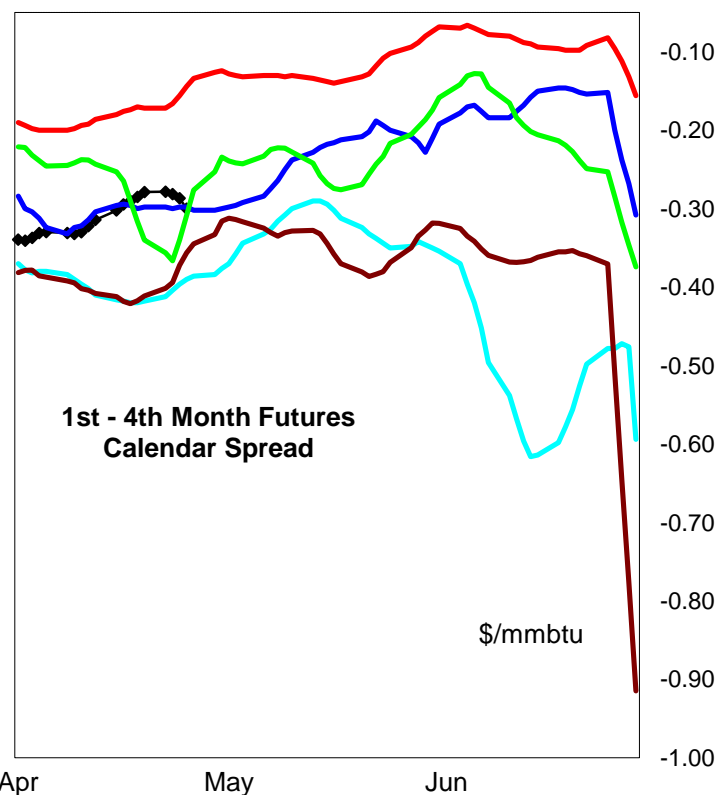
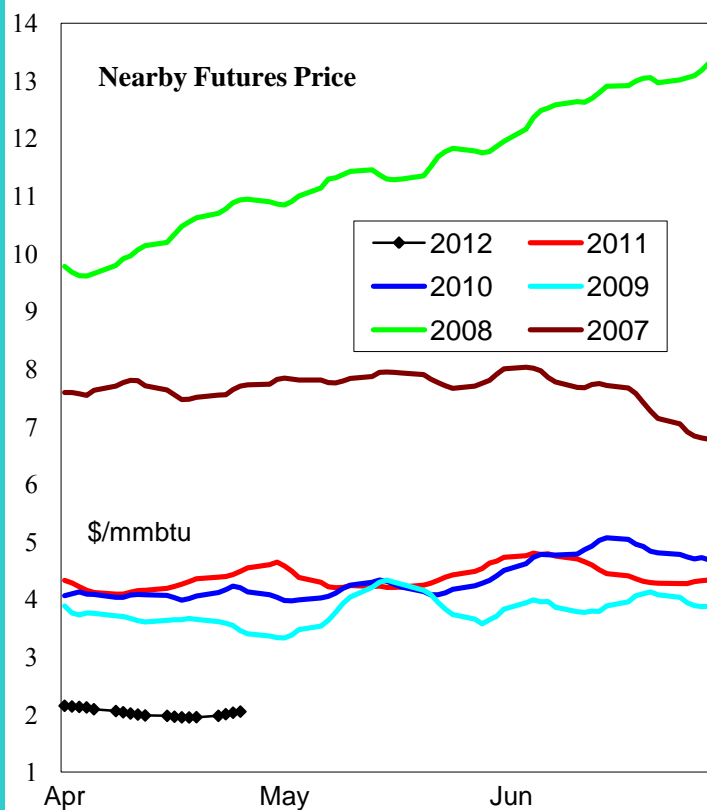
Week ending:	20-Apr-12			14-Apr-12		21-Apr-12		28-Apr-12	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,548	47	52.0	11	-4%	-42	-38%	24	8%
East	1,145	42	73.0	14	-1%	-58	-44%	44	20%
West	362	4	60.9	-1	-1%	-26	-15%	-37	-48%
Producing	1,041	1	31.9	6	-38%	2	-15%	-9	-24%

Seasonal Trends in Stocks and Heating Degree Days

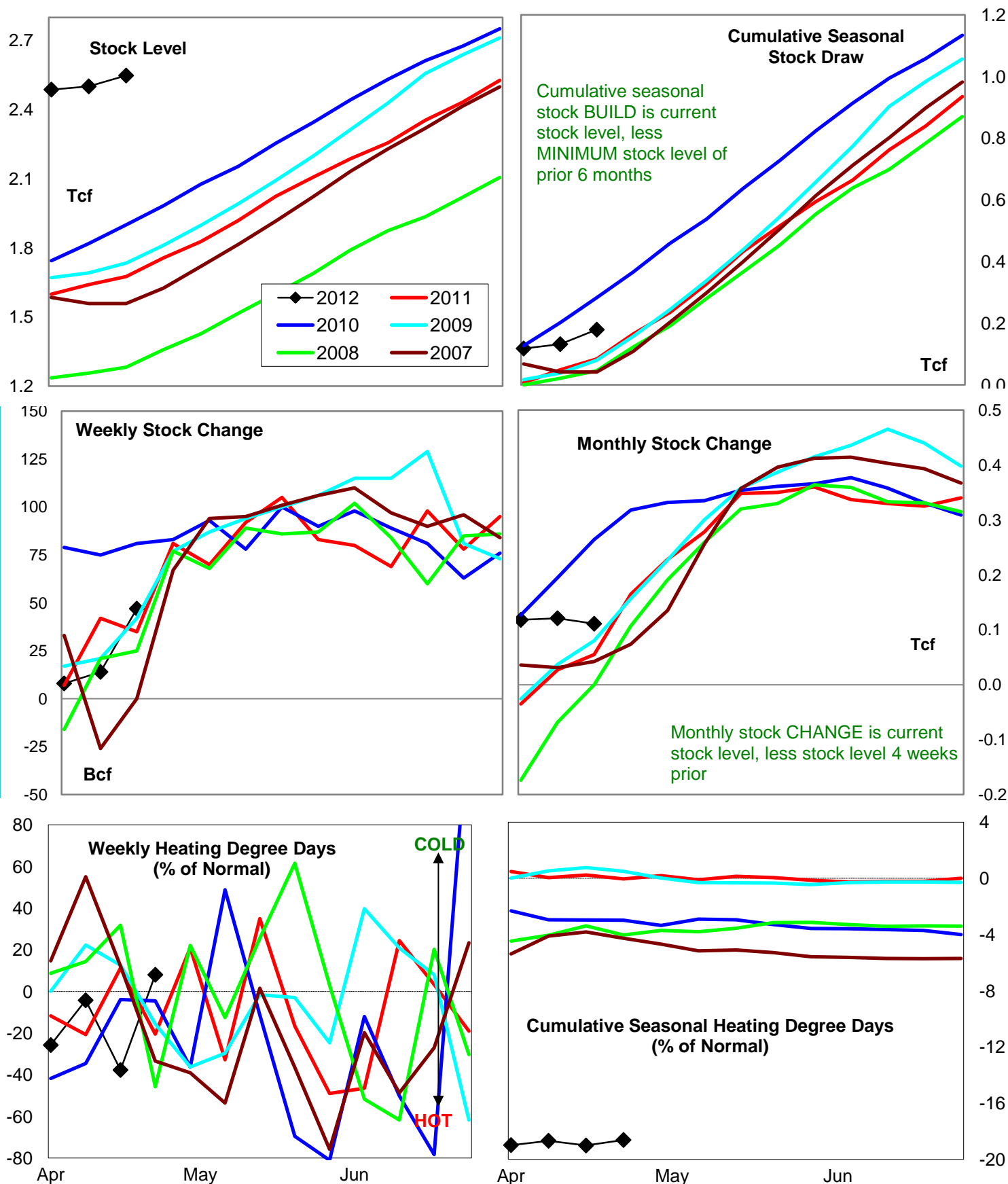
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	179	95	53.1	95	-18.7	53	-19.0	77	-18.6
East	96	55	57.3	113	-19.7	56	-20.1	100	-19.5
West	18	11	61.1	108	-10.6	82	-10.7	45	-11.4
Producing	76	-24	-31.6	26	-19.8	27	-19.7	18	-19.7

Futures Market Price Trends

Date:	26-Apr-12	Change vs prior week, month, year		
		20-Apr-12	30-Mar-12	28-Apr-11
1st month Futures	2.05	0.12	-0.08	-2.13
% change	xxxxx	6.4	-3.6	-51.0



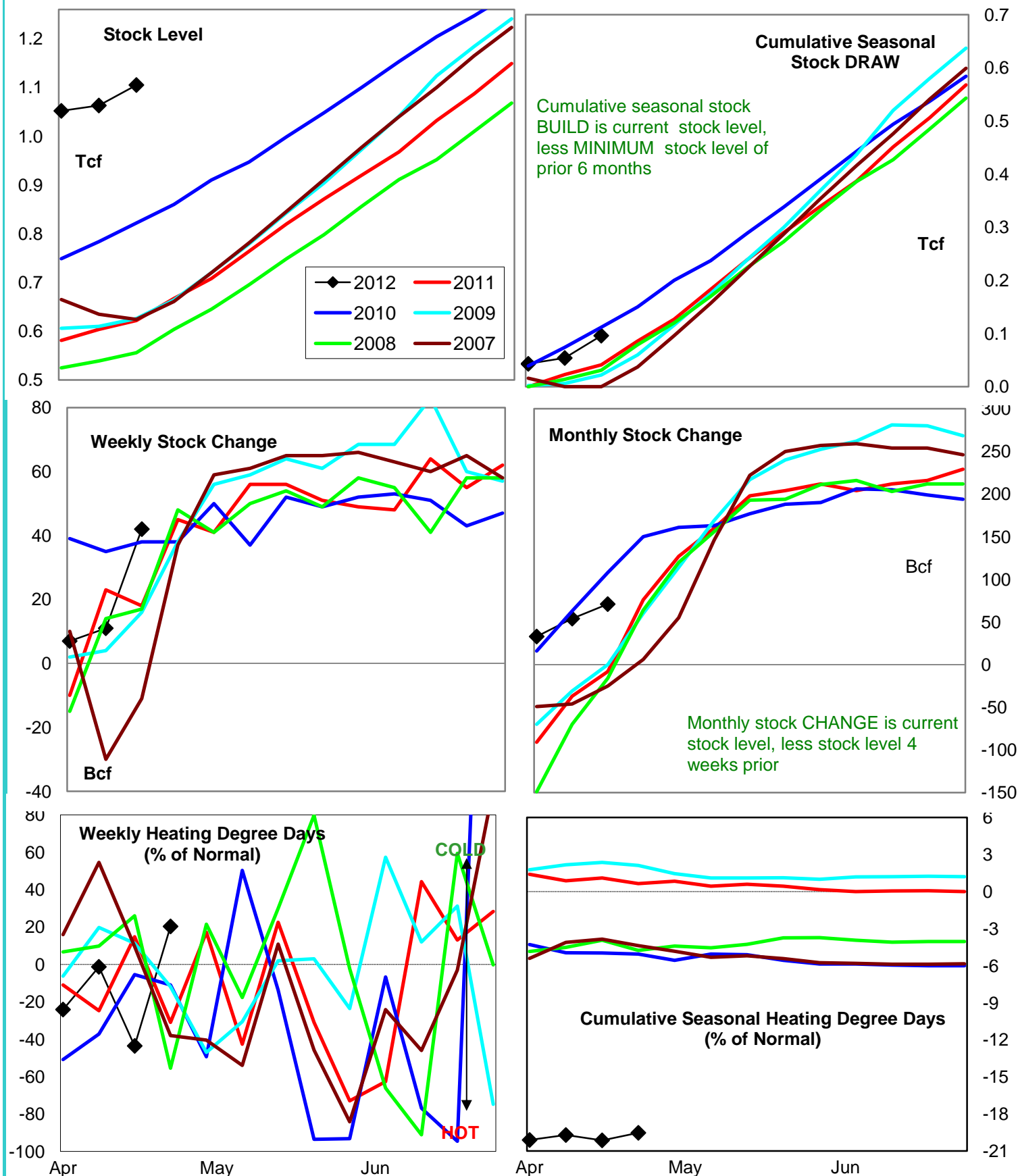
United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)872
52.012
34.356
101.895
113.1

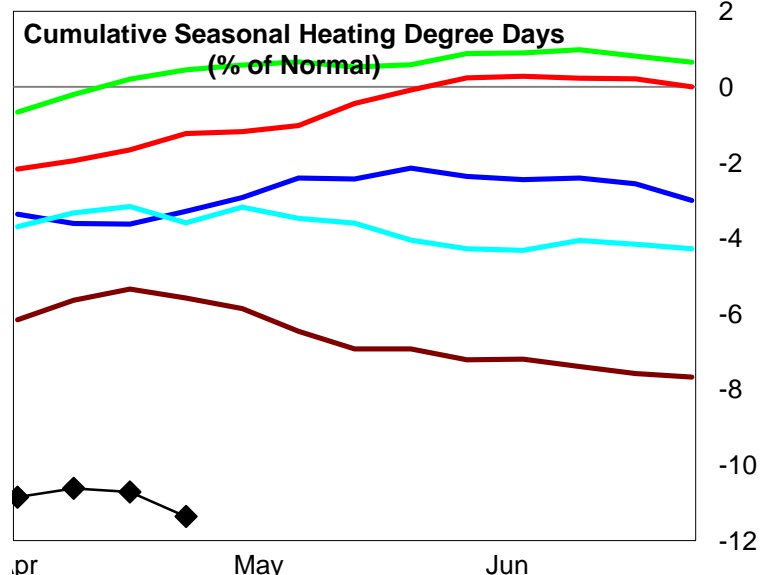
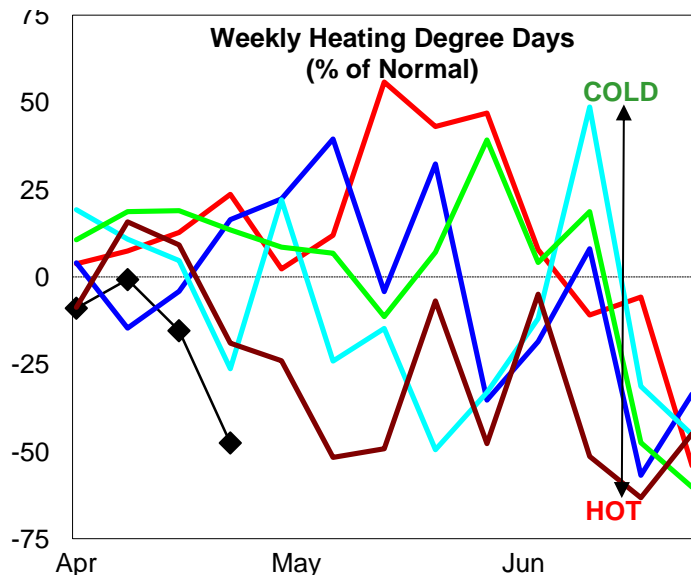
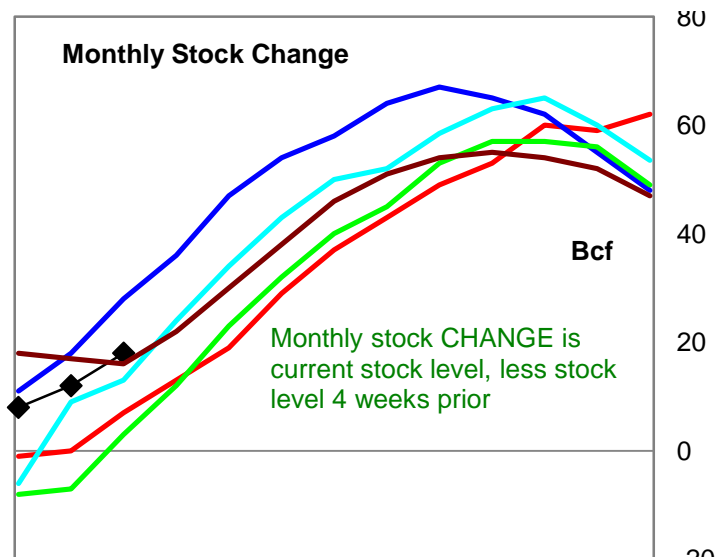
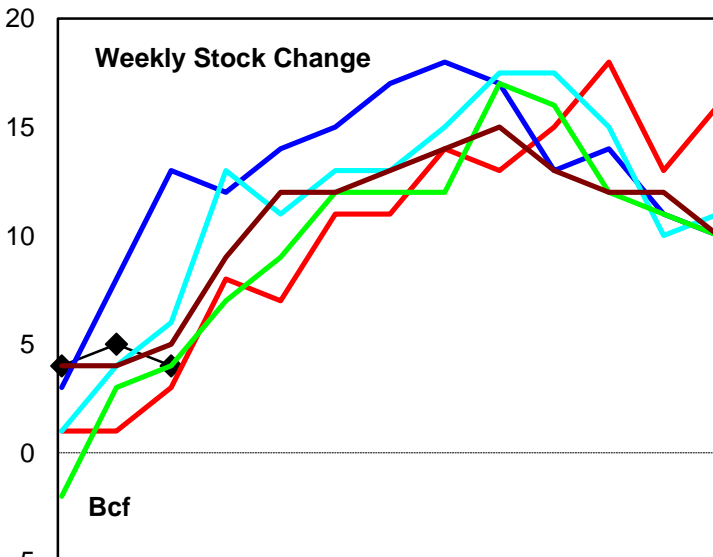
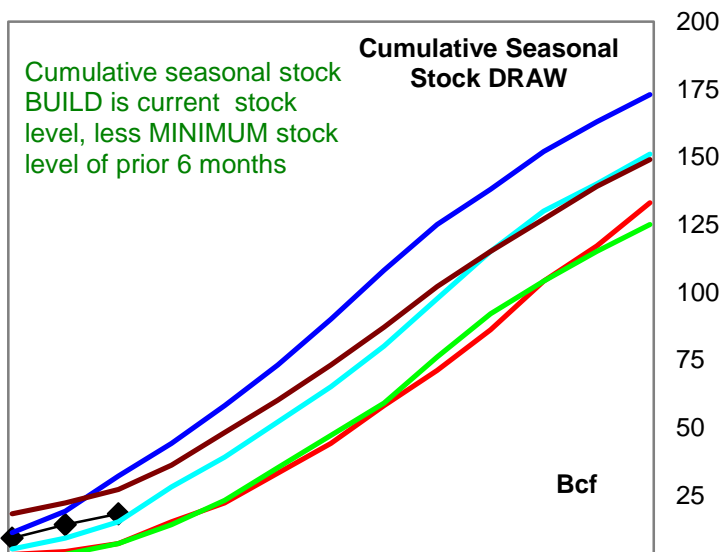
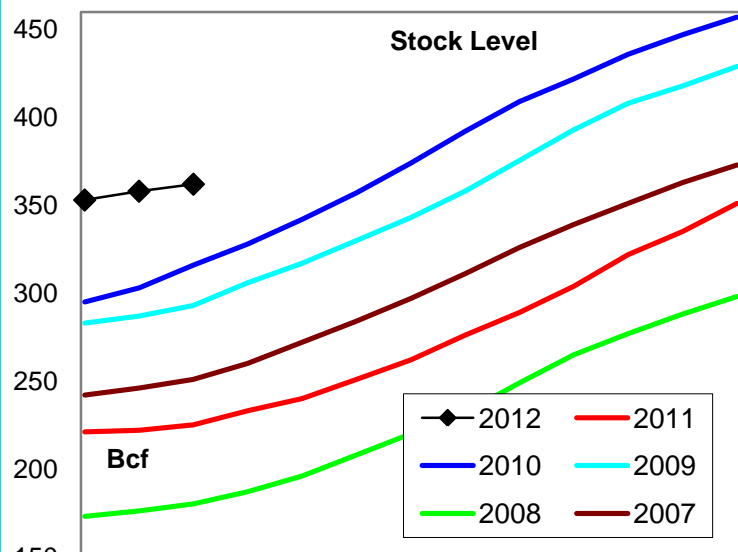
Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)483
73.024
133.379
-987.555
134.1

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 (%)

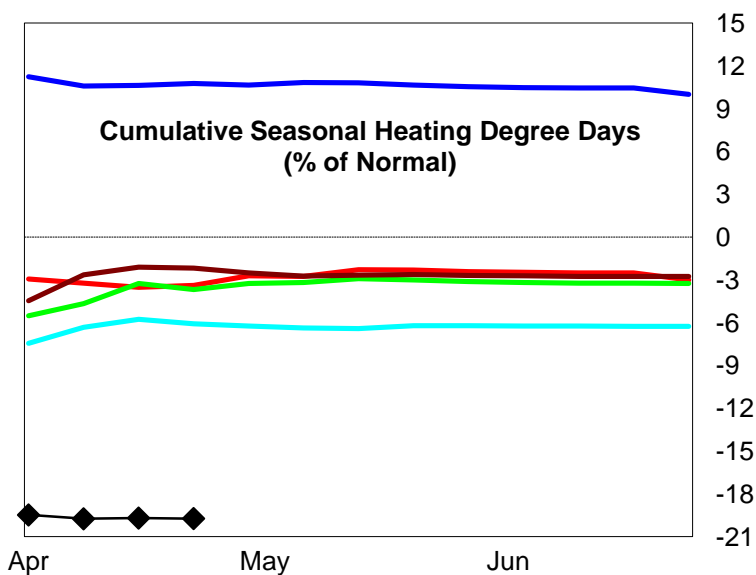
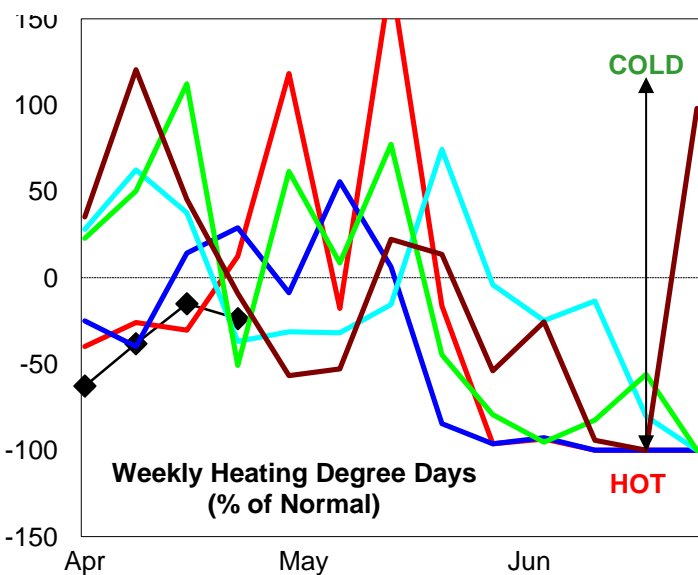
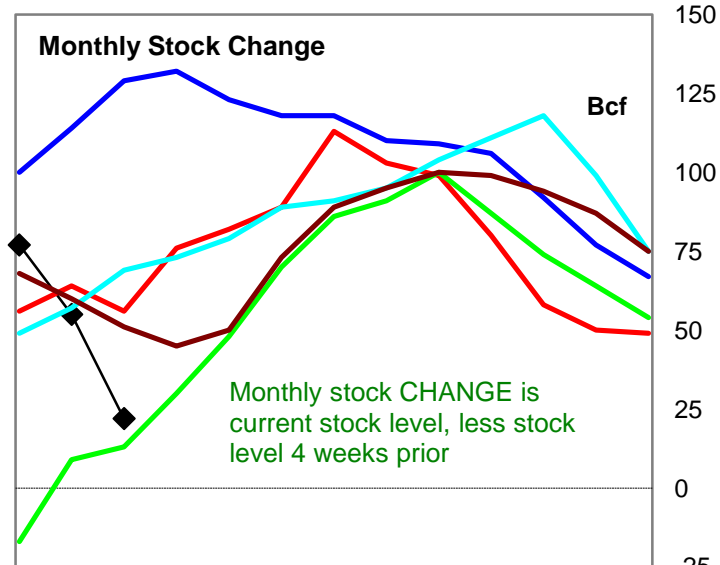
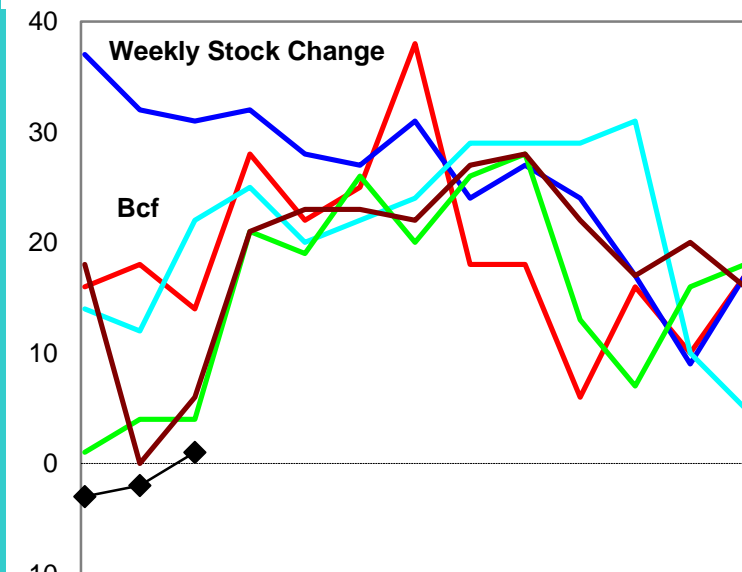
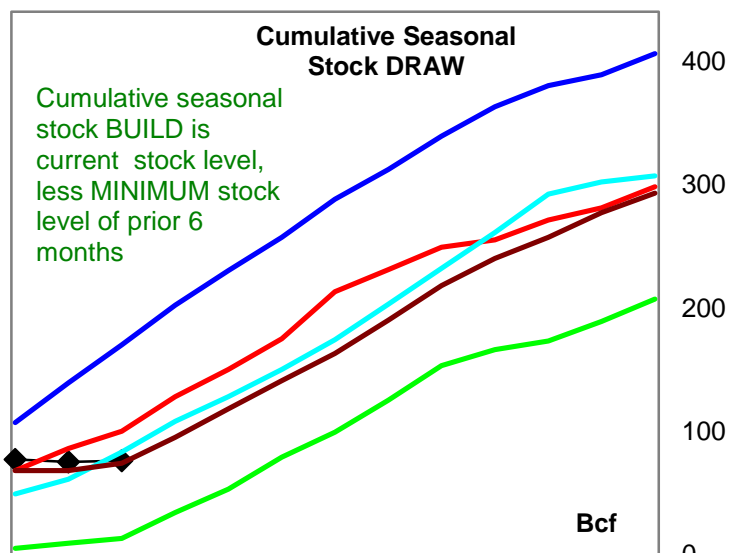
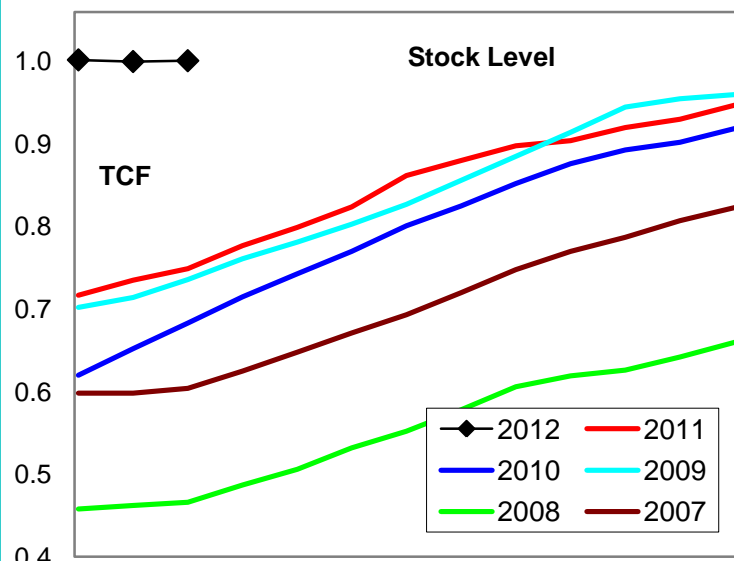
137
60.9

1
33.3

11
157.1

11
157.1

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

252

-13

-34

-24

Percent Change (%)

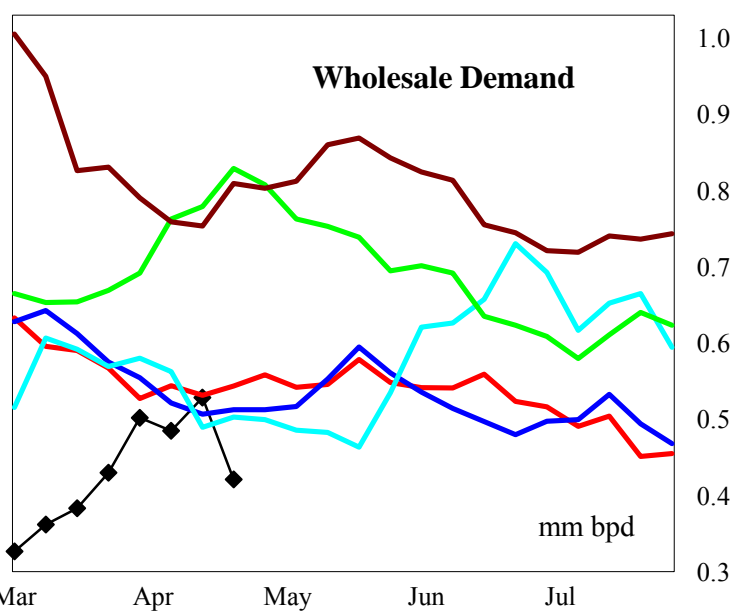
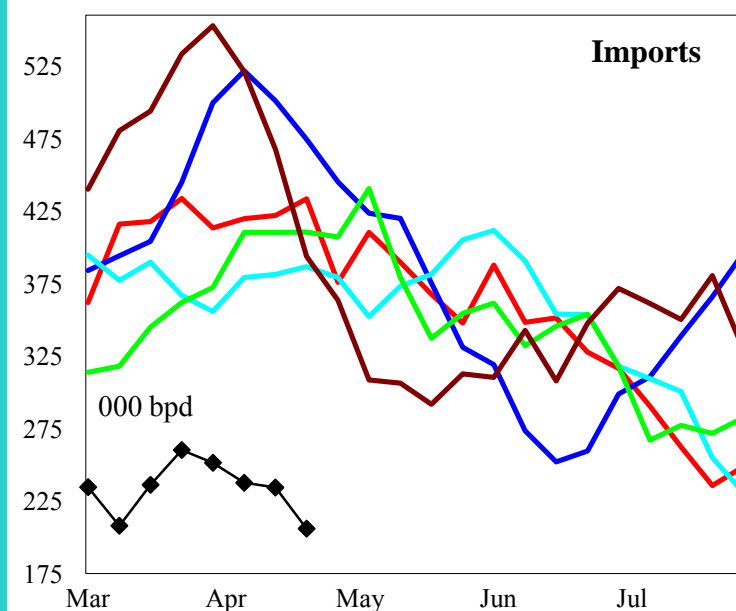
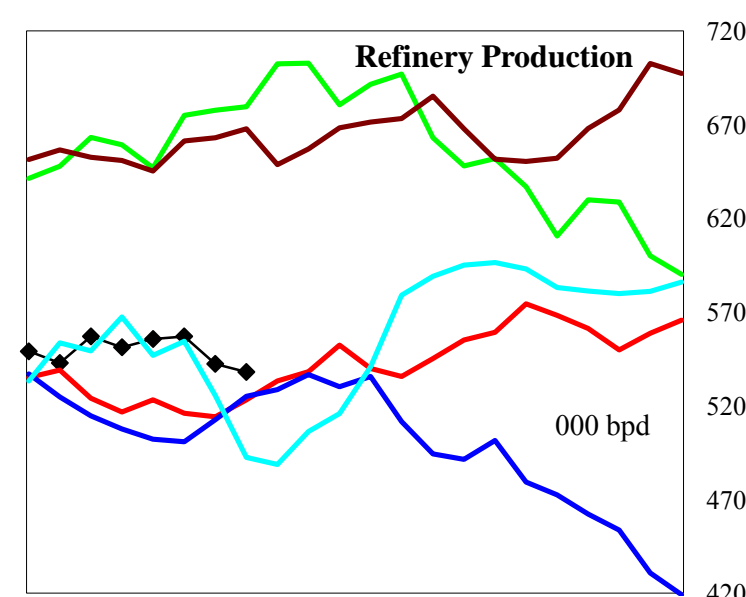
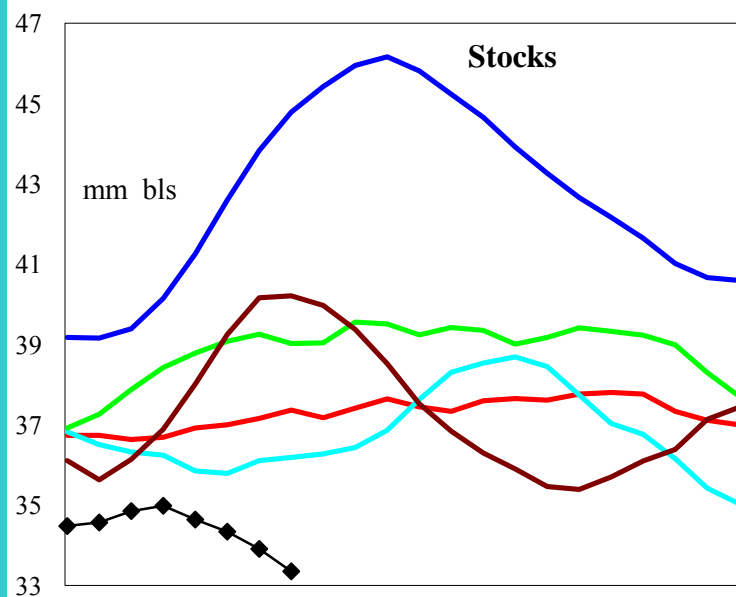
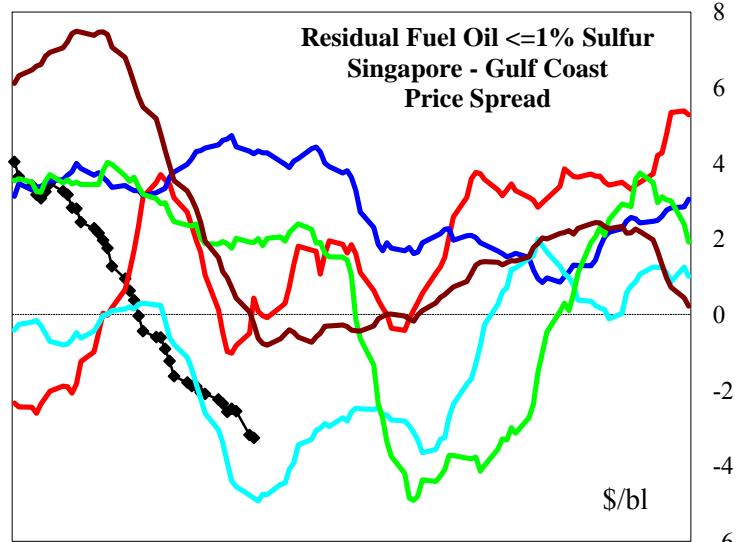
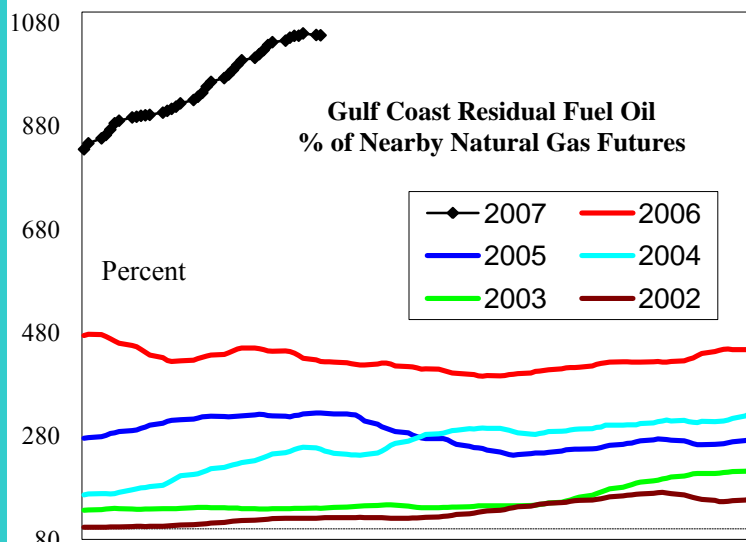
31.9

-92.9

-60.7

-24.0

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



4 wk avg variance to prior year
000 bpd (000 bls stks)
% change

Stocks
-3,509
-9.5

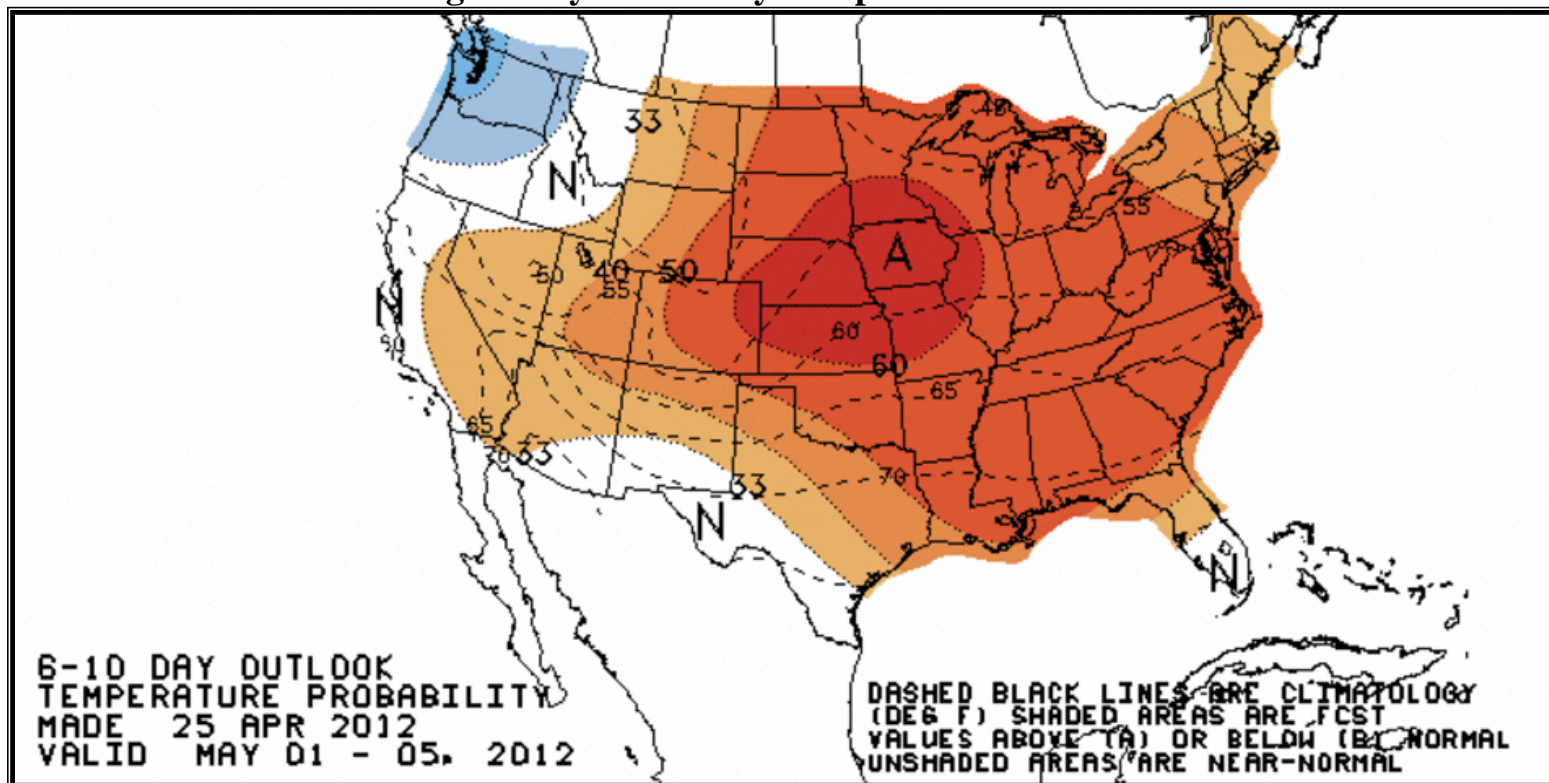
Prod
64
12.7

Imports
-164
-39.8

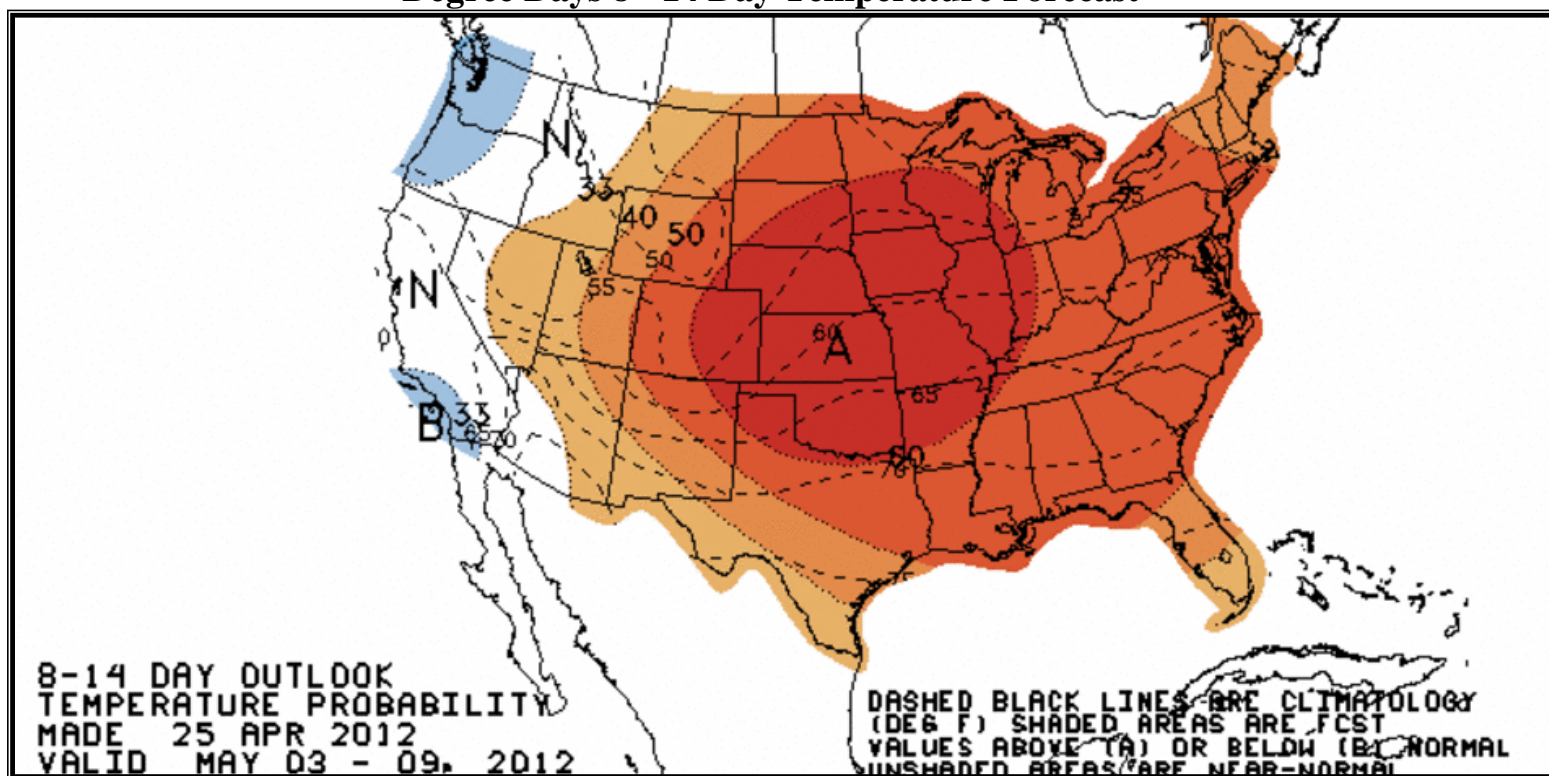
Demd=>

4wk avg	Mar	Feb	Jan
-53	-179	-258	-203
-10.1	-32.7	-41.1	-32.6

**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

