

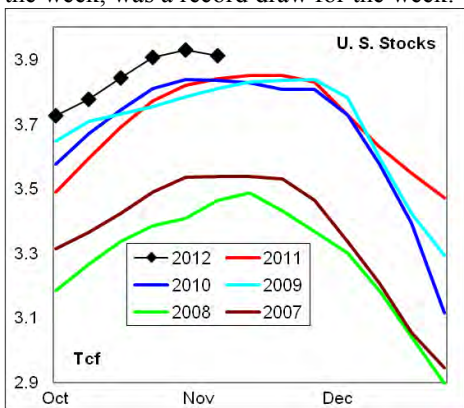
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

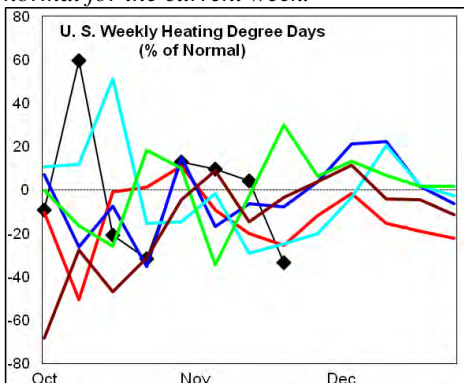
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, November 19, 2012



Summary¹ The stock draw of -18 Bcf for the week, was a record draw for the week.



Heating degree days for the week ending 10Nov12 were +10% above normal, +4% above normal for the week ending 17Nov12 and forecast to be -33% below normal for the current week.



In the East Region stocks decreased -23 Bcf for the week, a record draw for the week. Stocks increased +3 Bcf in the West Region, a level above the last 2-years. Stocks increased +2 Bcf in the Producing Region, a build that was below the historic range.

Heating degree days were +20% above normal in the East Region, -21% below normal in the West Region and -30% below normal in the Producing Region for the week ending 10Nov12.

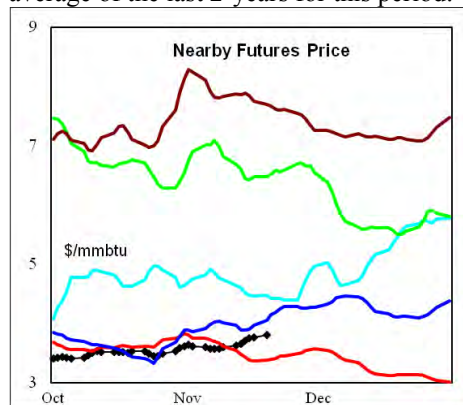
Heating degree days were +10% above normal for the week ending 10Nov12, +4% above normal for the week ending 17Nov12 and forecast to be -33% below

normal for the current week.

The 6-10 day NWS forecast for the week ending 28Nov12 is for above normal heating degree days in the western 2/3rds of the country and near normal in the east.

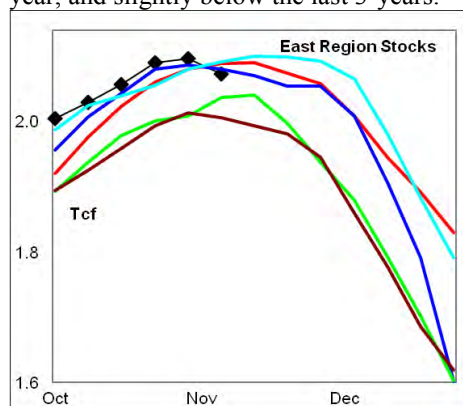
The 8-14 day NWS forecast for the week ending 02Dec12 is for above normal heating degree days in the western 2/3rds of the country and above normal heating degree days in the eastern 1/3rd of the country.

Prices: Nearby gas futures prices increased +\$0.23/mmbtu for the week ending 19Nov12. The current price is near the average of the last 2-years for this period.



The 1st - 4th month forward price curve traded at a level slightly above the 5-year range for the period.

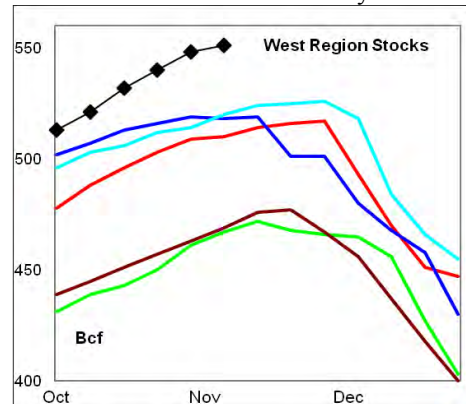
East Region stocks decreased -235 Bcf for the week, a record draw for the week. The current stock level was -0.8% below last year, and slightly below the last 3-years.



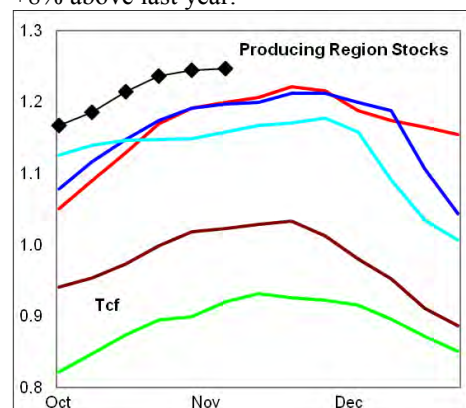
Heating degree days in the region were +20% above normal for the week ending 10Nov12, +2% above normal for the week ended 17Nov12 and forecast to be -30% below normal for the current week. Heating degree days are forecast to be below normal in the region for the next 10-days.

West Region stocks increased +3 Bcf on the week, a level above the last 2-years.

Stock levels ended the week +8% above last year and above the 5-year range. The latest 4-wk stock change was a build of +30 Bcf, a record high for the month. Heating degree days were -21% below normal for the week ending 10Nov12, +2% above normal for the week ending 17Nov12 and forecast to be -34% below normal for the current week. Heating degree days are forecast to be sharply below normal for the next 10-days.



Producing Region stocks increased +2 Bcf for the week, a build that was above the last 2-years. Stock levels ended the week +8% above last year.



Heating degree days were -30% below normal for the week ending 10Nov12, +21% above normal for the week ended 17Nov12 and forecast to be -53% below normal for the current week. Below 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, with residual fuel demand +8% above last year.

Outlook: Heating degree days remain below normal across much of the country. Look for moderate demand strength due to below normal heating degree days through month end. Prices should trade near the average of the last 2-years.

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 19, 2012

For the week ending: 9-Nov-12

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

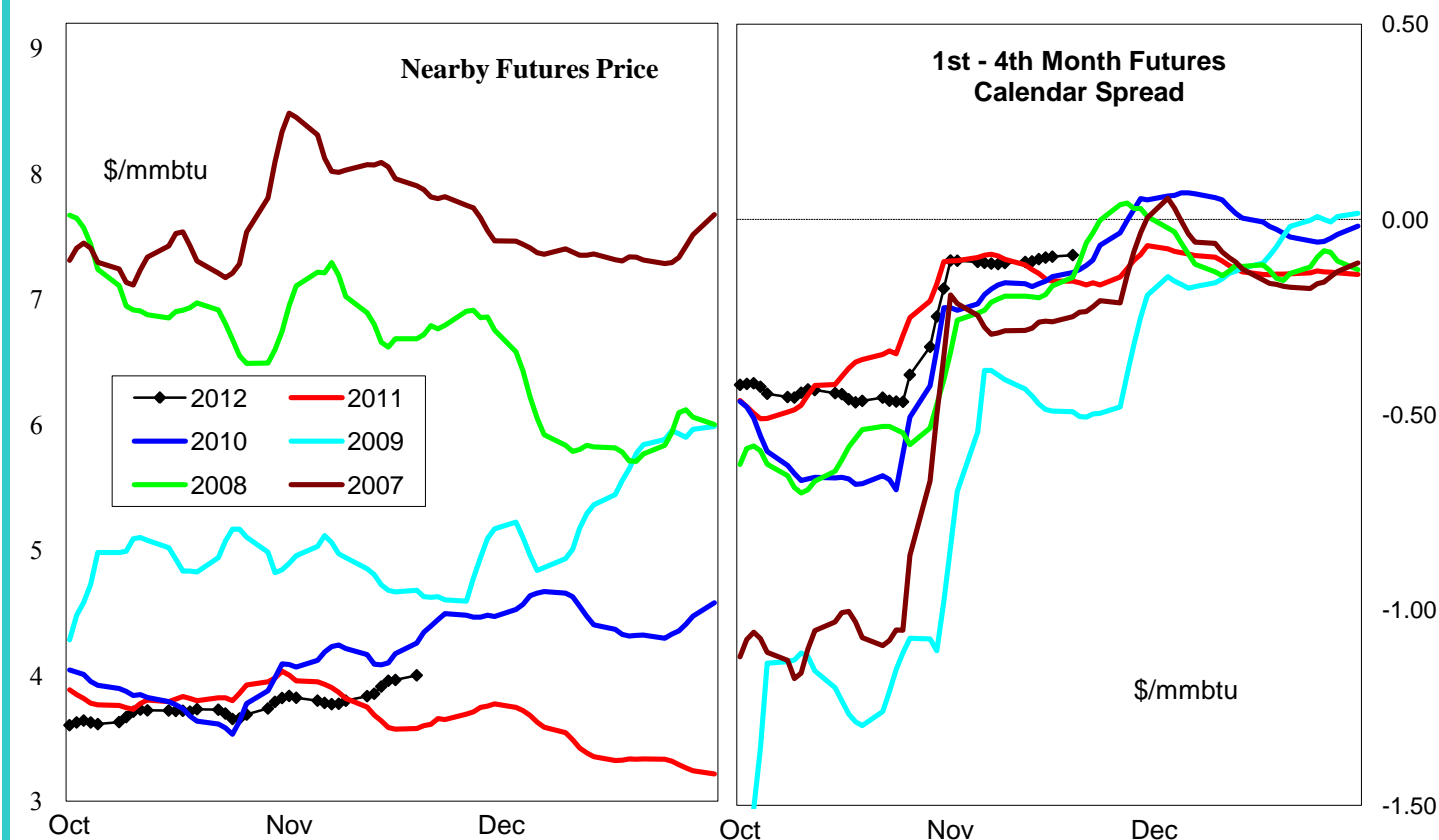
Week ending:	9-Nov-12			10-Nov-12		17-Nov-12		24-Nov-12	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,911	-18	1.8	14	10%	11	4%	-41	-33%
East	2,073	-23	-0.8	21	20%	-8	2%	-36	-30%
West	551	3	8.0	17	-21%	48	2%	-43	-34%
Producing	1,287	2	3.8	-11	-30%	55	21%	-57	-53%

Seasonal Trends in Stocks and Heating Degree Days

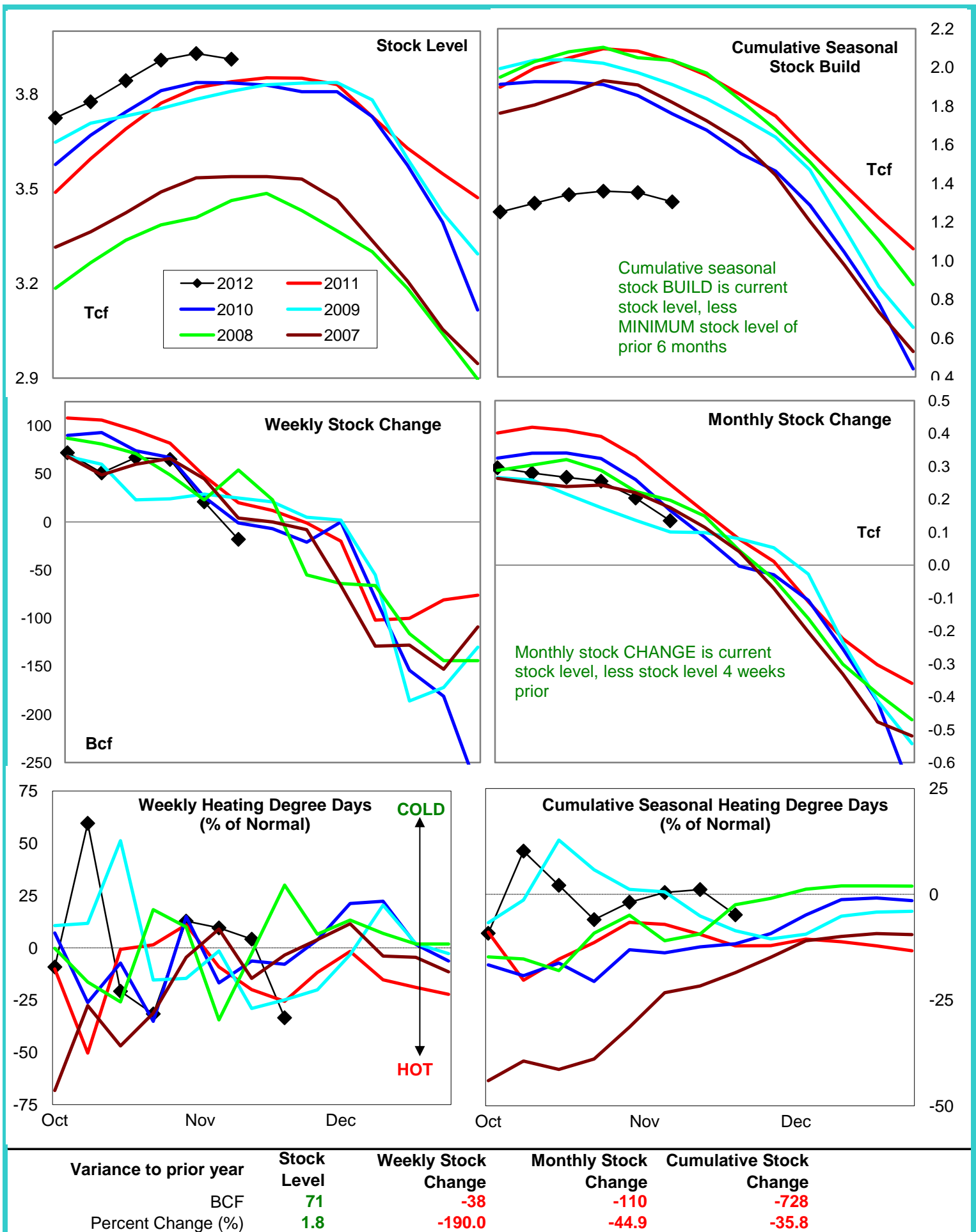
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	1,305	-728	-55.8	134	0.4	145	1.1	104	-4.9
East	884	-469	-53.1	163	4.3	155	3.8	119	-1.8
West	172	-100	-58.1	103	-18.9	151	-15.4	108	-18.4
Producing	249	-158	-63.5	50	-3.6	105	2.6	48	-10.0

Futures Market Price Trends

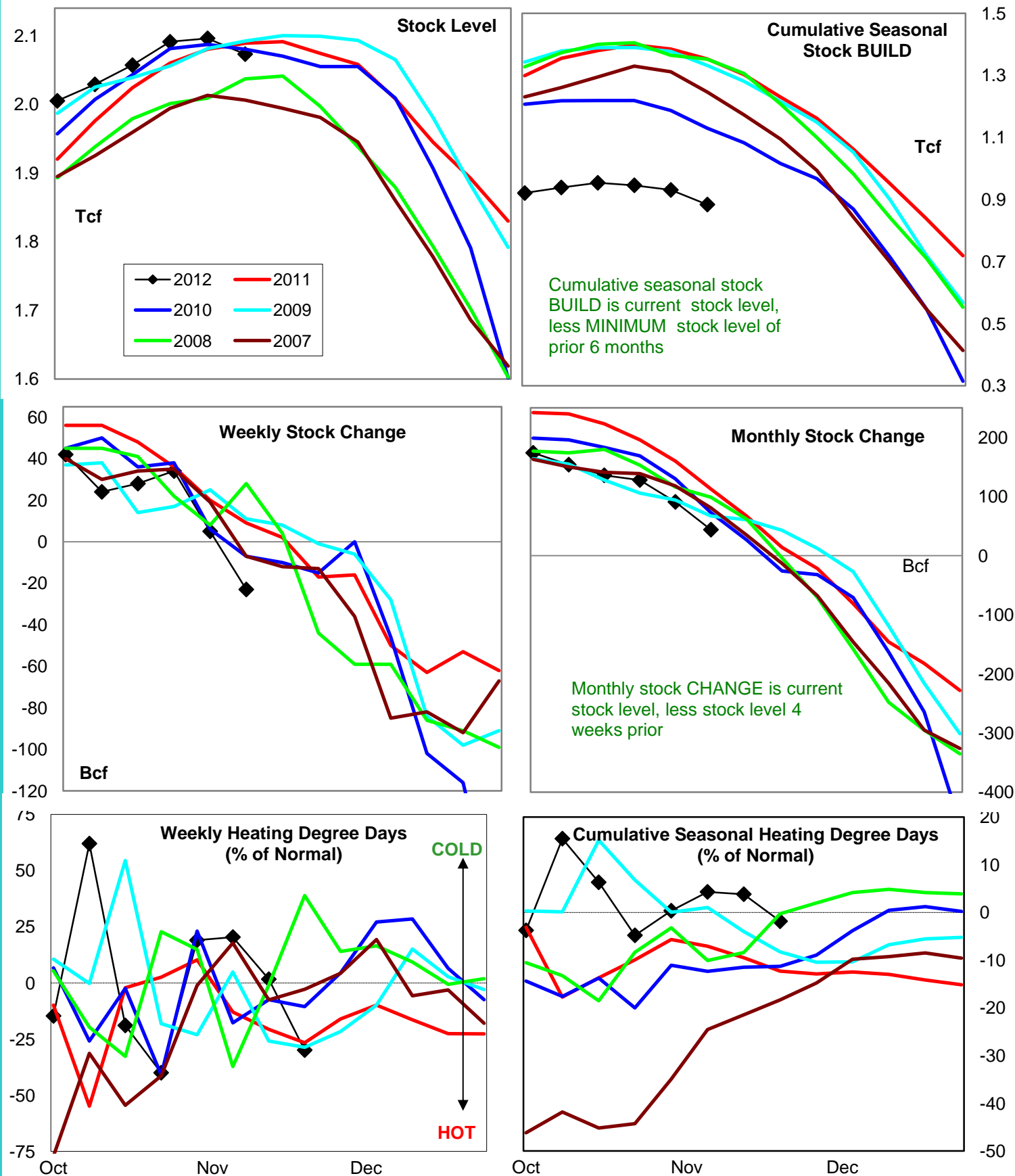
Date:	19-Nov-12	Change vs prior week, month, year		
		13-Nov-12	23-Oct-12	23-Nov-11
1st month Futures	3.80	0.06	0.27	0.22
% change	xxxxx	1.7	7.6	6.1



United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-16

-32

-69

-469

Percent Change (%)

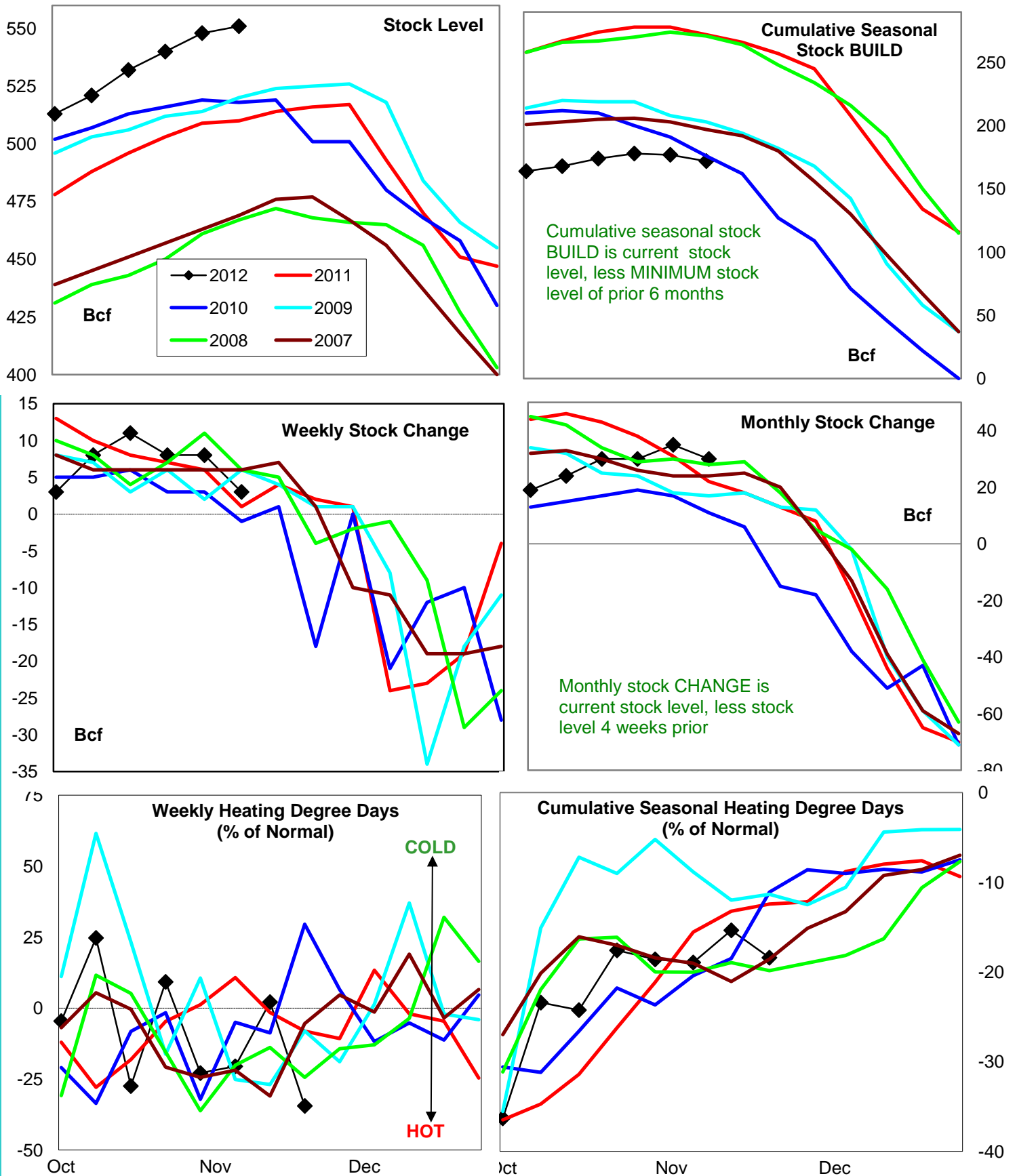
-0.8

-355.6

-61.1

-34.7

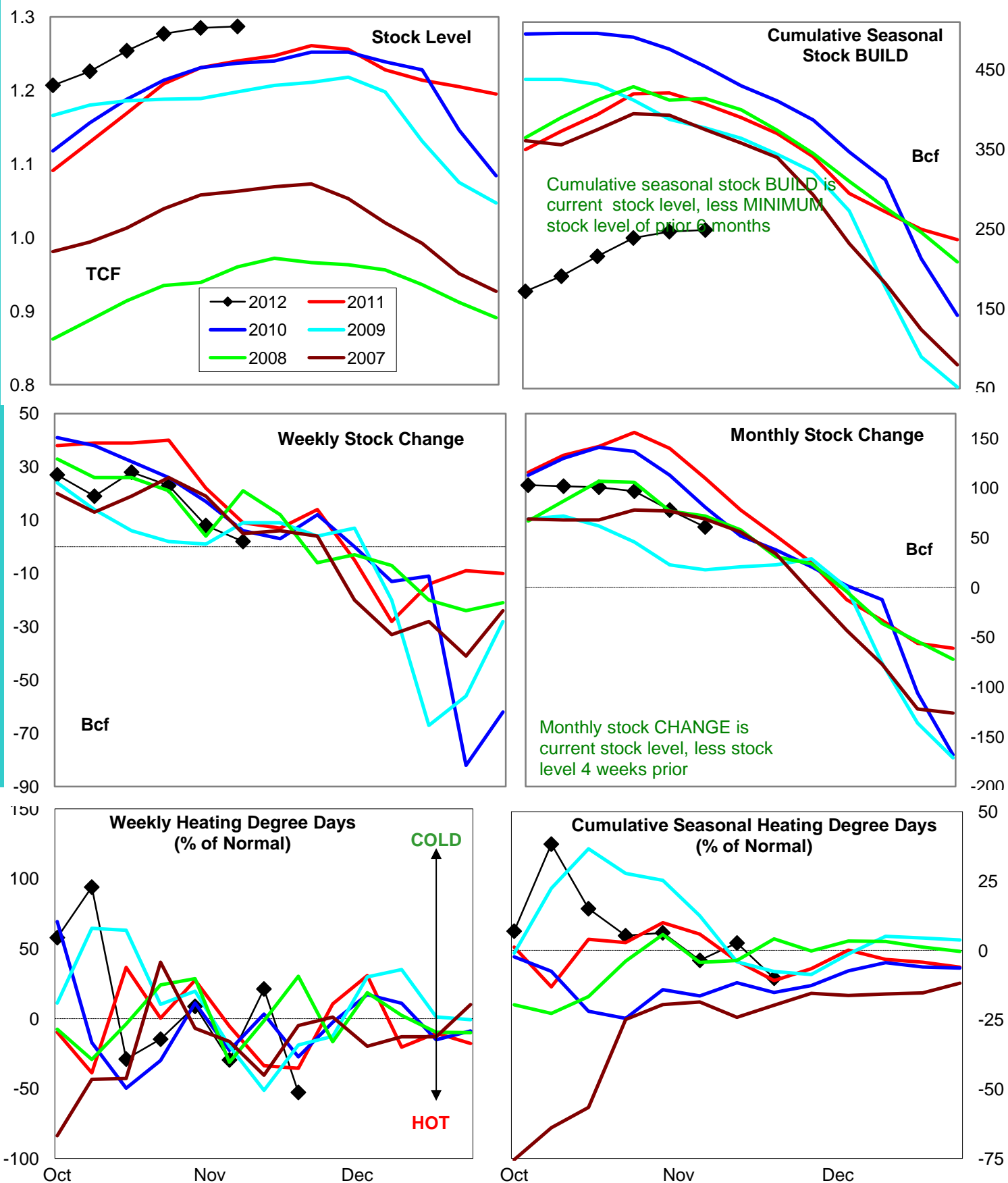
Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)41
8.02
200.08
36.4-100
-36.8

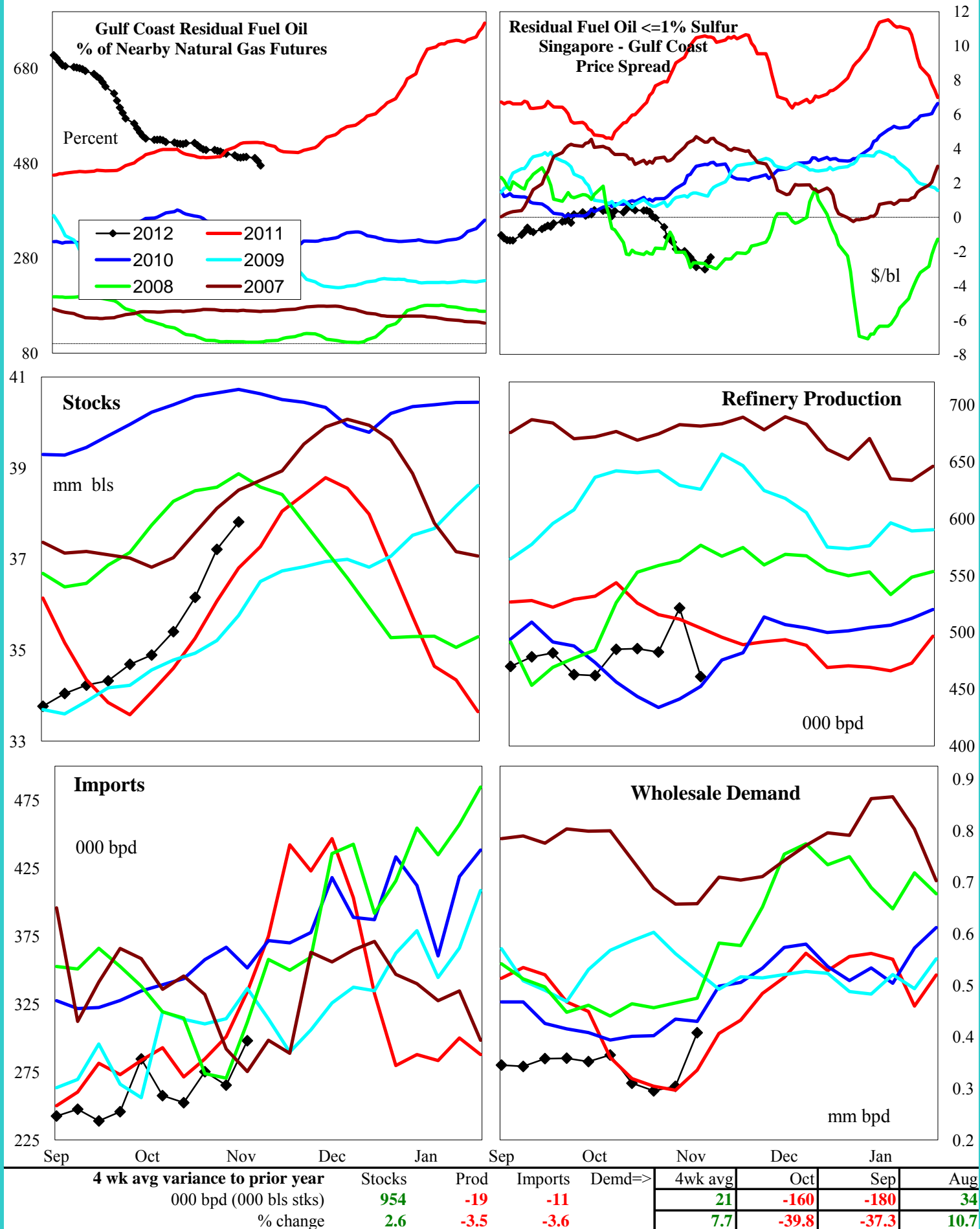
Natural Gas Producing Region Stock and Weather Trends



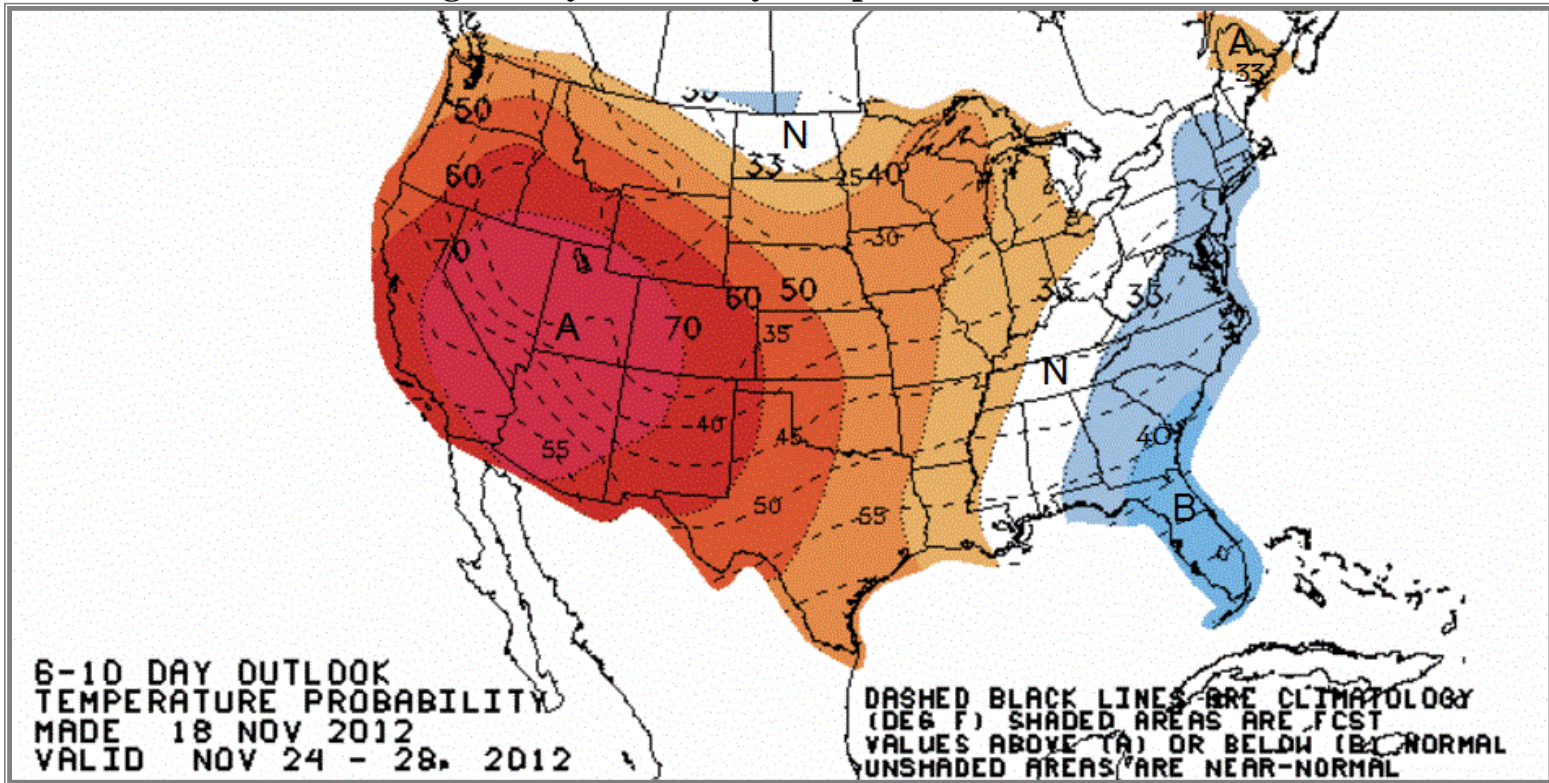
Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)47
3.8-7
-77.8-49
-44.5-158
-38.8

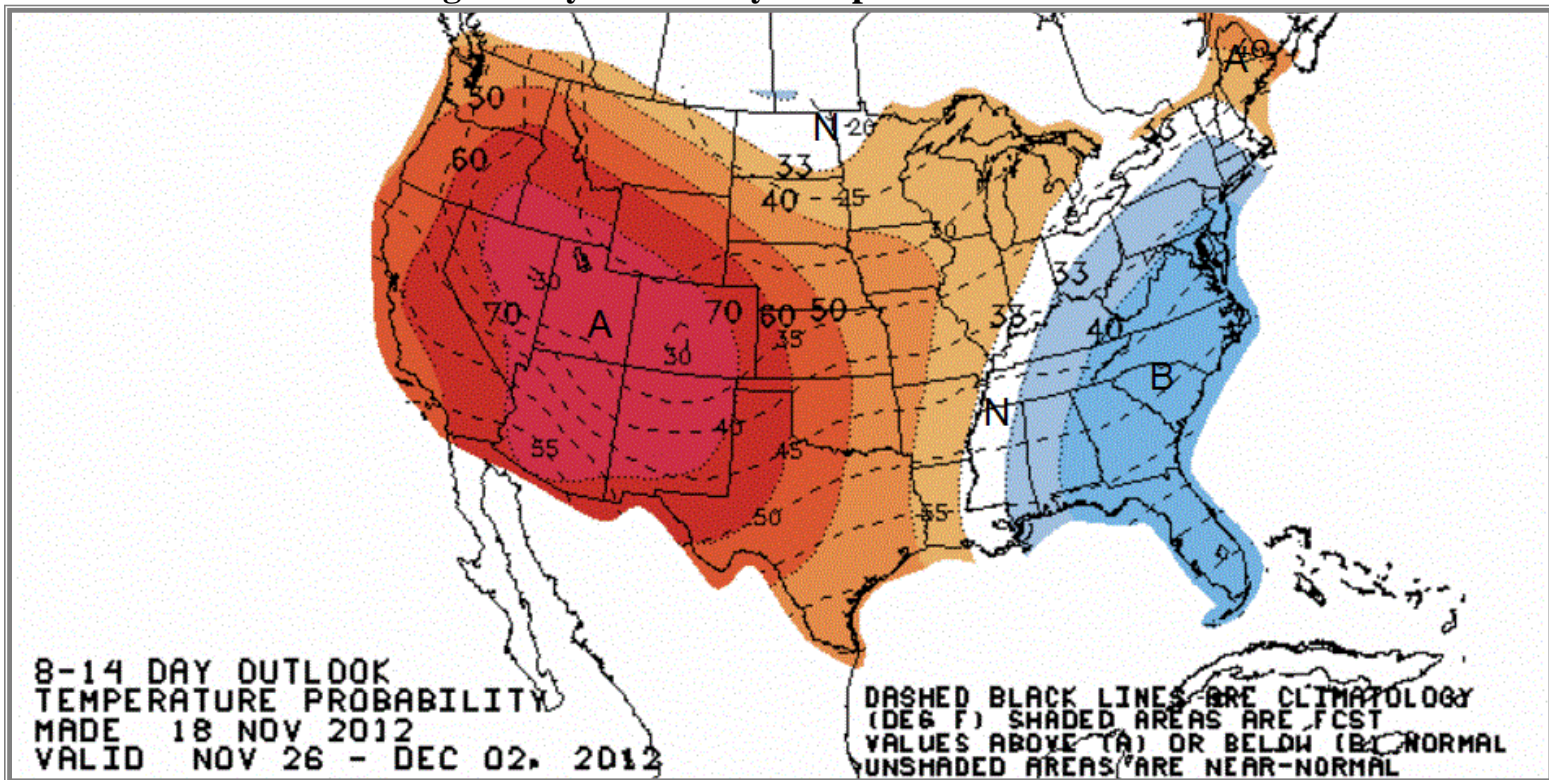
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

