



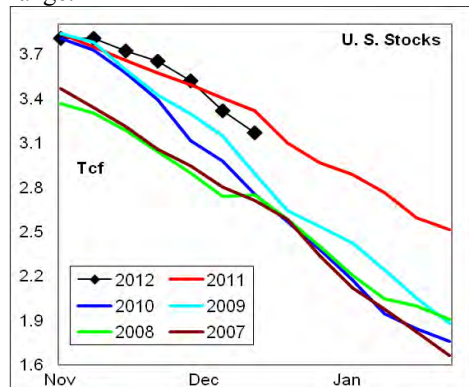
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

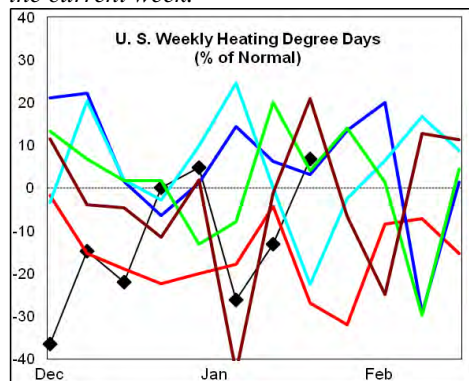
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, January 21, 2013



Summary¹ The stock draw of -148 Bcf for the week, matched the historic mid range.



Heating degree days for the week ending 12Jan13 were -26% below normal, -13% below normal for the week ended 19Jan13 and forecast to be +7% above normal for the current week.



In the East Region stocks decreased -86 Bcf for the week, a draw that matched the 5-year mid range. Stocks decreased -23 Bcf in the West Region, a draw that exceeded the mid range. Stocks decreased -39 Bcf in the Producing Region, a draw equal to the historic average.

Heating degree days were -29% below normal in the East Region, -3% below normal in the West Region and -30% below normal in the Producing Region for the week ending 12Jan13.

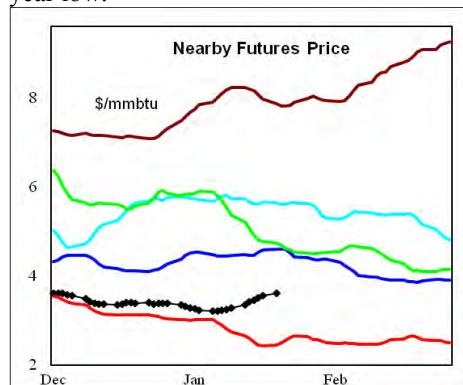
Heating degree days were -26% below normal for the week ending 12Jan13, -13% below normal for the week ending 19Jan13 and forecast to be +7% above normal this

week.

The 6-10 day NWS forecast for the week ending 31Jan13 is for sharply below normal heating degree days across the southern and eastern 1/2 of the country and above normal heating degree days in the northwest.

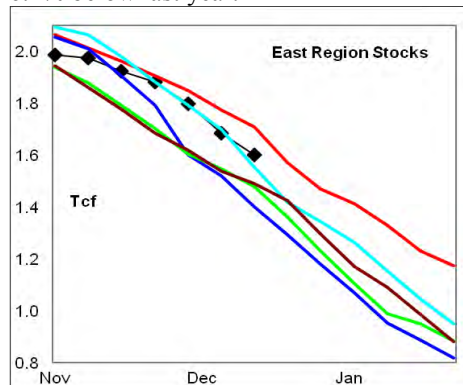
The 8-14 day NWS forecast for the week ending 04Feb13 is for above normal heating degree days in the northern plains and below normal heating degree days across the south and southeast.

Prices: Nearby gas futures prices climbed +\$0.25/mmbtu for the week ending 21Jan13. The current price level is \$1.10/mmbtu above last years' record 5-year low.



The 1st - 4th month forward price curve trended higher last week on increased prompt demand, ending at a level below the average of the last 3-years.

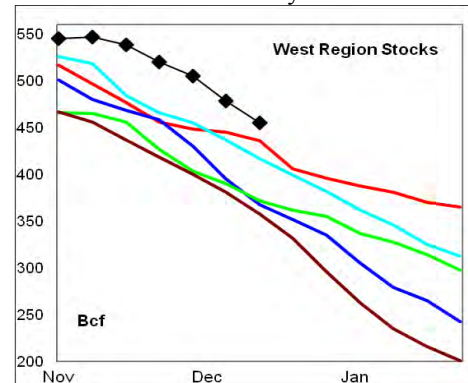
East Region stocks decreased -86 Bcf for the week, a draw that matched the 5-year mid range. The current stock level was -6.4% below last year.



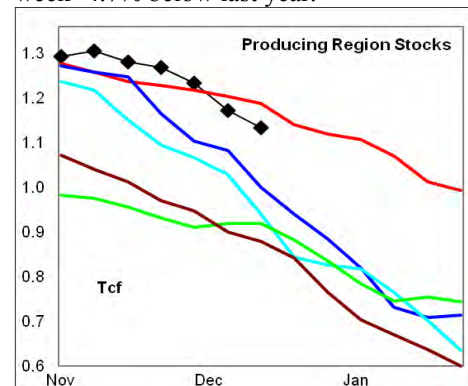
Heating degree days in the region were -29% below normal for the week ended 12Jan13, -20% below normal for the week ended 19Jan13 and forecast to be +13% above normal this week. Heating degree days are forecast to be sharply below normal in the region for the next 10-days.

West Region stocks decreased -23 Bcf on the week, a draw that exceeded the mid

range. Stock levels ended the week +4.4% above last year and above the 5-year range. The latest 4-wk stock change was a draw of -86 Bcf, a draw that matched the historic average. Heating degree days were -3% below normal for the week ended 12Jan13, +10% above normal for the week ended 19Jan13 and forecast to be -1% below normal this week. Heating degree days are forecast to be above normal for the next 10-days.



Producing Region stocks decreased -39 Bcf for the week, a draw that matched the 5-year average. Stock levels ended the week -4.7% below last year.



Heating degree days were -30% below normal for the week ended 12Jan13, +7% above normal for the week ended 19Jan13 and forecast to be -23% below normal this week. Much 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 -52% below last year.

Outlook: Heating degree days are forecast to be sharply below normal in the Eastern 1/2 of the country during the next 10-days, which should lead to a pull back from the recent price uptrend.

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: January 21, 2013

For the week ending: 11-Jan-13

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

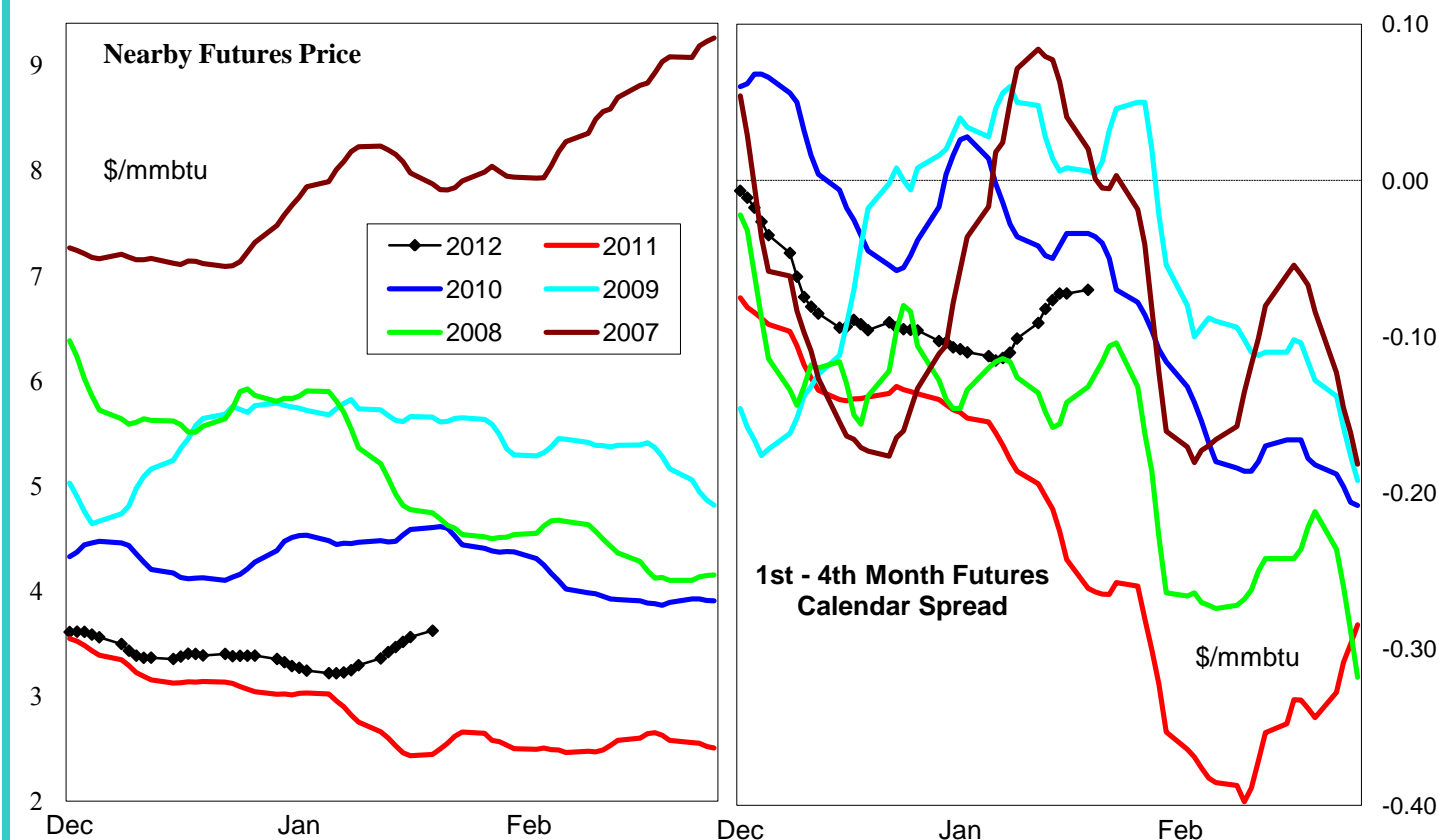
Week ending:	11-Jan-13			12-Jan-13		19-Jan-13		26-Jan-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,168	-148	-4.4	-69	-26%	32	-13%	44	7%
East	1,600	-86	-6.4	-74	-29%	25	-20%	84	13%
West	455	-23	4.4	-34	-3%	26	10%	-27	-1%
Producing	1,113	-39	-4.7	-73	-30%	60	7%	-52	-23%

Seasonal Trends in Stocks and Heating Degree Days

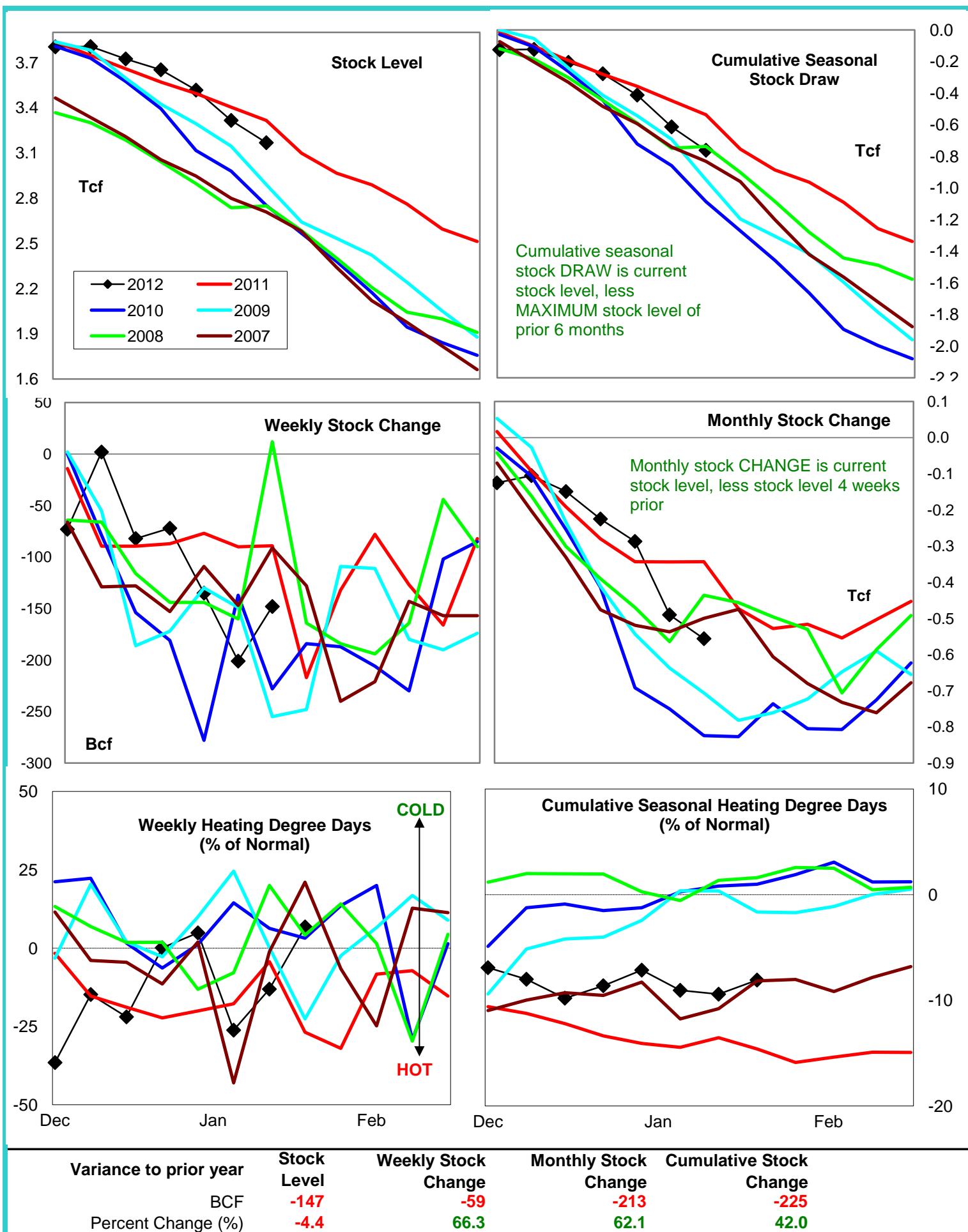
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-761	-225	29.6	176	-9.1	208	-9.4	252	-8.1
East	-496	-115	23.2	188	-8.5	212	-9.6	297	-7.7
West	-96	-15	15.6	209	-9.3	235	-7.8	208	-7.3
Producing	-174	-85	48.9	116	-12.0	176	-10.1	124	-11.3

Futures Market Price Trends

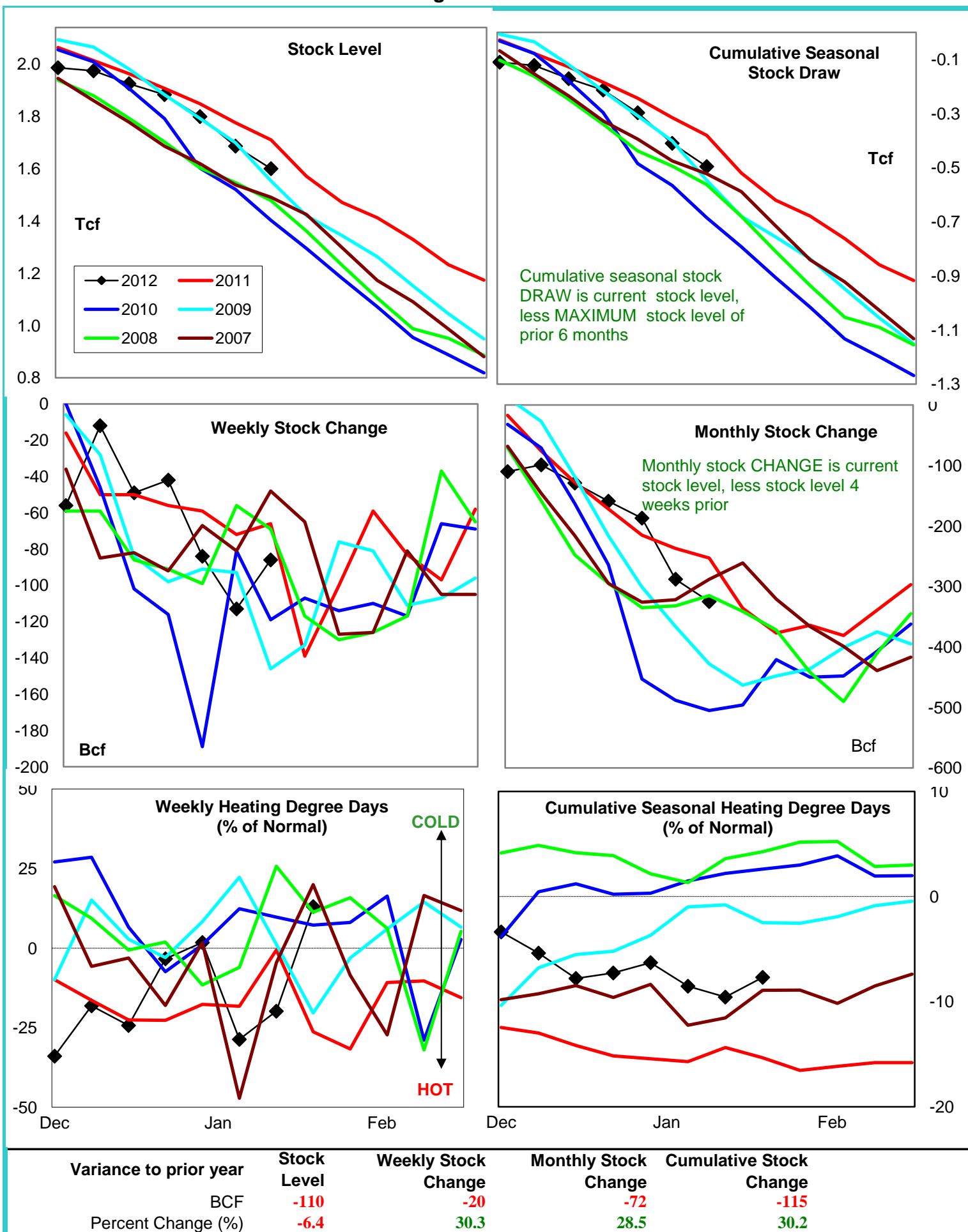
Date:	21-Jan-13	Change vs prior week, month, year		
		15-Jan-13	25-Dec-12	31-Jan-12
1st month Futures	3.62	0.17	0.27	1.12
% change	xxxxx	4.8	8.2	44.9



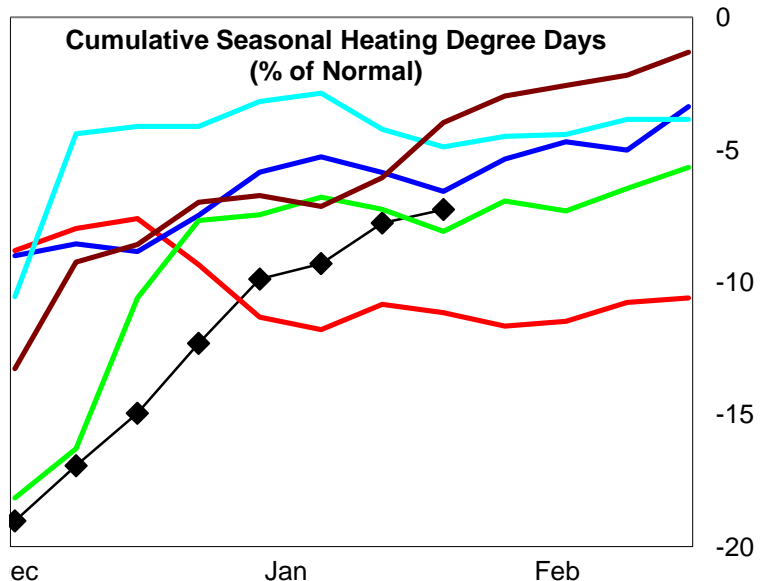
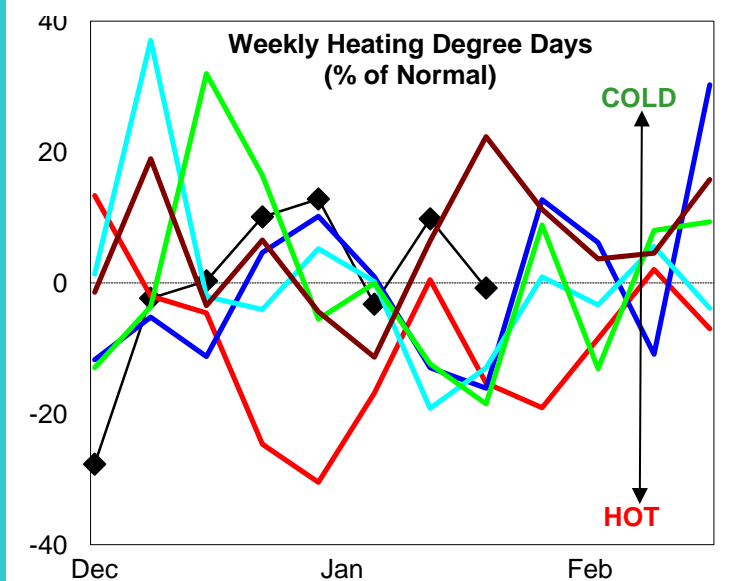
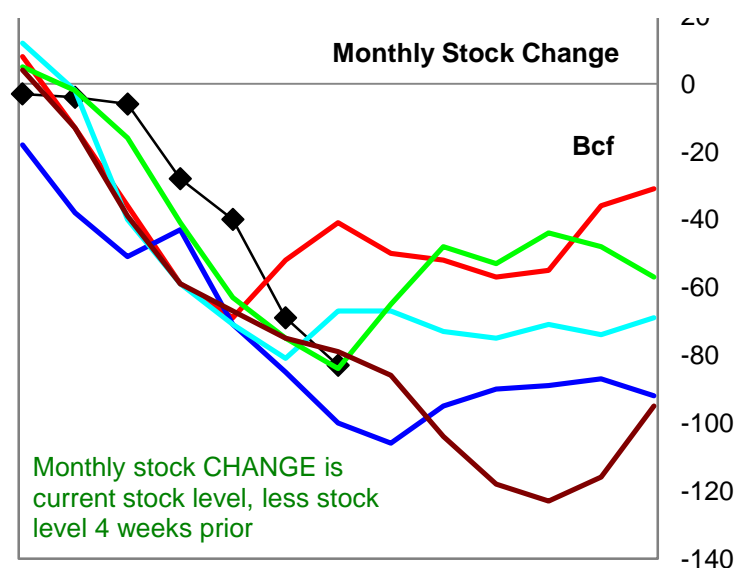
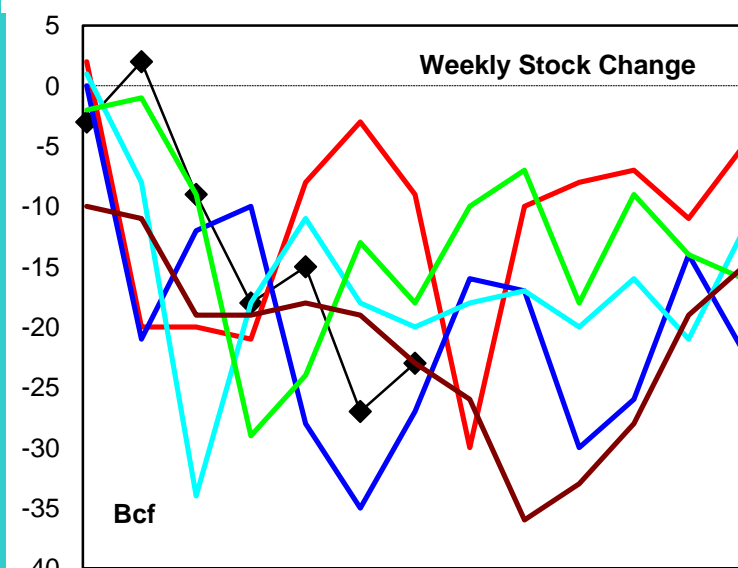
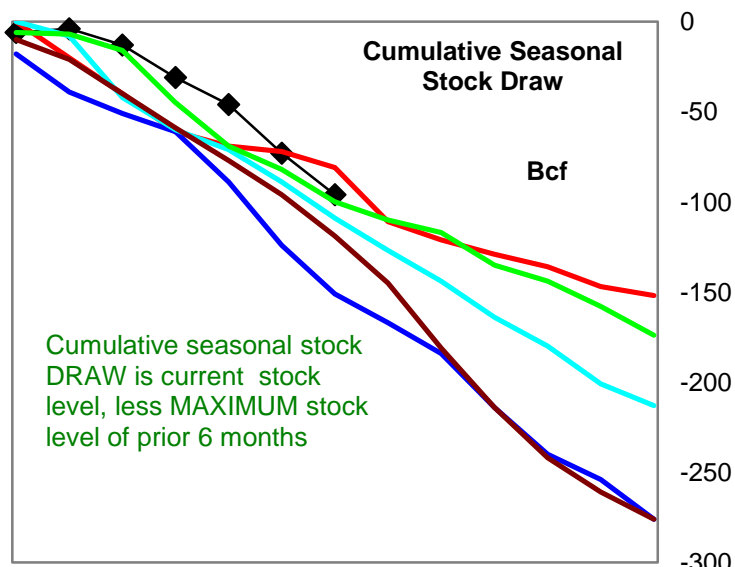
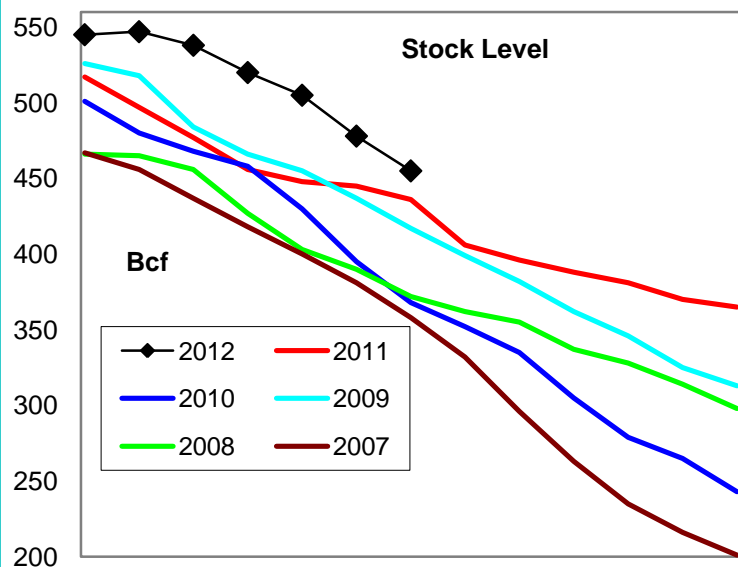
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF
Percent Change (%)

19

4.4

-14

155.6

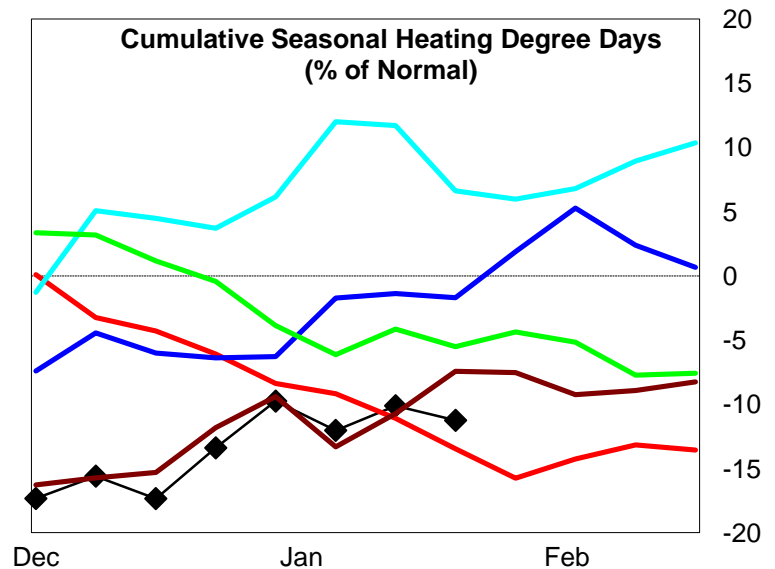
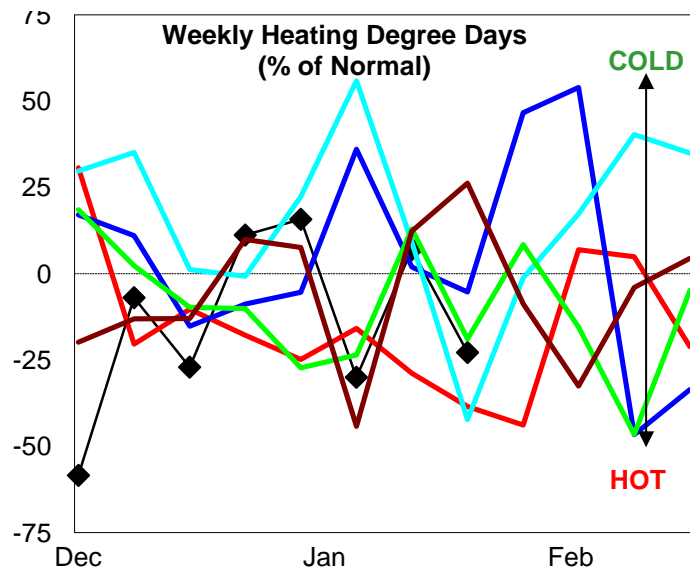
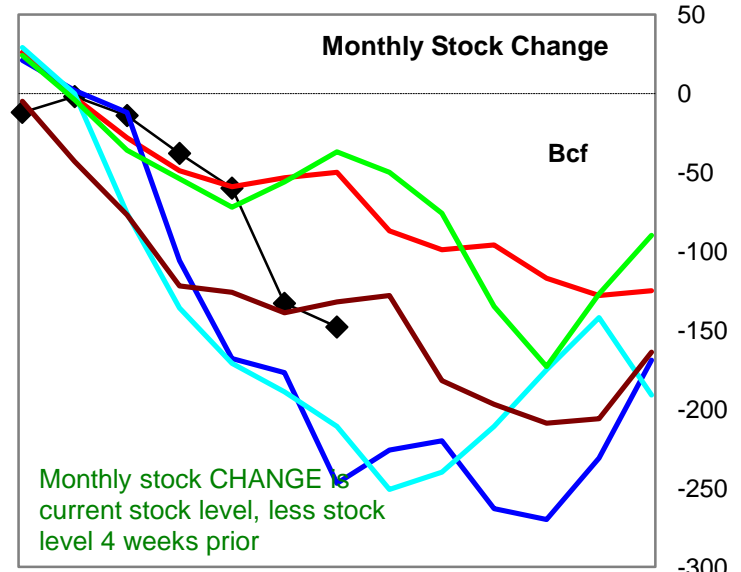
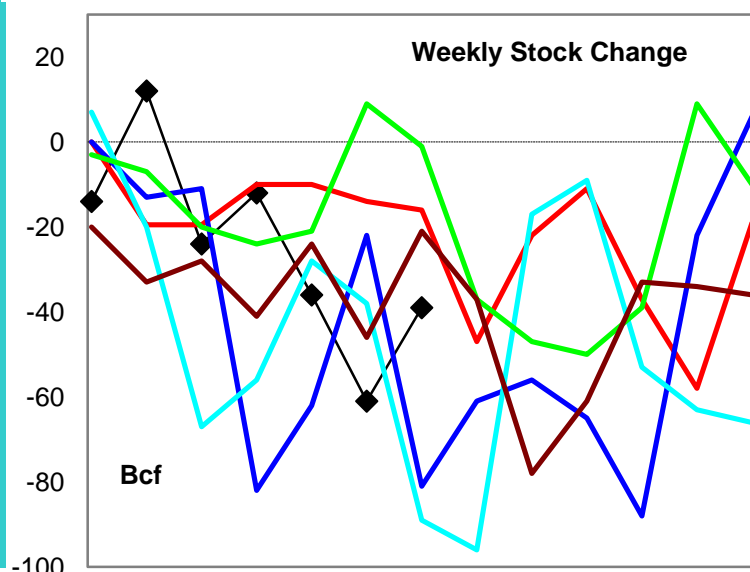
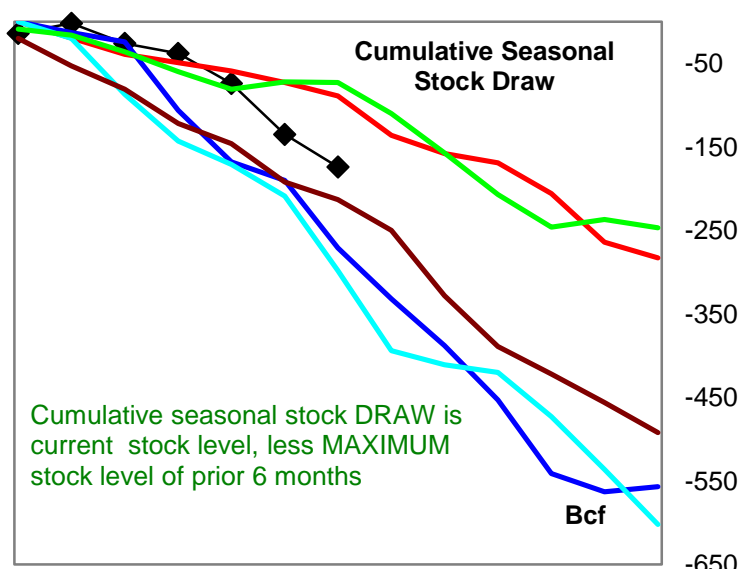
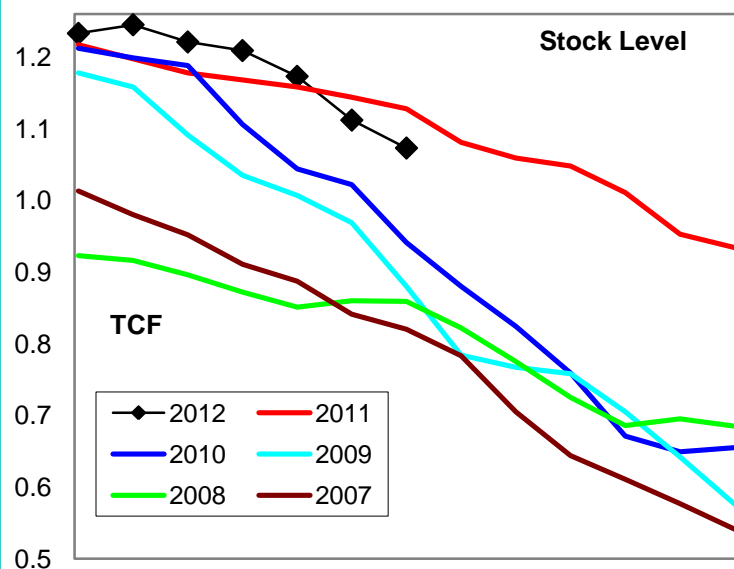
-42

102.4

-15

18.5

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

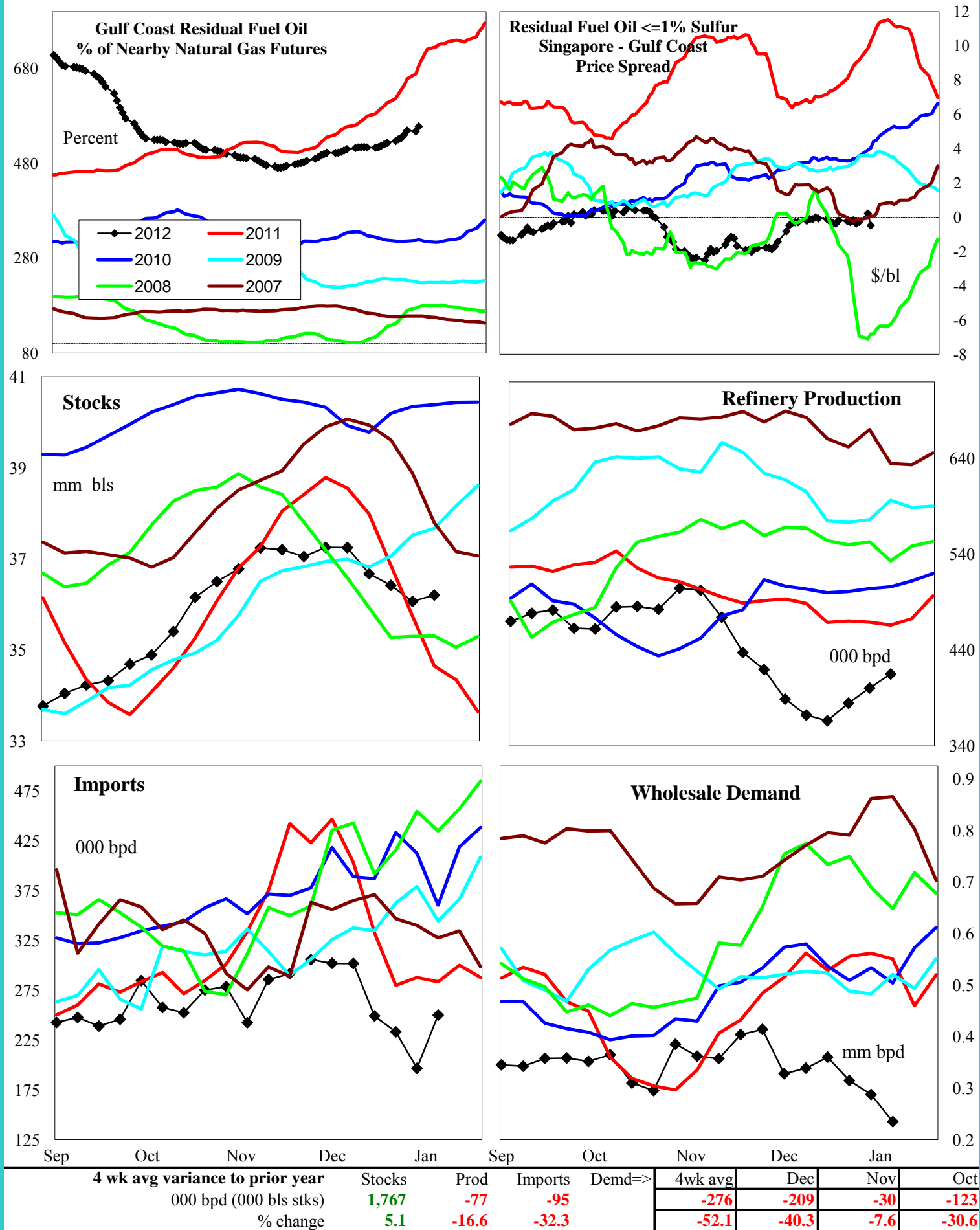
Weekly Stock Change

Monthly Stock Change

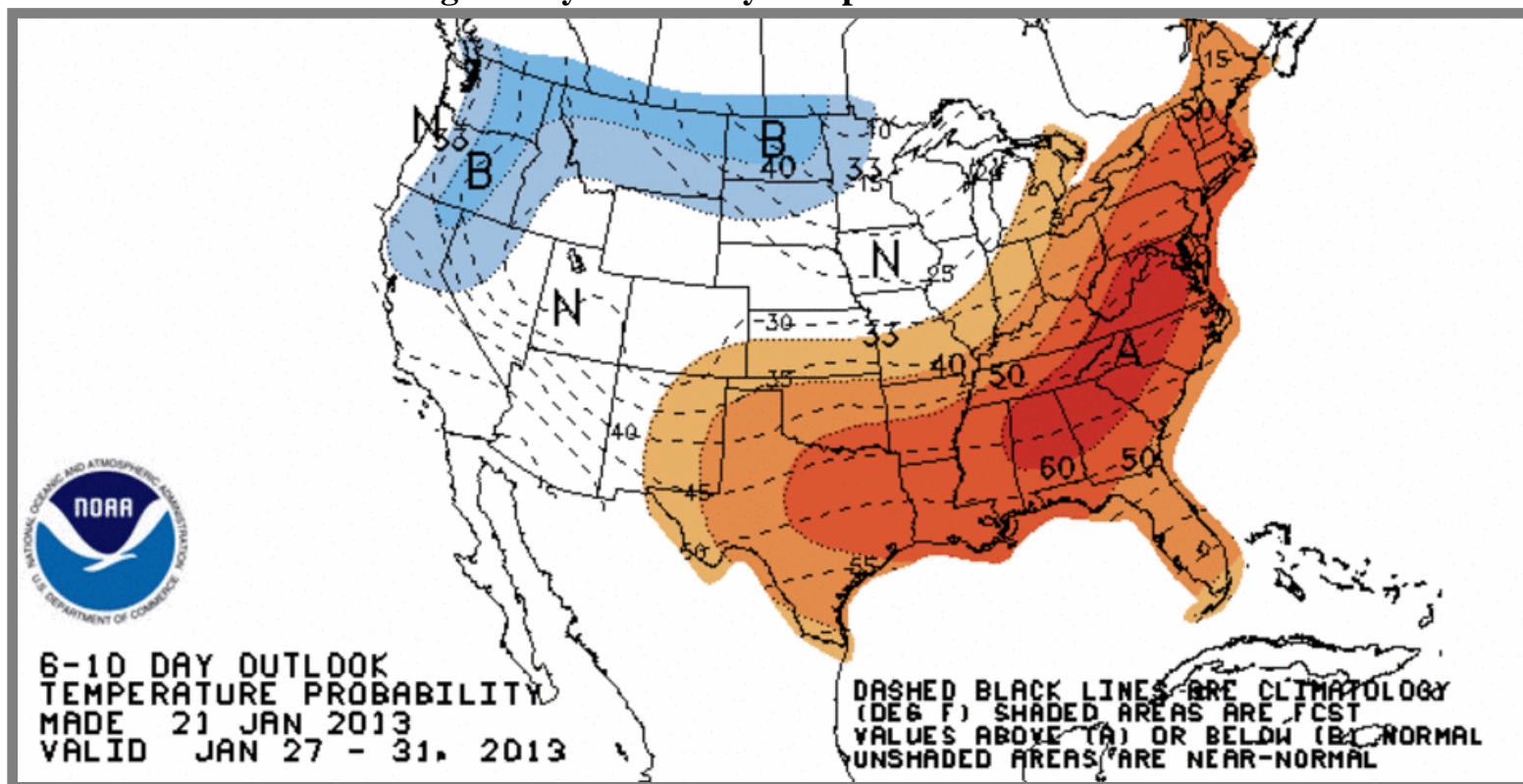
Cumulative Stock Change

BCF
Percent Change (%)-55
-4.7-23
143.8-98
196.0-85
95.5

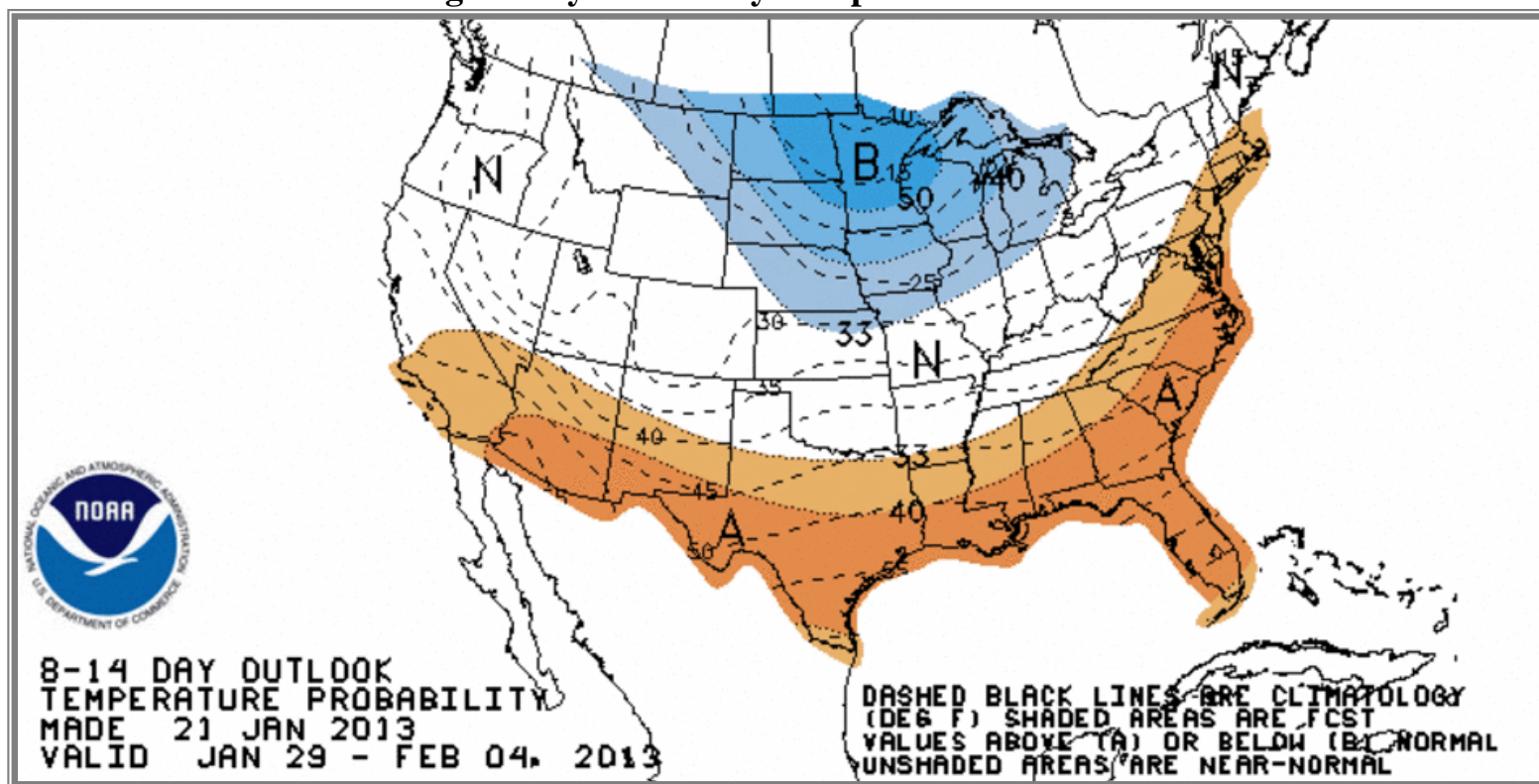
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

