



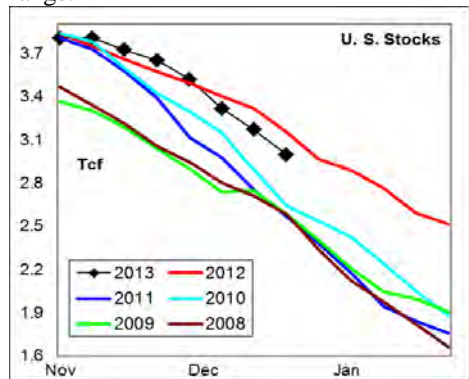
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

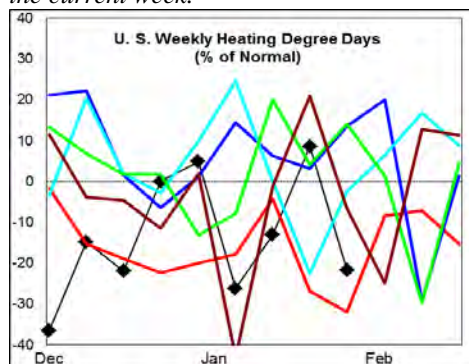
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, January 28, 2013



Summary¹ The stock draw of -172 Bcf for the week, matched the historic mid range.



Heating degree days for the week ending 19Jan13 were -13% below normal, +9% above normal for the week ended 26Jan13 and forecast to be -22% below normal for the current week.



In the East Region stocks decreased -80 Bcf for the week, a draw that was less than four of the last 5-years. Stocks decreased -39 Bcf in the West Region, a record draw for the period. Stocks decreased -53 Bcf in the Producing Region, a draw near the historic average.

Heating degree days were -20% below normal in the East Region, +10% above normal in the West Region and +7% above normal in the Producing Region for the week ending 19Jan13.

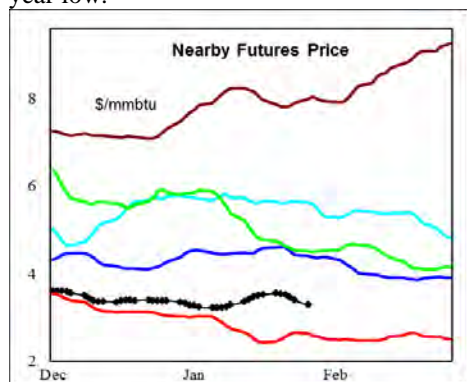
Heating degree days were -13% below normal for the week ending 19Jan13, +9% below above for the week ending 26Jan13 and forecast to be -22% below normal this

week.

The 6-10 day NWS forecast for the week ending 06Feb13 is for sharply below normal heating degree days across the western ½ of the country and well above normal in the eastern ½ of the country.

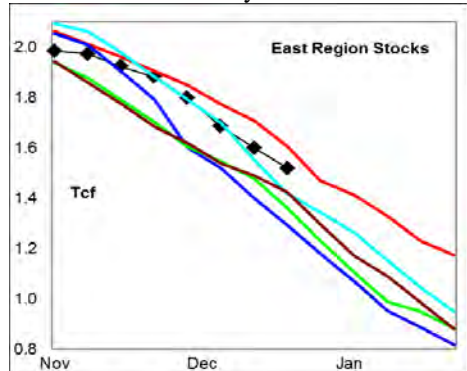
The 8-14 day NWS forecast for the week ending 10Feb13 is for above normal heating degree days in the eastern 1/3rd of the country and below normal in the western ½.

Prices: Nearby gas futures prices decreased -\$0.28/mmbtu for the week ending 28Jan13. The current price level is \$0.60/mmbtu above last years' record 5-year low.



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

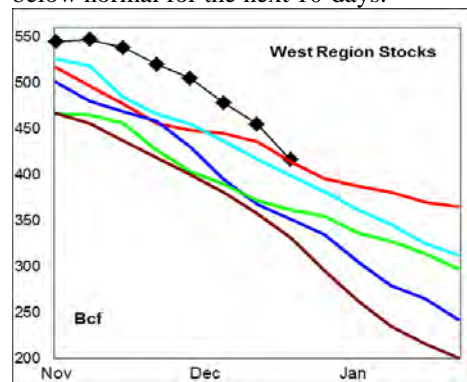
East Region stocks decreased -80 Bcf for the week, a draw that was less than four of the last 5-years. The current stock level was -5.4% below last year.



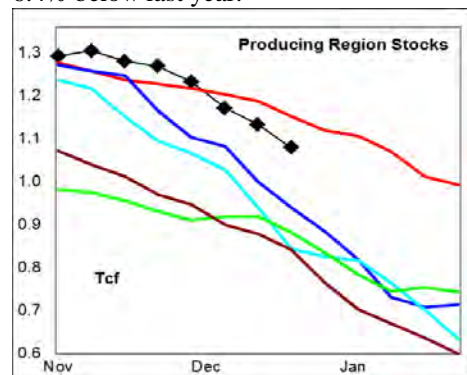
Heating degree days in the region were -20% below normal for the week ended 19Jan13, +16% above normal for the week ended 26Jan13 and forecast to be -20% below normal this week. Heating degree days are forecast to be sharply above normal in the region for the next 10-days.

West Region stocks decreased -39 Bcf on the week, a record draw for the week. Stock levels ended the week +0.5% above

last year and above the 5-year range. The latest 4-wk stock change was a draw of -106 Bcf, a draw that matched the highest level of the last 5-years. Heating degree days were +10% above normal for the week ended 19Jan13, -5% below normal for the week ended 26Jan13 and forecast to be -7% below normal this week. Heating degree days are forecast to be sharply below normal for the next 10-days.



Producing Region stocks decreased -53 Bcf for the week, a draw near the historic average. Stock levels ended the week -6.4% below last year.



Heating degree days were +7% above normal for the week ended 19Jan13, -26% below normal for the week ended 26Jan13 and forecast to be -45% 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 -42% below last year.

Outlook: Heating degree days are forecast to be above normal in the eastern ½ of the country during the next 10-days; with the western ½ sharply below normal and warmer temperatures shifting to the east. Look for renewed price weakness as the industry begins to focus on carry out stocks after winter heating demand peaks in early February.

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 28, 2013

For the week ending: 18-Jan-13

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

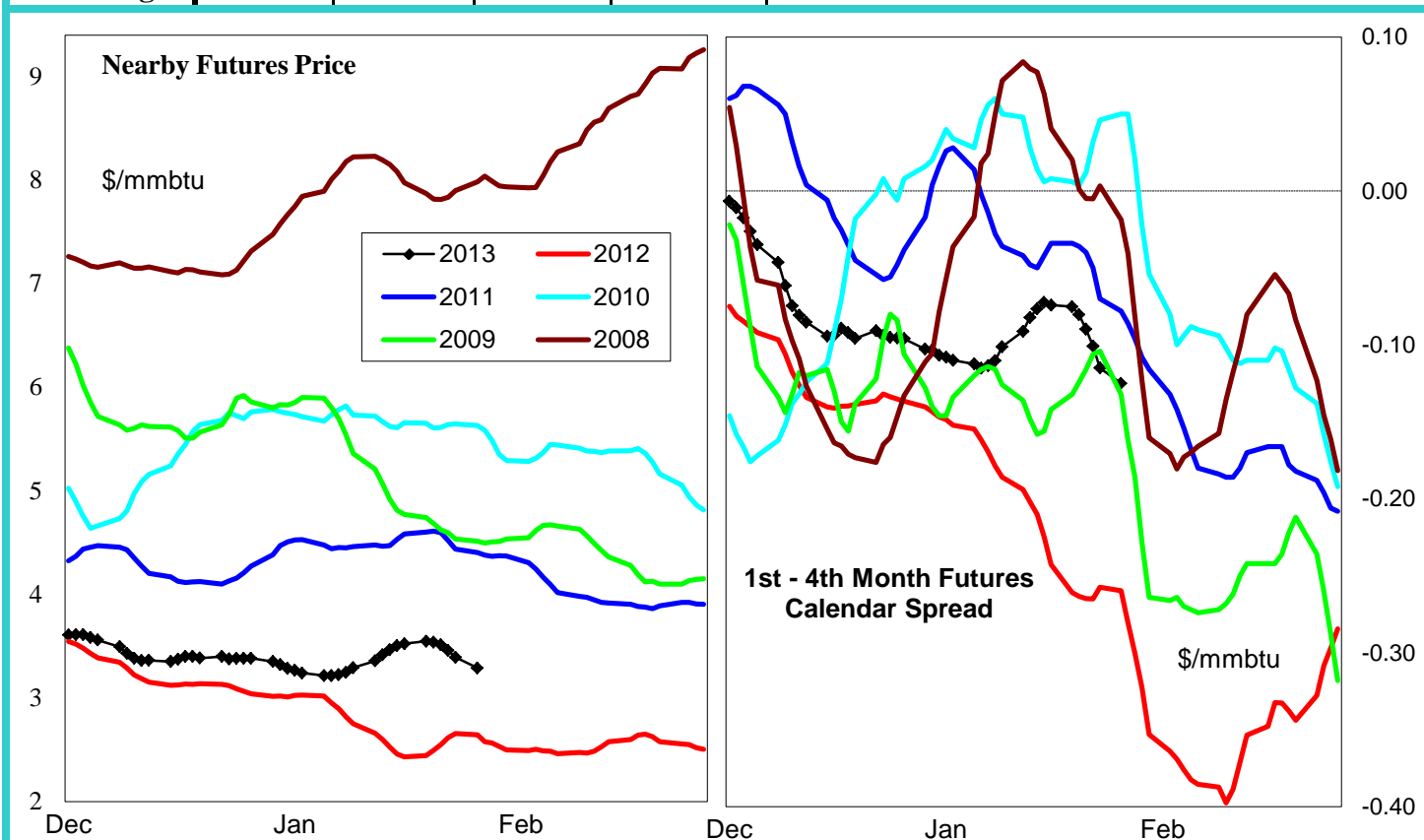
Week ending:	18-Jan-13			19-Jan-13		26-Jan-13		2-Feb-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,996	-172	-5.0	32	-13%	50	9%	-76	-22%
East	1,520	-80	-5.4	25	-20%	95	16%	-99	-20%
West	416	-39	0.5	26	10%	-36	-5%	-10	-7%
Producing	1,060	-53	-6.4	60	7%	-57	-26%	-34	-45%

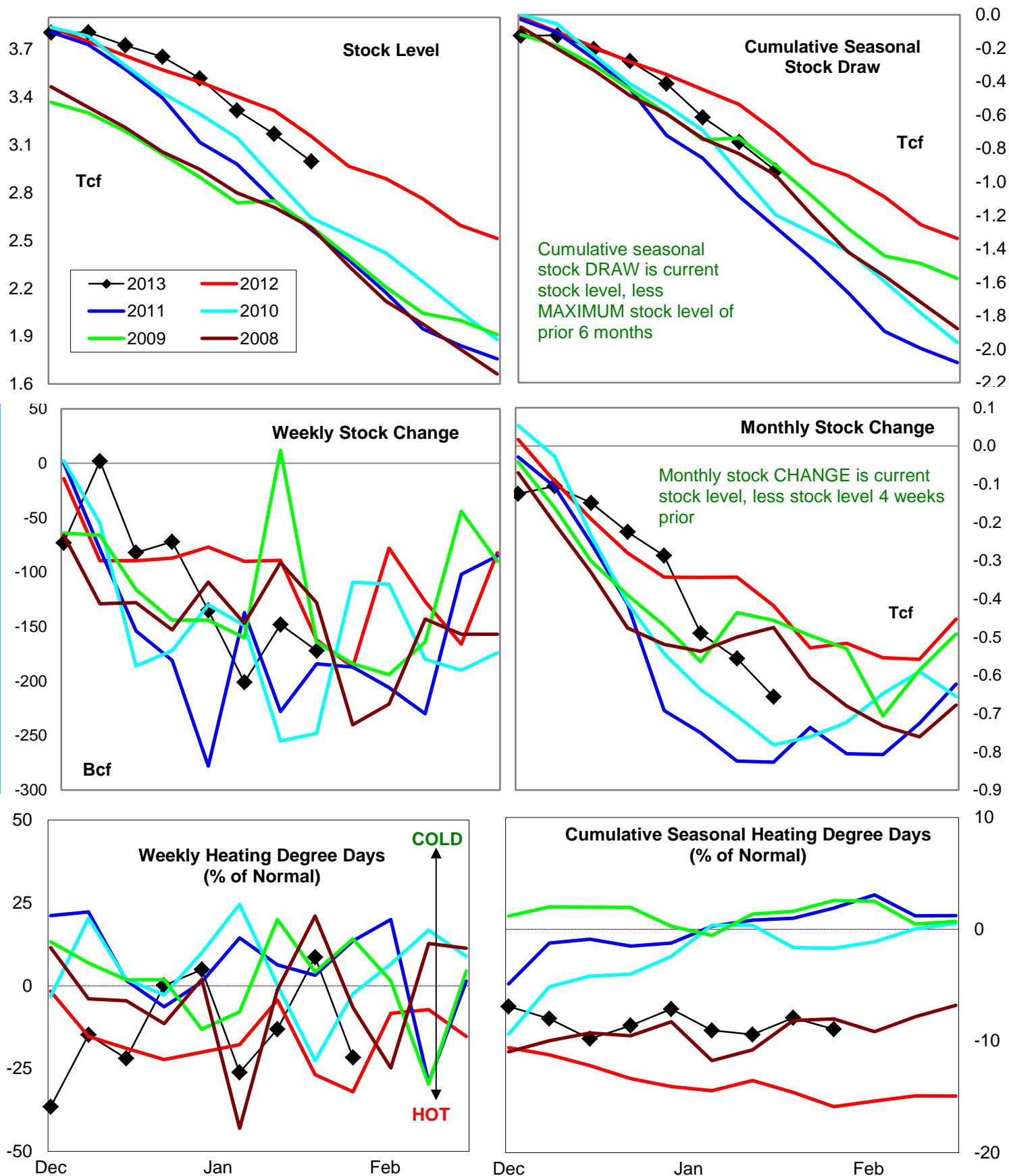
Seasonal Trends in Stocks and Heating Degree Days

	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year		CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
		Bcf	%						
U.S. Total	-933	-235	25.2	208	-9.4	257	-7.9	181	-9.0
East	-576	-91	15.8	212	-9.6	307	-7.4	208	-8.3
West	-135	-32	23.7	235	-7.8	199	-7.6	189	-7.5
Producing	-227	-103	45.4	176	-10.1	119	-11.5	85	-14.1

Futures Market Price Trends

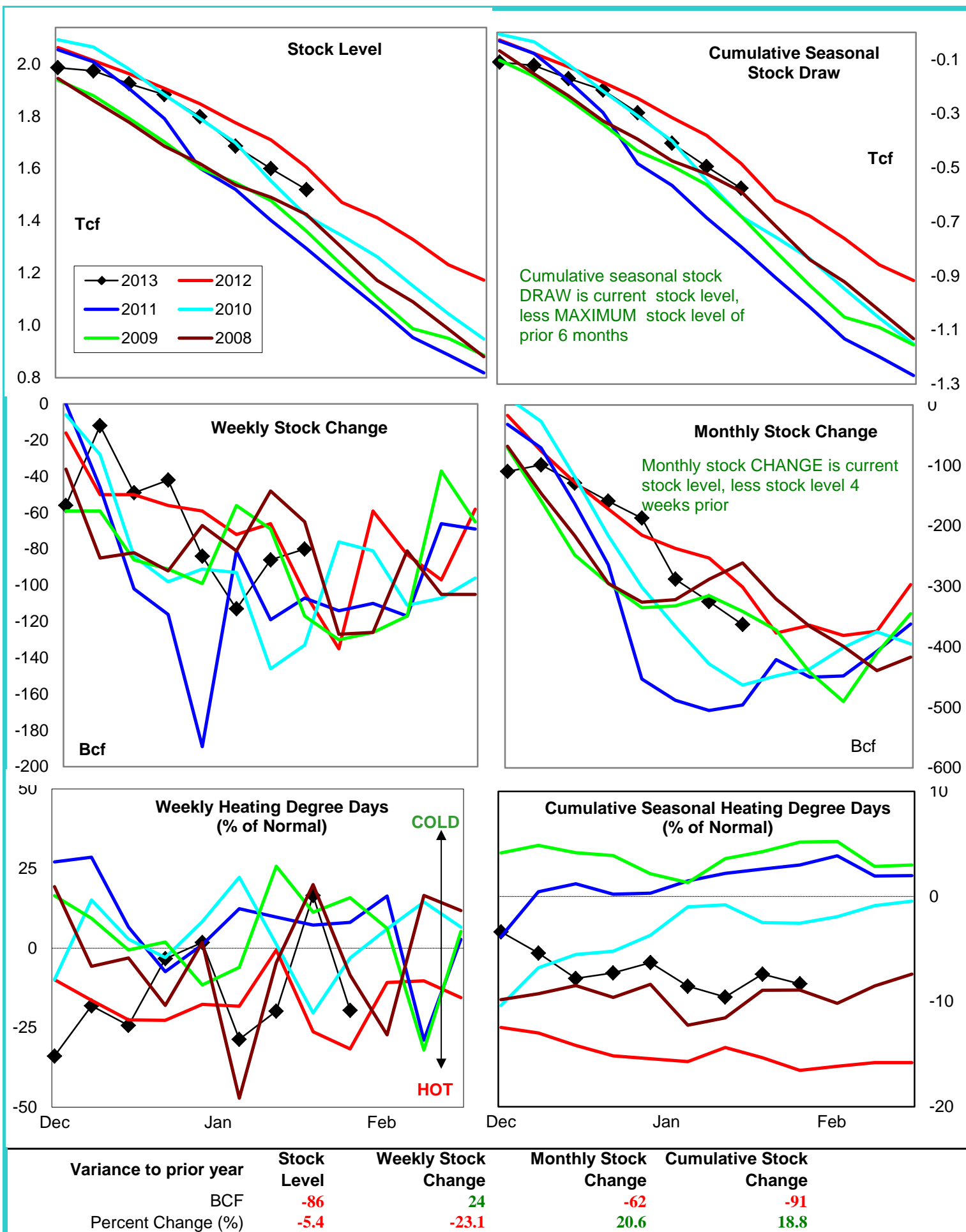
Date:	28-Jan-13	Change vs prior week, month, year		
		22-Jan-13	1-Jan-13	7-Feb-12
1st month Futures	3.29	-0.27	-0.06	0.81
% change	xxxxx	-7.6	-1.9	32.8

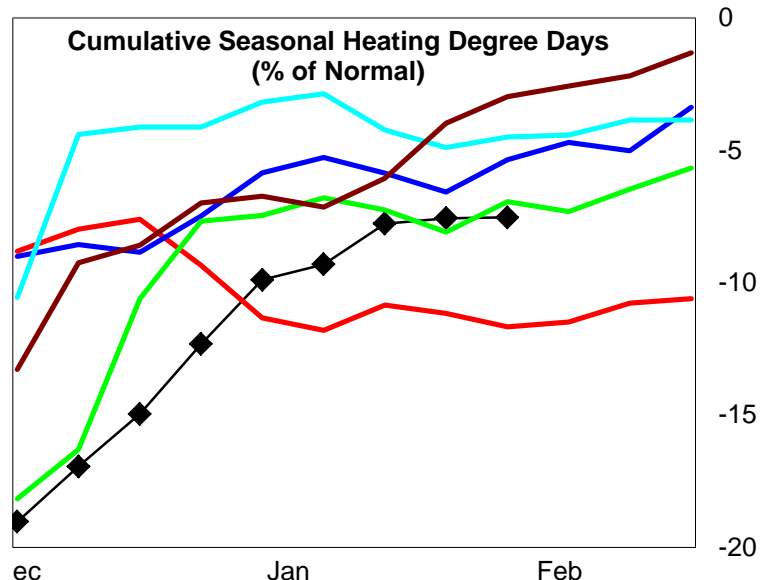
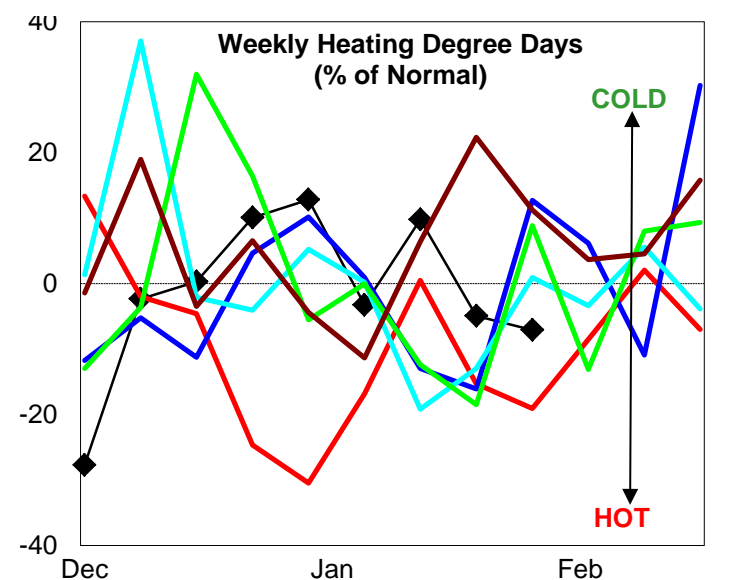
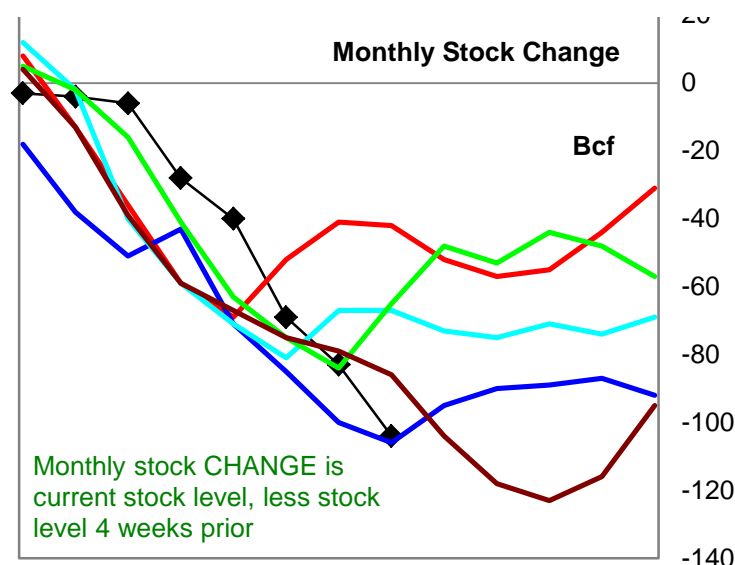
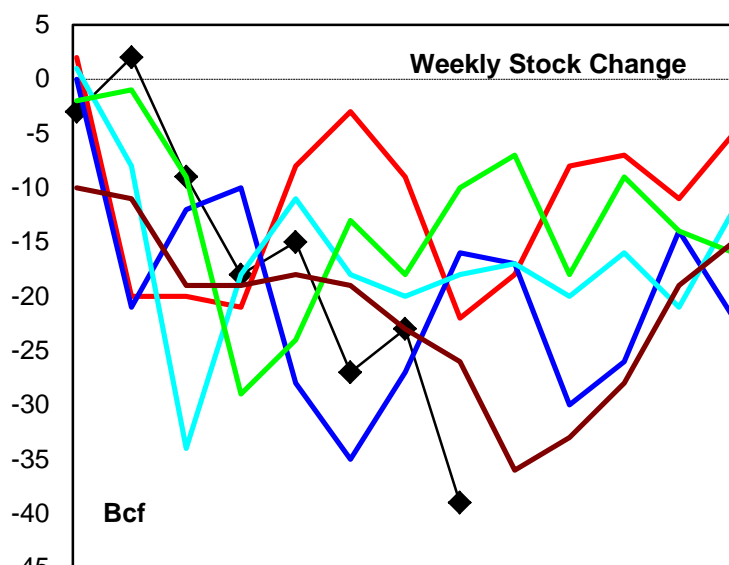
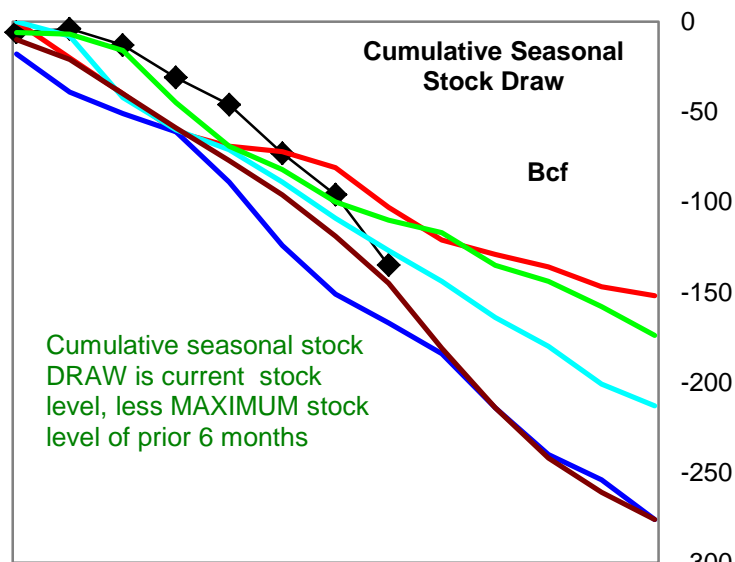
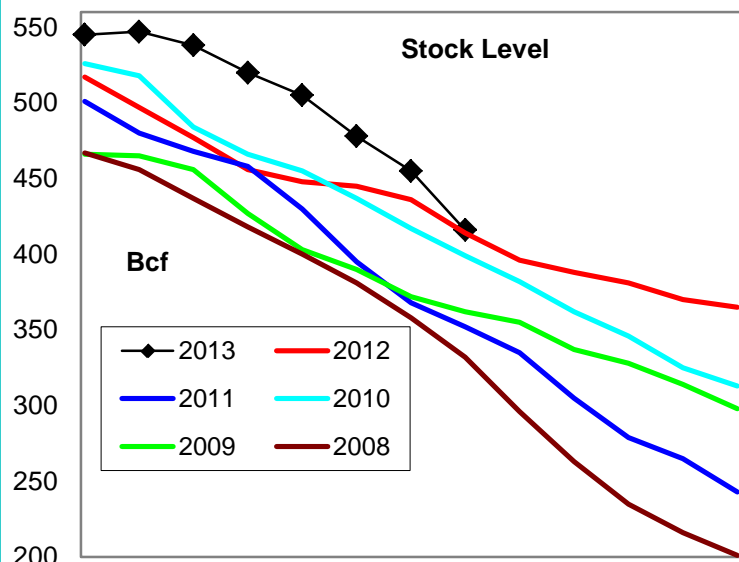




Variance to prior year

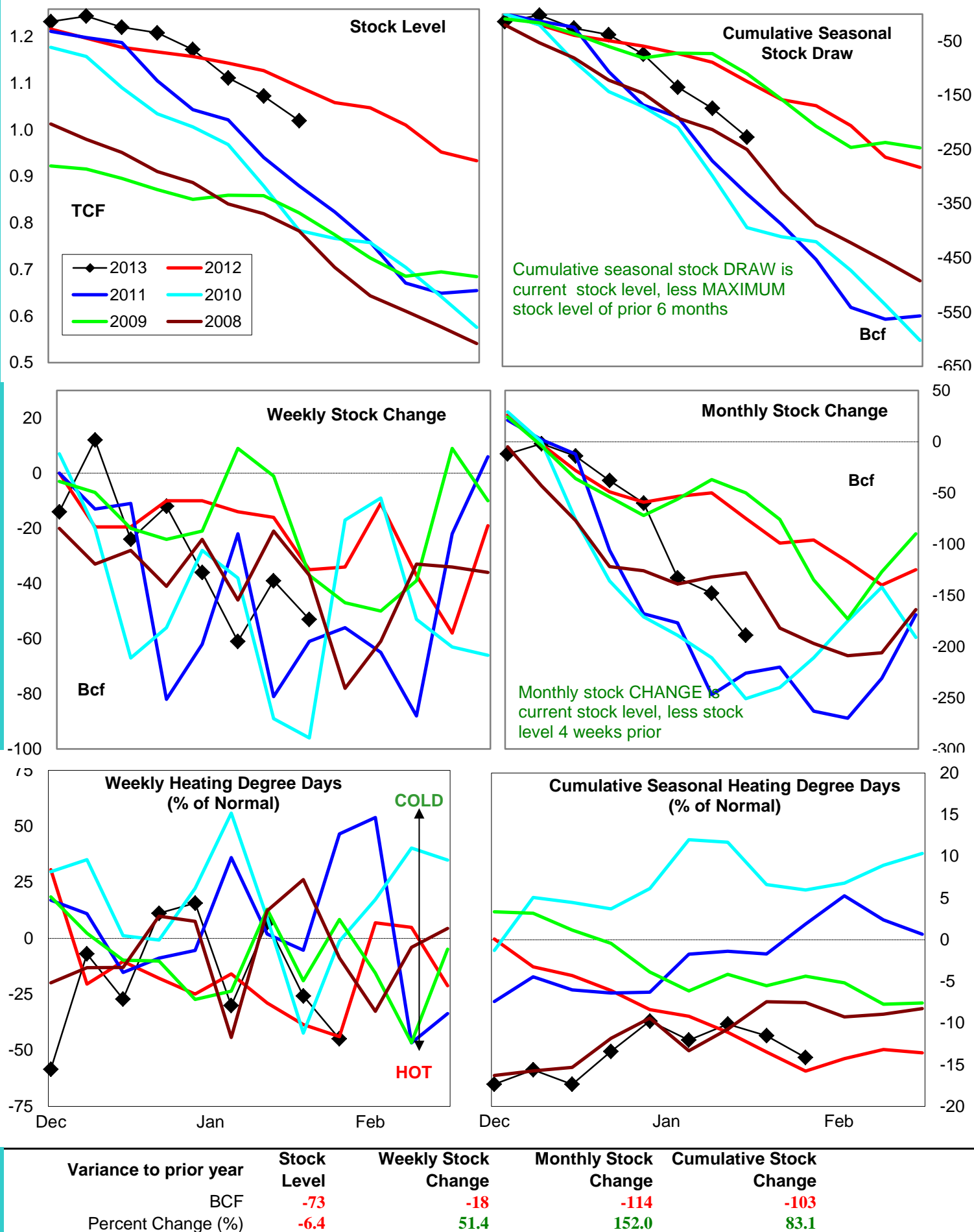
Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-157
-5.0-10
6.2-238
56.9-235
33.7

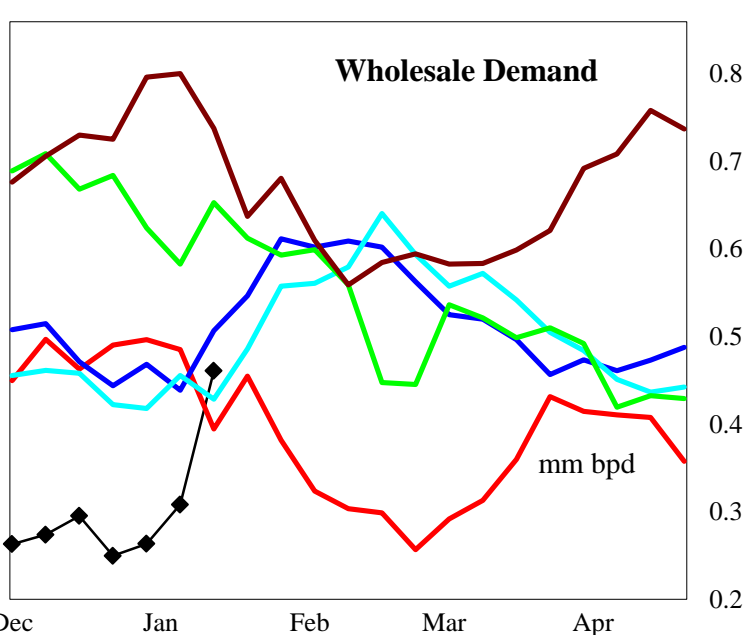
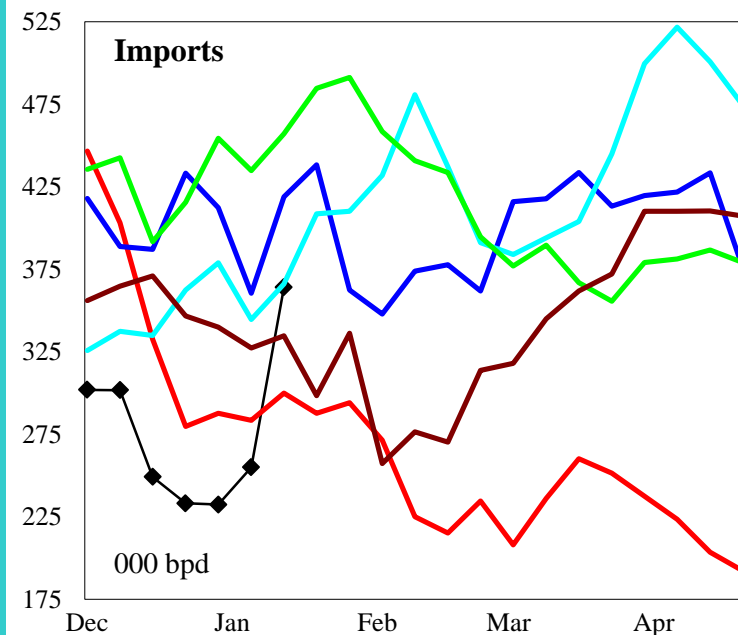
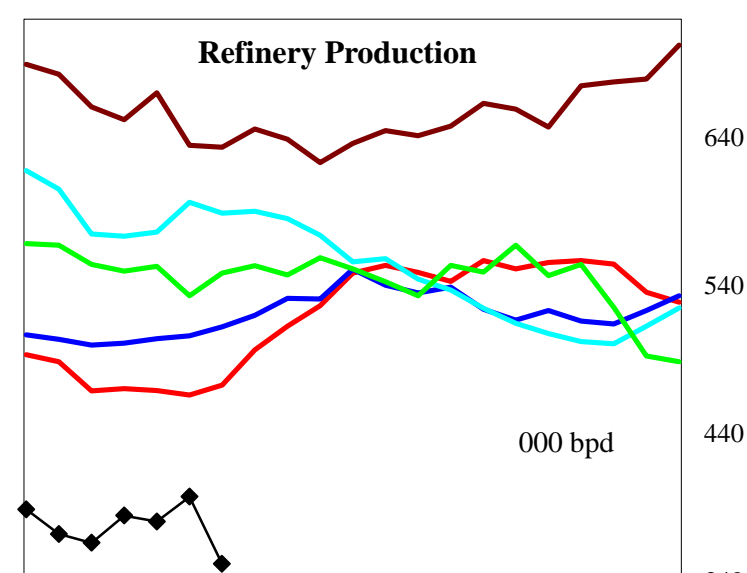
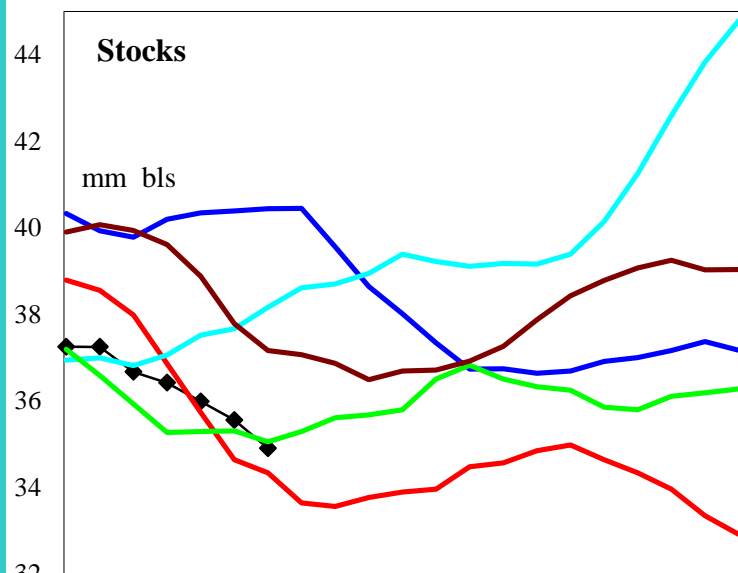
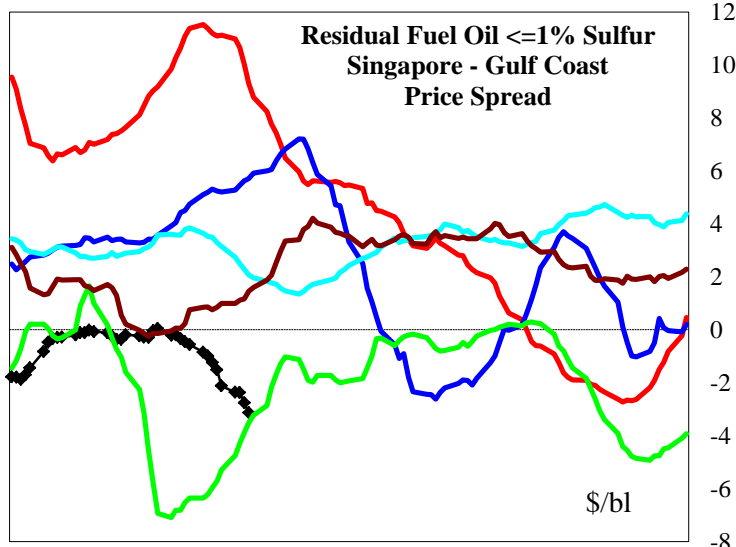
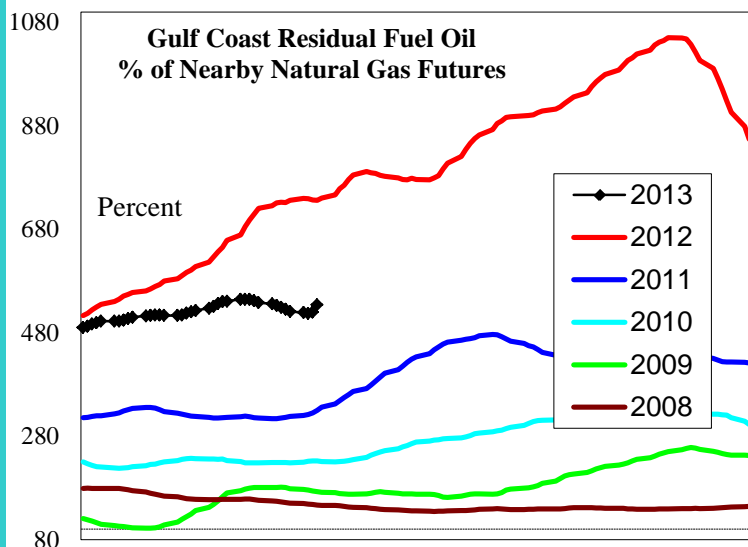




Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)2
0.5-17
77.3-62
147.6-32
31.1





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

Stocks
1,859
5.6

Prod
-80
-17.1

Imports
-18
-6.9

Demd=>

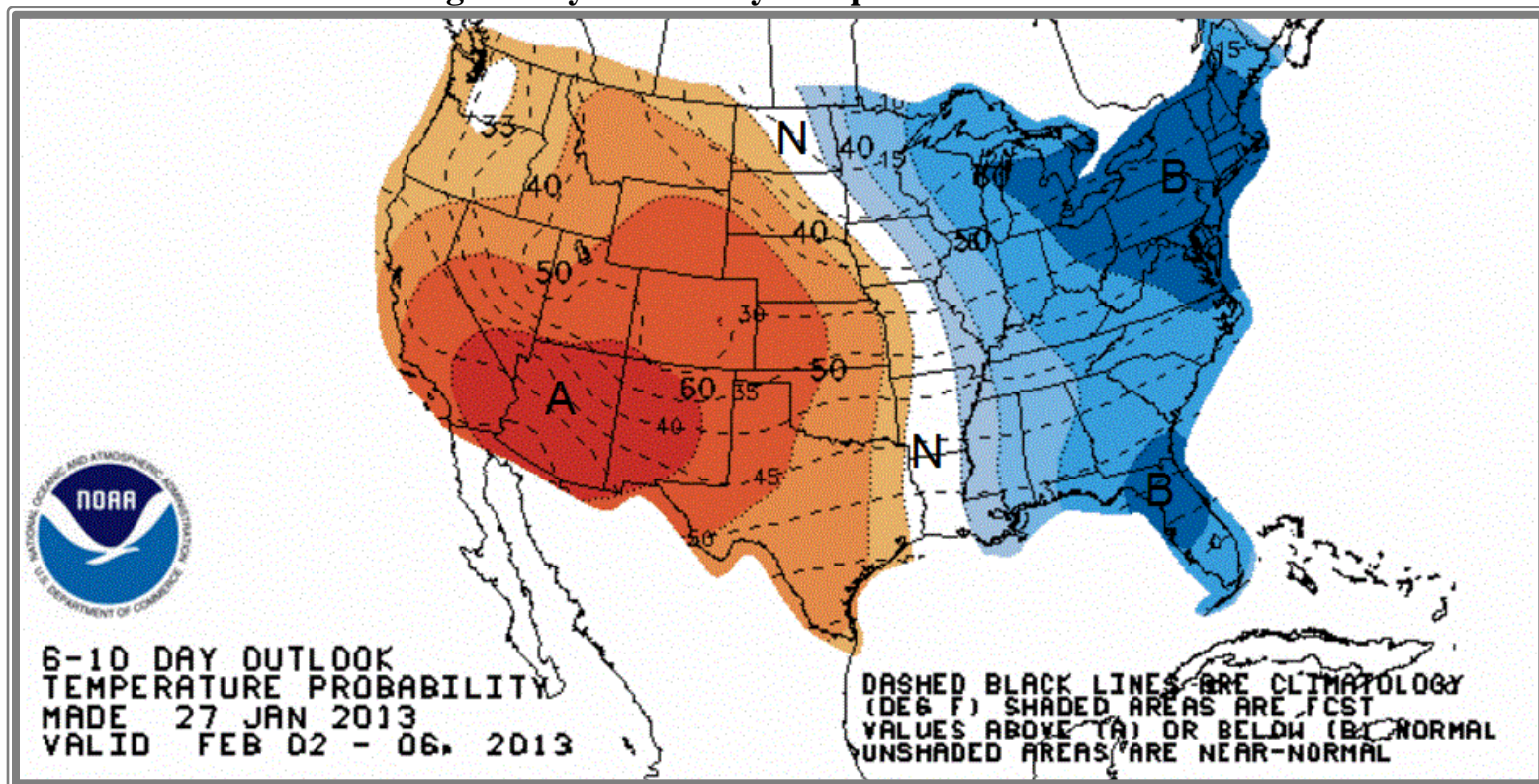
4wk avg
-236
-42.3

Dec
-209
-40.3

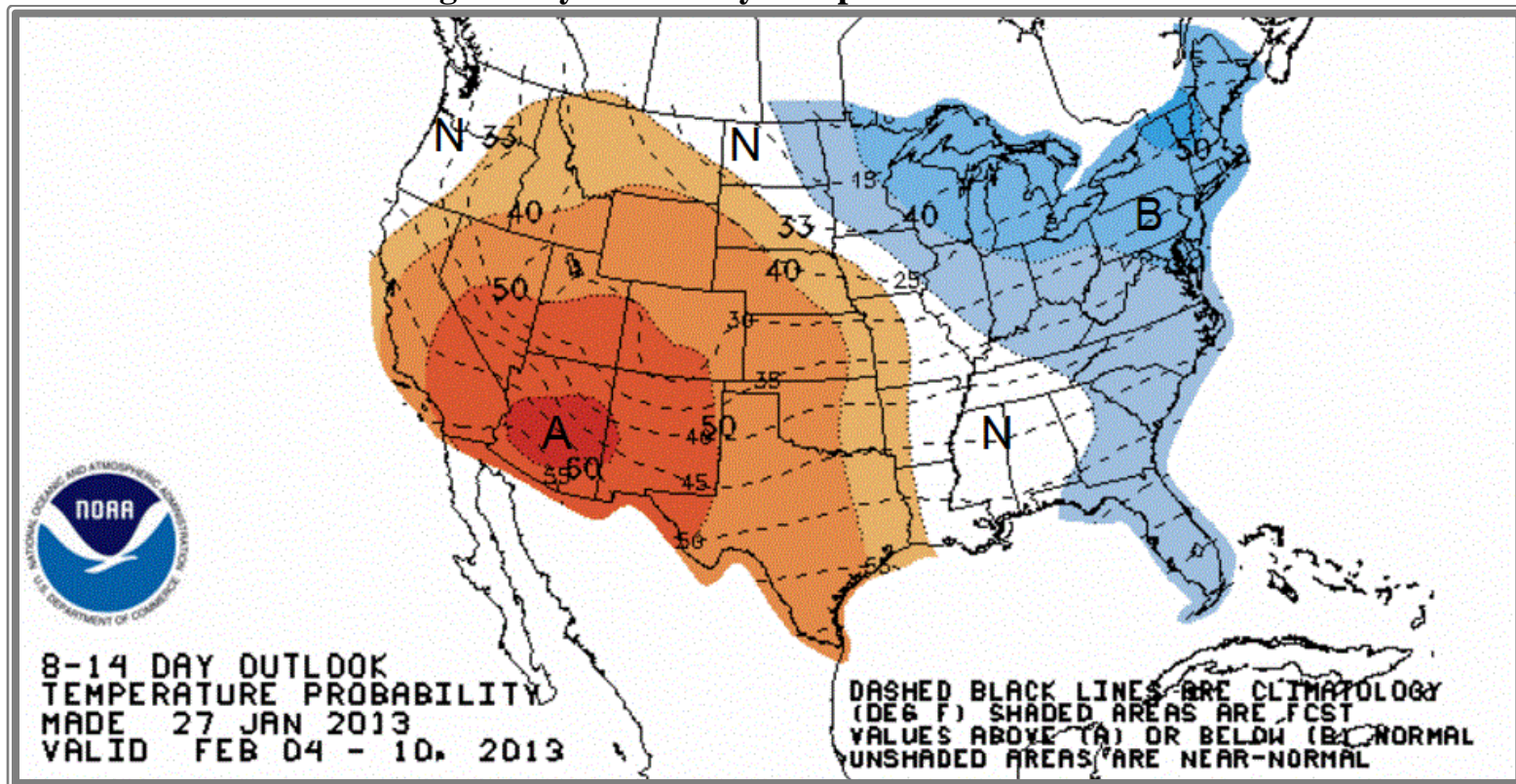
Nov
-30
-7.6

Oct
-123
-30.6

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

