

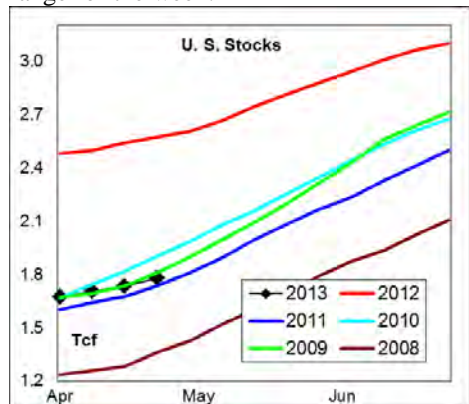
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

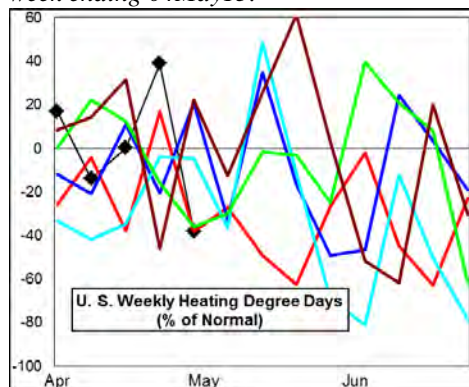
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Friday, May 03, 2013



Summary¹ The stock build of +43 Bcf for the week was at the low end of the historic range for the week.



Heating degree days for the week ending 27Apr13 were +39% above normal and forecast to be -38% below normal for the week ending 04May13.



In the East Region stocks increased +18 Bcf for the week, a build below the 5-year range. Stocks increased +5 Bcf in the West Region, also a build below the 5-year range for the week. Stocks were +20 Bcf higher on the week in the Producing region, a build equal to the 5-year mid range.

Heating degree days were +36% above normal in the East Region, +9% above normal in the West Region and +136% above normal in the Producing Region for the week ending 27Apr13.

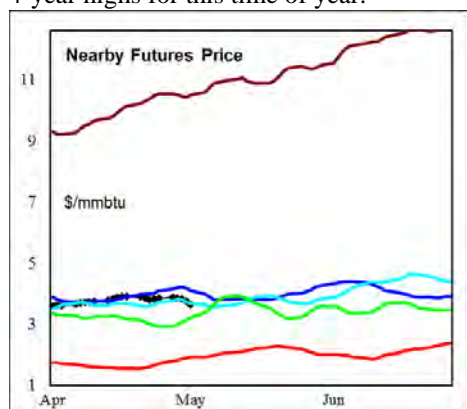
Heating degree days were +39% above normal for the week ending 27Apr13 and forecast to be -38% below normal for the

week ending 04May13.

The 6-10 day NWS forecast for the week ending 13May13 is for above normal heating degree days in the central 1/3rd of the country and well below normal in the western 1/3rd of the country.

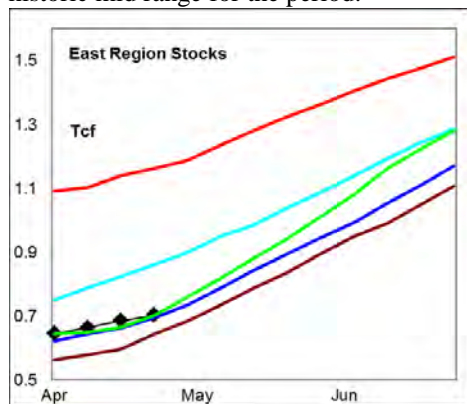
The 8-14 day NWS forecast for the week ending 17May13 is for above normal heating degree days in the south and well below normal for the western 1/2 of the country.

Prices: Nearby gas futures prices decreased -\$0.11/mmbtu for the week ending 03May13. The current price level is near 4-year highs for this time of year.



The 1st - 4th month forward price curve extended the longer term uptrend last week, to a new record high for this time of year.

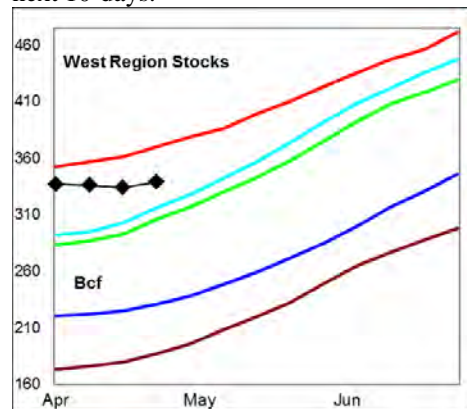
East Region stocks increased +18 Bcf for the week, a build below the 5-year range. The current stock level matched the historic mid range for the period.



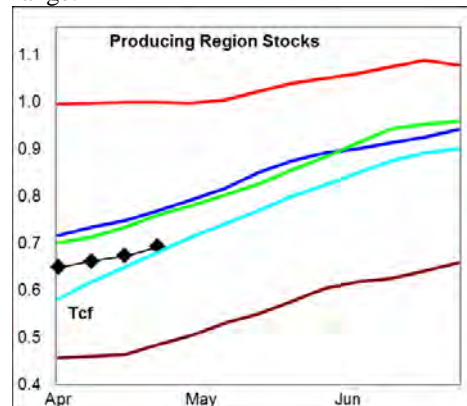
Heating degree days in the region were +36% above normal for the week ending 27Apr13, and forecast to be -44% below normal for the week ending 04May13. Heating degree days are forecast to be near normal in the region for the next 10-days.

West Region stocks increased +5 Bcf last week, a build below the 5-year range for the week. Stock levels ended the week -

8.4% below last year. Heating degree days were +9% above normal for the week ended 27Apr13, and forecast to be -33% below normal for the week ended - 04May13. Heating degree days are forecast to be much below normal for the next 10-days.



Producing Region stocks increased +20 Bcf for the week, a build near the historic mid range for the week. Stock levels ended the week well below the 5-year mid range.



Heating degree days were +136% above normal for the week ended 27Apr13, and forecast to be +24% above normal for the week ending 04May13. 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, with residual fuel demand -44% below last year.

Outlook: Below normal stock builds continued last week on much above normal heating degree days. Carry out stock levels have slipped below the 5-year mid range. These fundamental trends should support prices in the shoulder season ahead of peak summer electric power demand.

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: May 3, 2013

For the week ending: 26-Apr-13

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

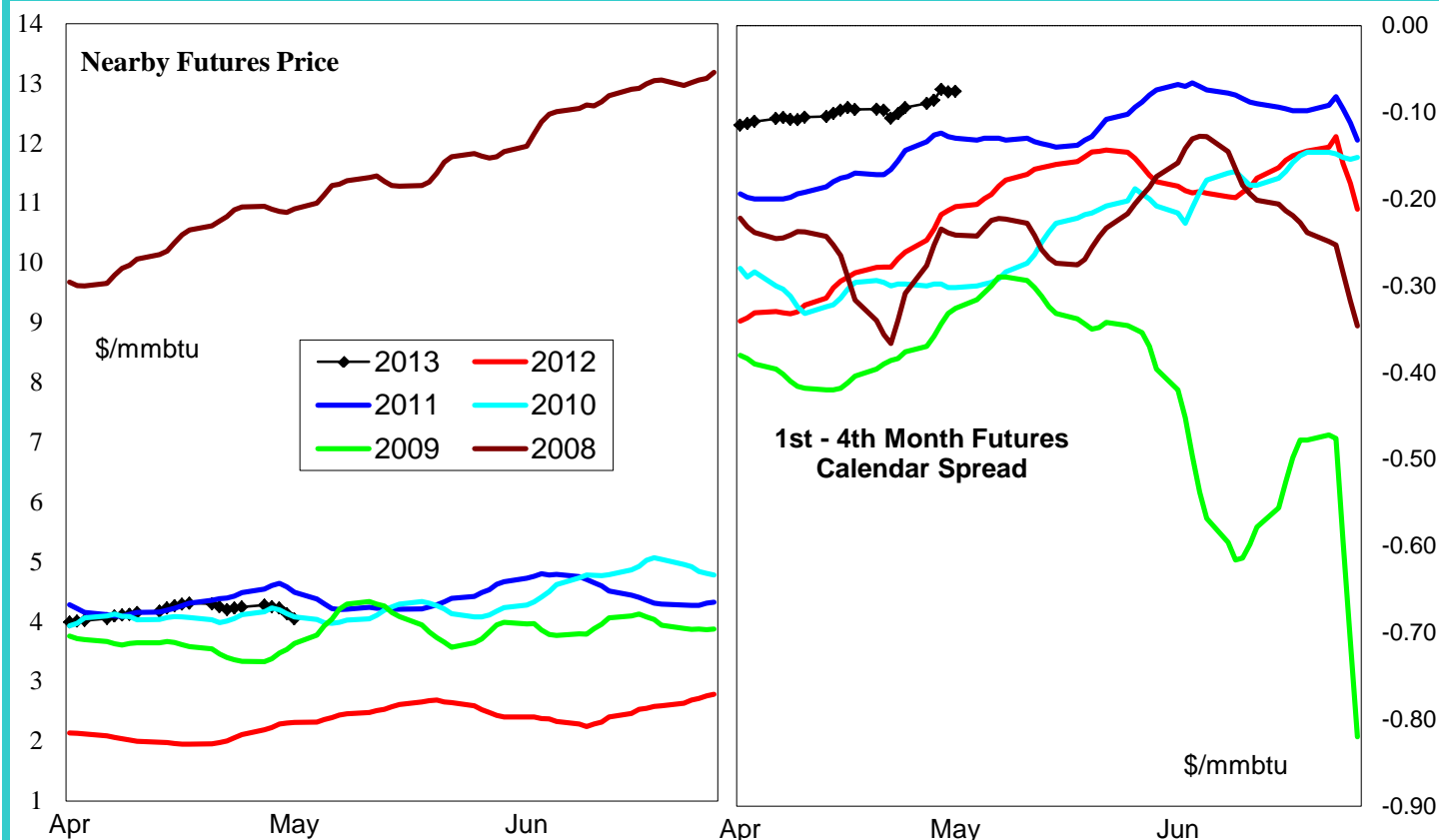
Week ending:	26-Apr-13			20-Apr-13		27-Apr-13		4-May-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,777	43	-30.9	0	0%	15	39%	-64	-38%
East	704	18	-39.4	-3	-10%	26	36%	-76	-44%
West	339	5	-8.4	13	37%	-41	9%	-44	-33%
Producing	734	20	-29.4	1	46%	11	136%	-36	24%

Seasonal Trends in Stocks and Heating Degree Days

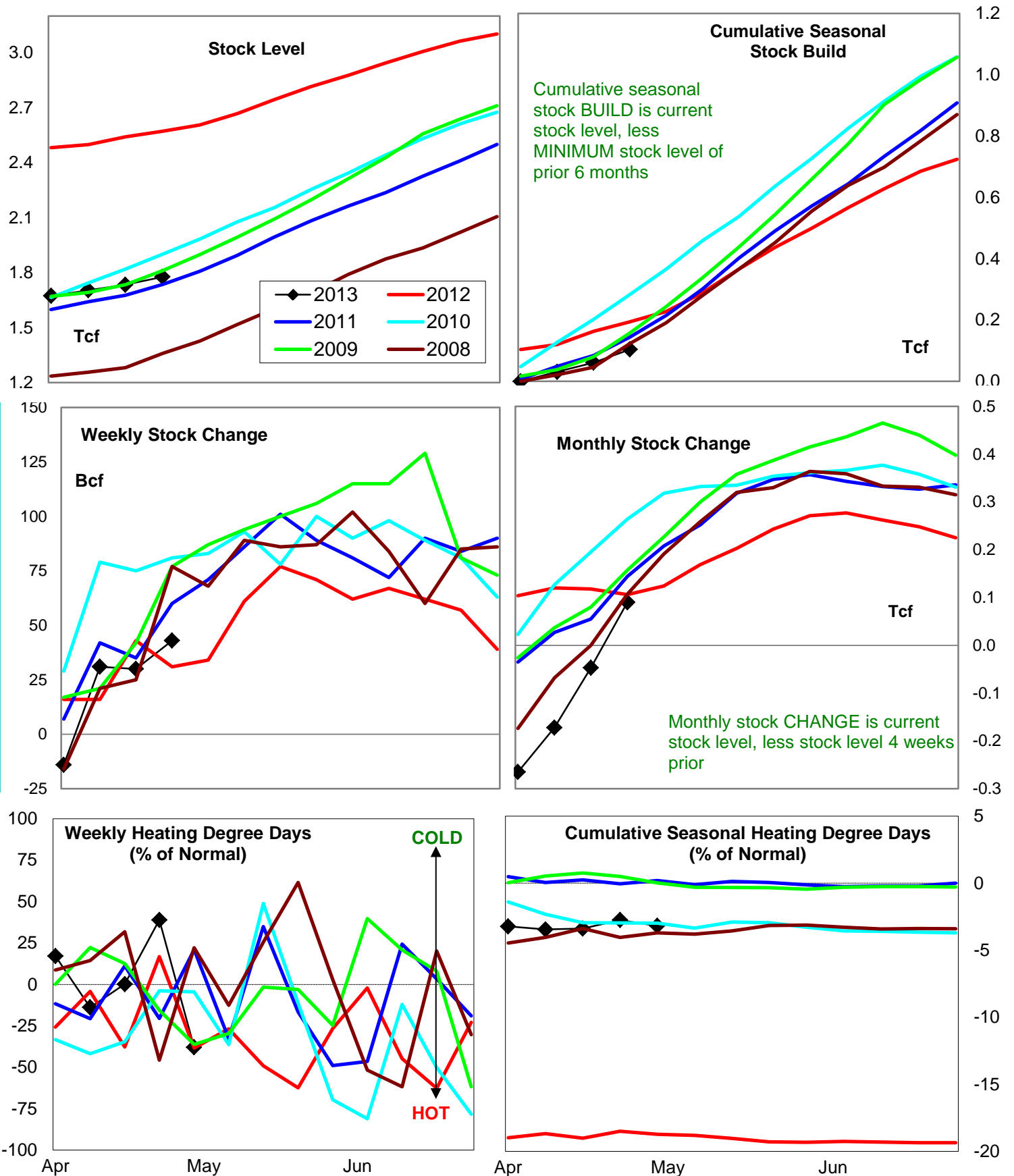
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year		CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
		Bcf	%						
U.S. Total	104	-90	-86.5	87	-3.4	102	-2.7	38	-3.2
East	58	-54	-93.1	90	-2.9	116	-2.3	40	-2.9
West	9	-17	-188.9	136	-3.4	95	-3.1	51	-3.6
Producing	44	-31	-70.5	49	-6.3	60	-5.0	24	-4.8

Futures Market Price Trends

Date:	30-Apr-13	Change vs prior week, month, year		
		24-Apr-13	3-Apr-13	9-May-12
1st month Futures	4.04	-0.35	-0.04	1.45
% change	xxxxx	-8.0	-1.0	55.8



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-795

12

-16

-90

Percent Change (%)

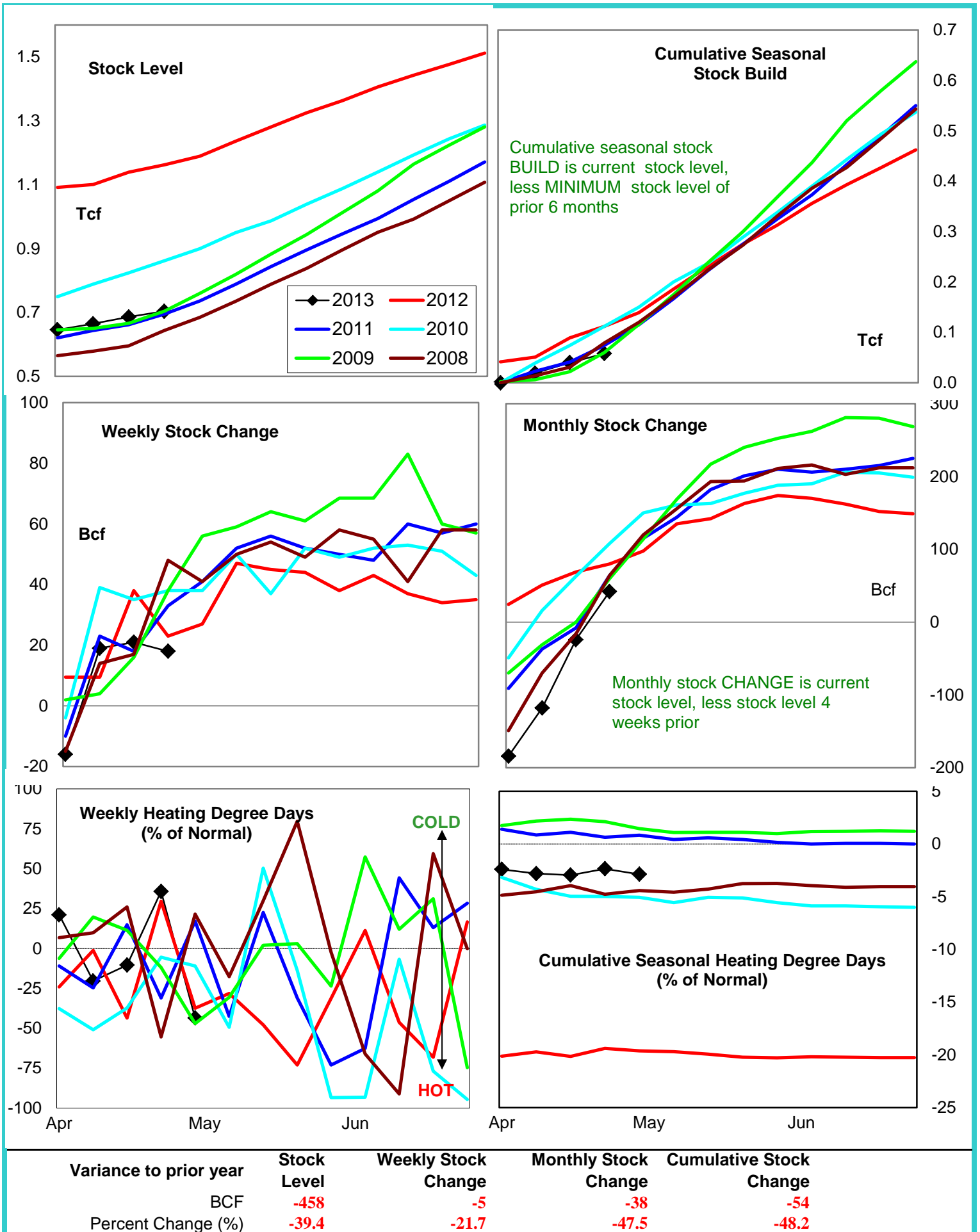
-30.9

38.7

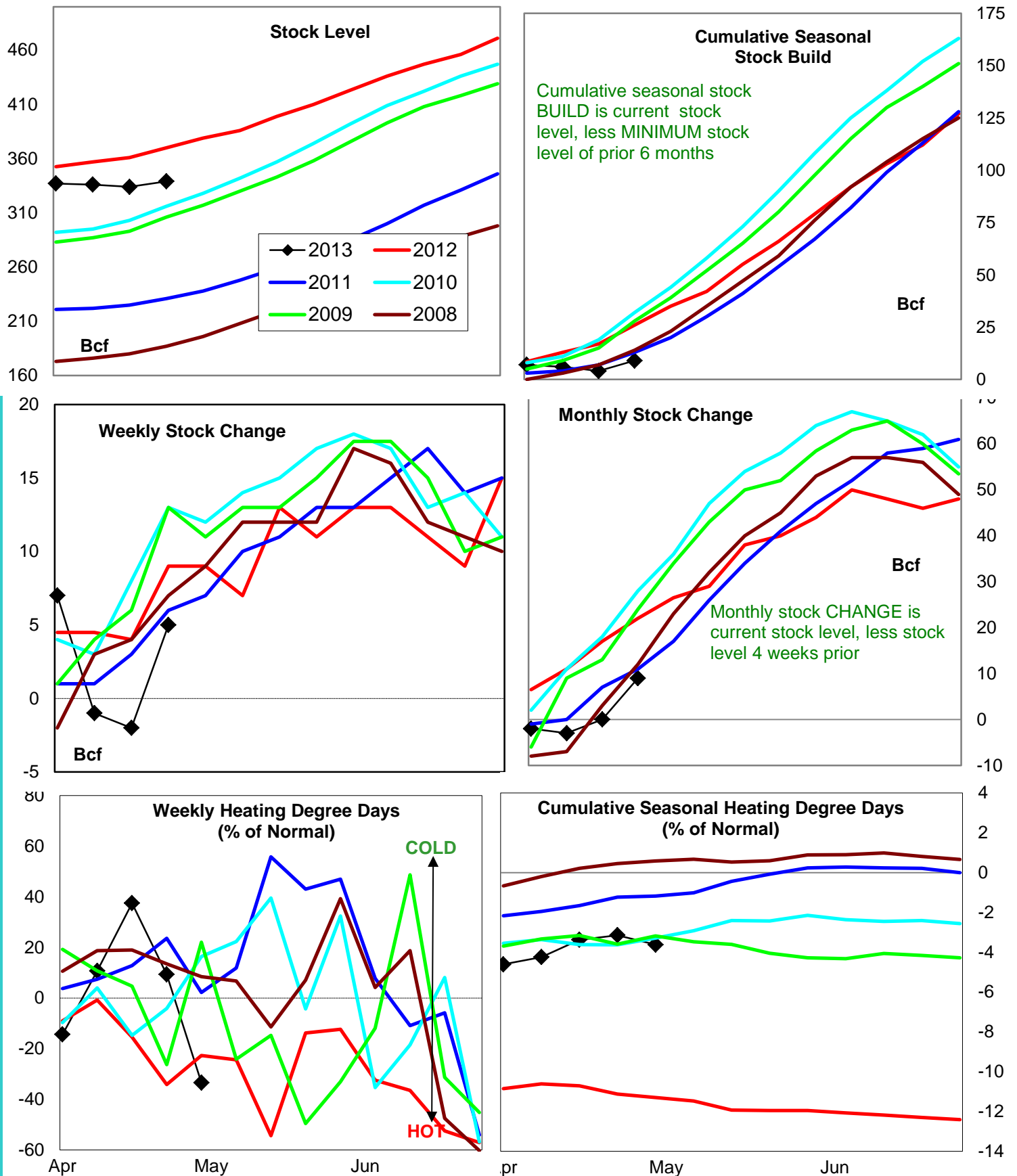
-15.1

-46.4

Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-31

-4

-13

-17

Percent Change (%)

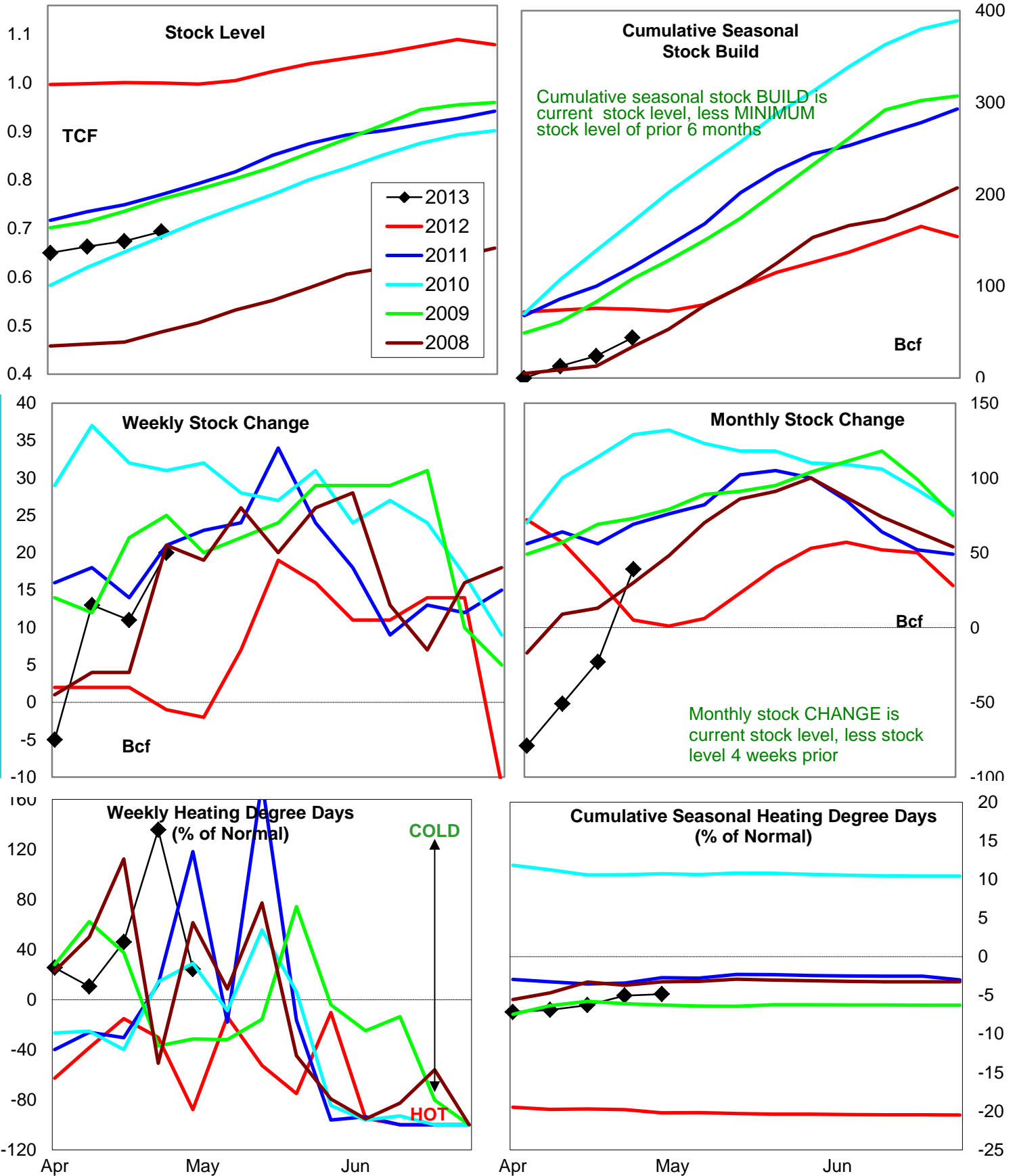
-8.4

-44.4

-59.1

-65.4

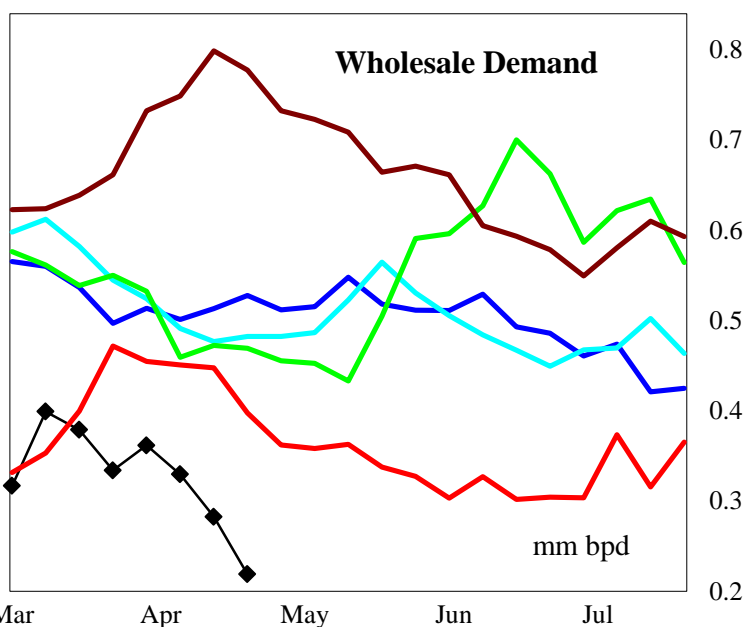
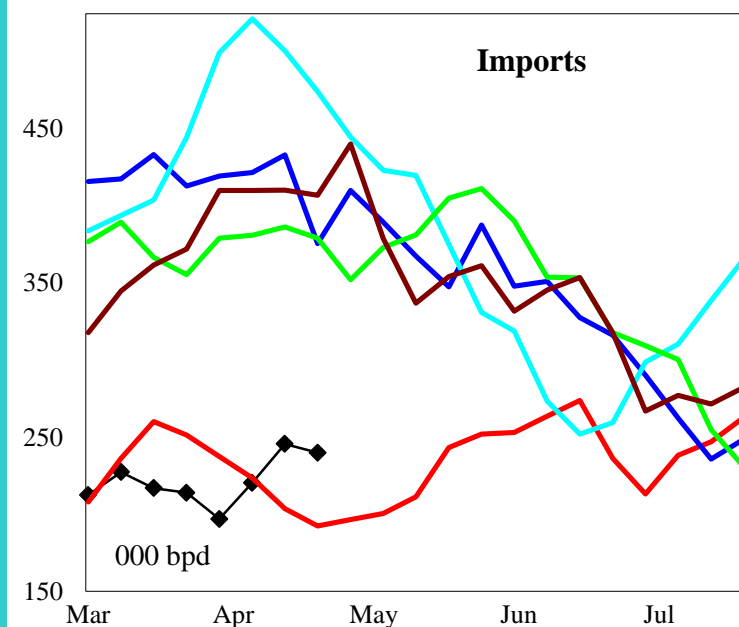
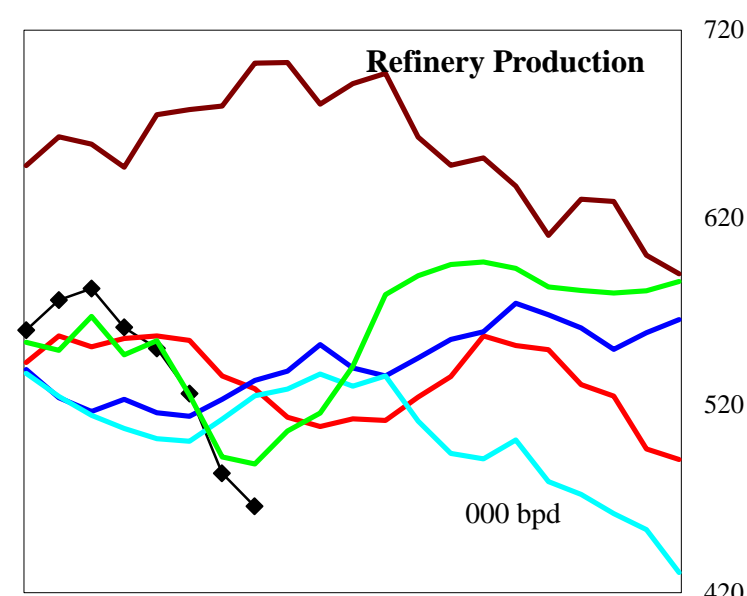
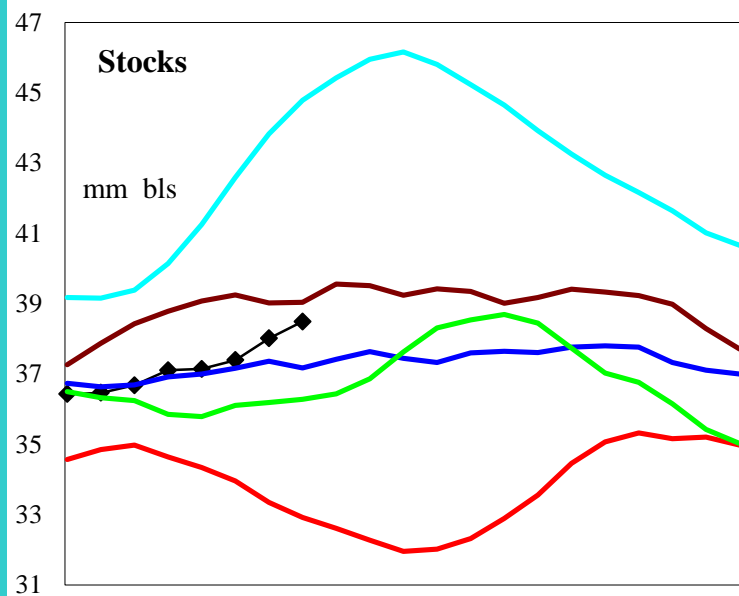
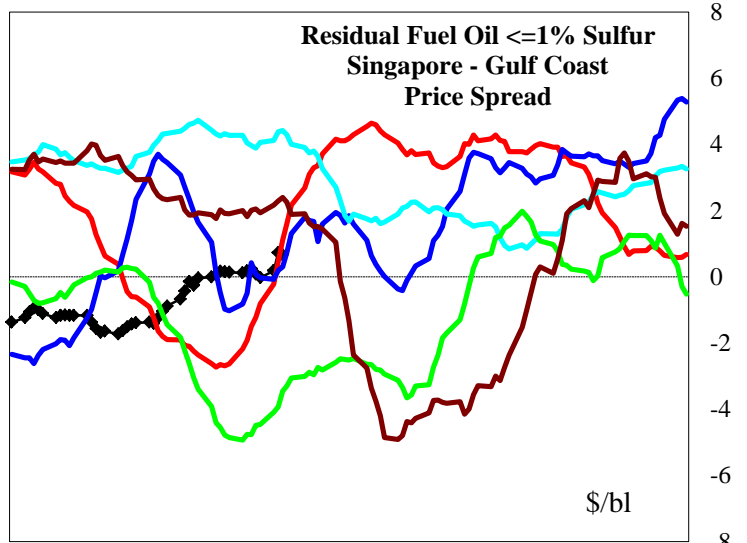
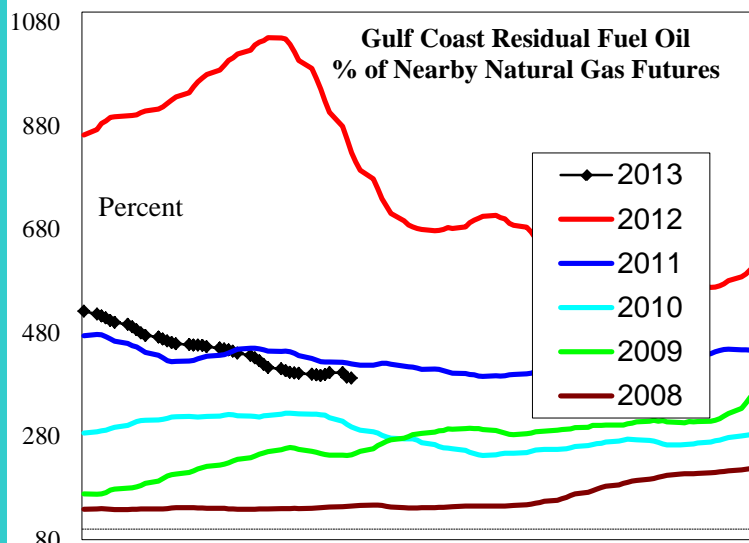
Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-306
-29.421
-2,100.034
680.0-31
-41.3

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



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

Stocks
5,903
18.1

Prod
-30
-5.6

Imports
25
12.0

Demd=>
-206
-44.0

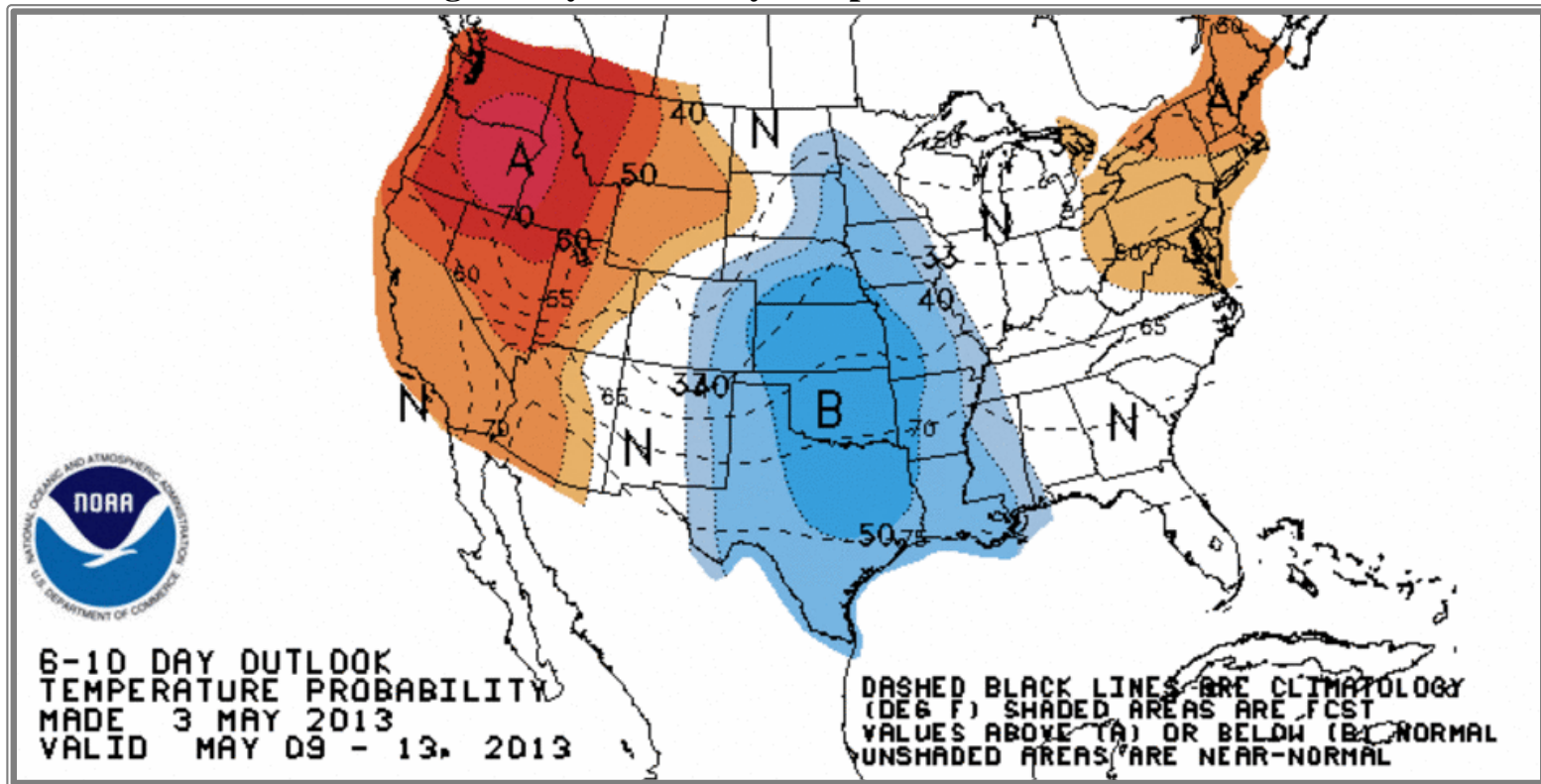
4wk avg
-206
-44.0

Mar
8
1.9

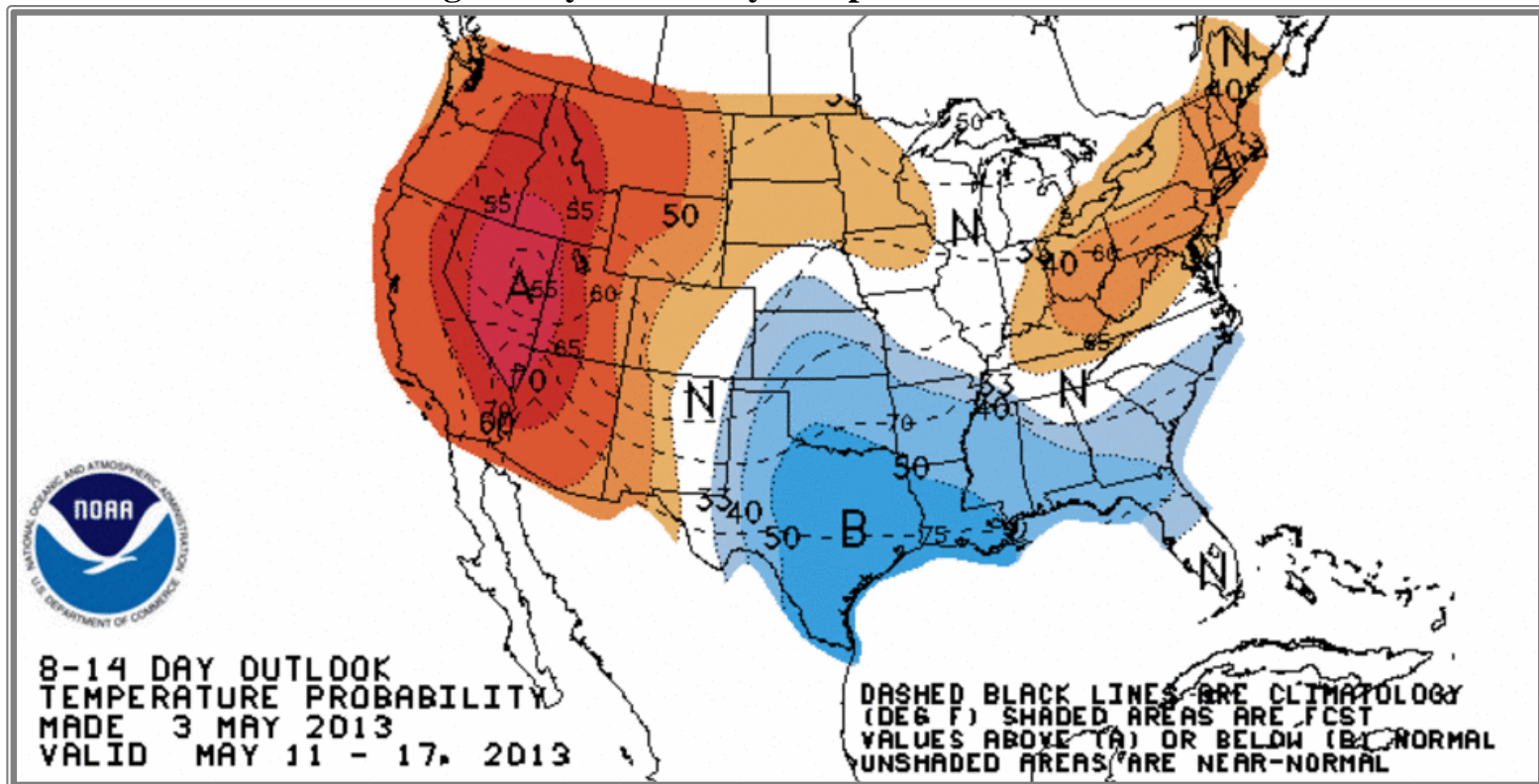
Feb
-160
-40.6

Jan
-70
-16.7

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

