



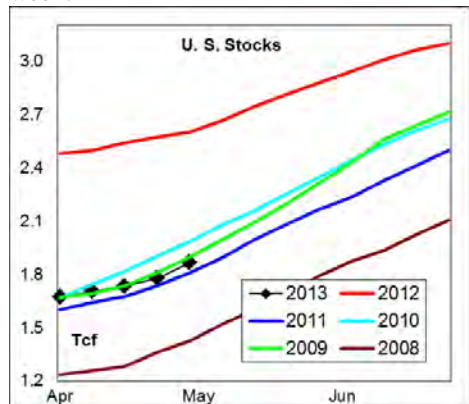
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

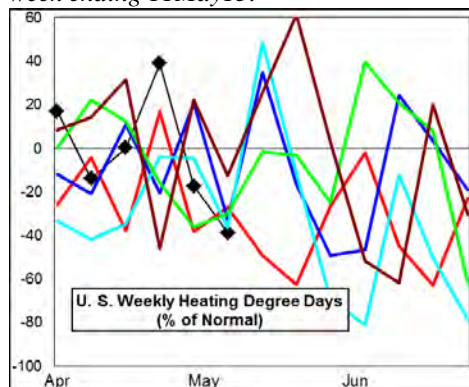
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Thursday, May 09, 2013



Summary¹ The stock build of +88 Bcf for the week matched 5-year highs for the week.



Heating degree days for the week ending 04May13 were -17% below normal and forecast to be -39% below normal for the week ending 11May13.



In the East Region stocks increased +52 Bcf for the week, a build that matched 5-year highs. Stocks increased +5 Bcf in the West Region, a build below the 5-year range for the week. Stocks were +31 Bcf higher on the week in the Producing region, a build that matched 5-year highs for the season.

Heating degree days were -27% below normal in the East Region, -14% below normal in the West Region and +98% above normal in the Producing Region for the week ending 04May13.

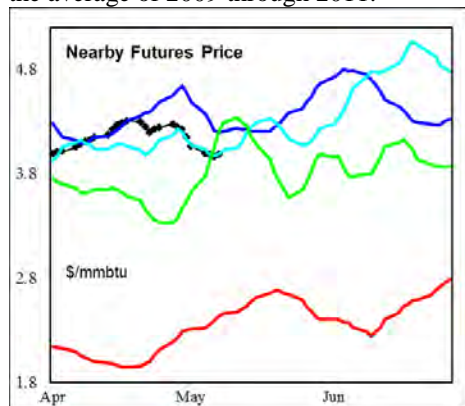
Heating degree days were -17% below normal for the week ending 04May13 and forecast to be -39% below normal for the

week ending 11May13.

The 6-10 day NWS forecast for the week ending 18May13 is for below normal heating degree days in the western 2/3rds of the country.

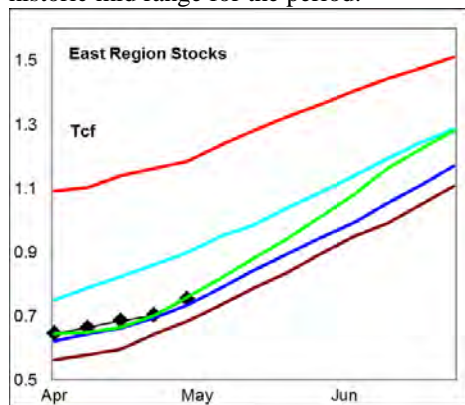
The 8-14 day NWS forecast for the week ending 22May13 is for below normal heating degree days in the western 1/2 of the country and near normal in the eastern 1/2.

Prices: Nearby gas futures prices decreased -\$0.04/mmbtu for the week ending 09May13. The current price level is near the average of 2009 through 2011.



The 1st - 4th month forward price curve traded sideways last week, at record high for this time of year.

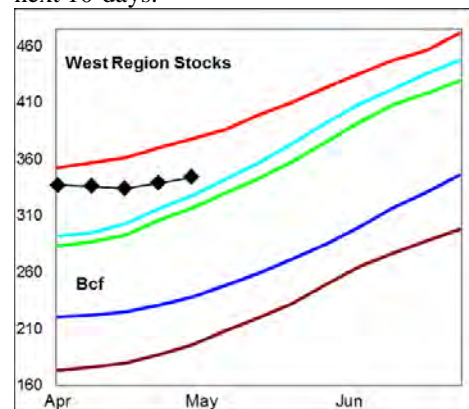
East Region stocks increased +52 Bcf for the week, a build that matched 5-year highs. The current stock level matched the historic mid range for the period.



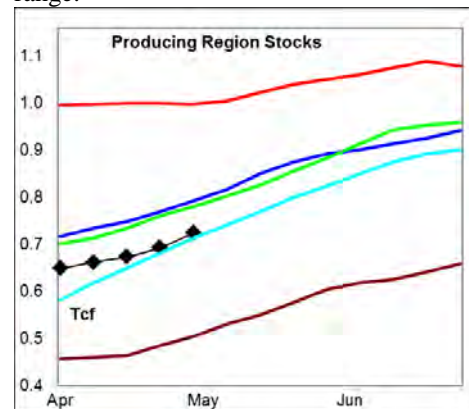
Heating degree days in the region were -27% below normal for the week ending 04May13, and forecast to be -42% below normal for the week ending 11May13. Heating degree days are forecast to be near normal in the region for the next 10-days.

West Region stocks increased +5 Bcf last week, a build below the 5-year range for the week. Stock levels ended the week -9% below last year. Heating degree days were -14% below normal for the week ended 04May13, and forecast to be -46%

below normal for the week ended 11May13. Heating degree days are forecast to be sharply below normal for the next 10-days.



Producing Region stocks increased +31 Bcf for the week, a build that matched 5-year highs for the season. Stock levels ended the week well below the 5-year mid range.



Heating degree days were +98% above normal for the week ended 04May13, and forecast to be +22% above normal for the week ending 11May13. 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 -48% below last year.

Outlook: The stock build last week matched 5-year highs for the week, the first above average build of the last 2-months. Carry out stock levels are 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 9, 2013

For the week ending: 3-May-13

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

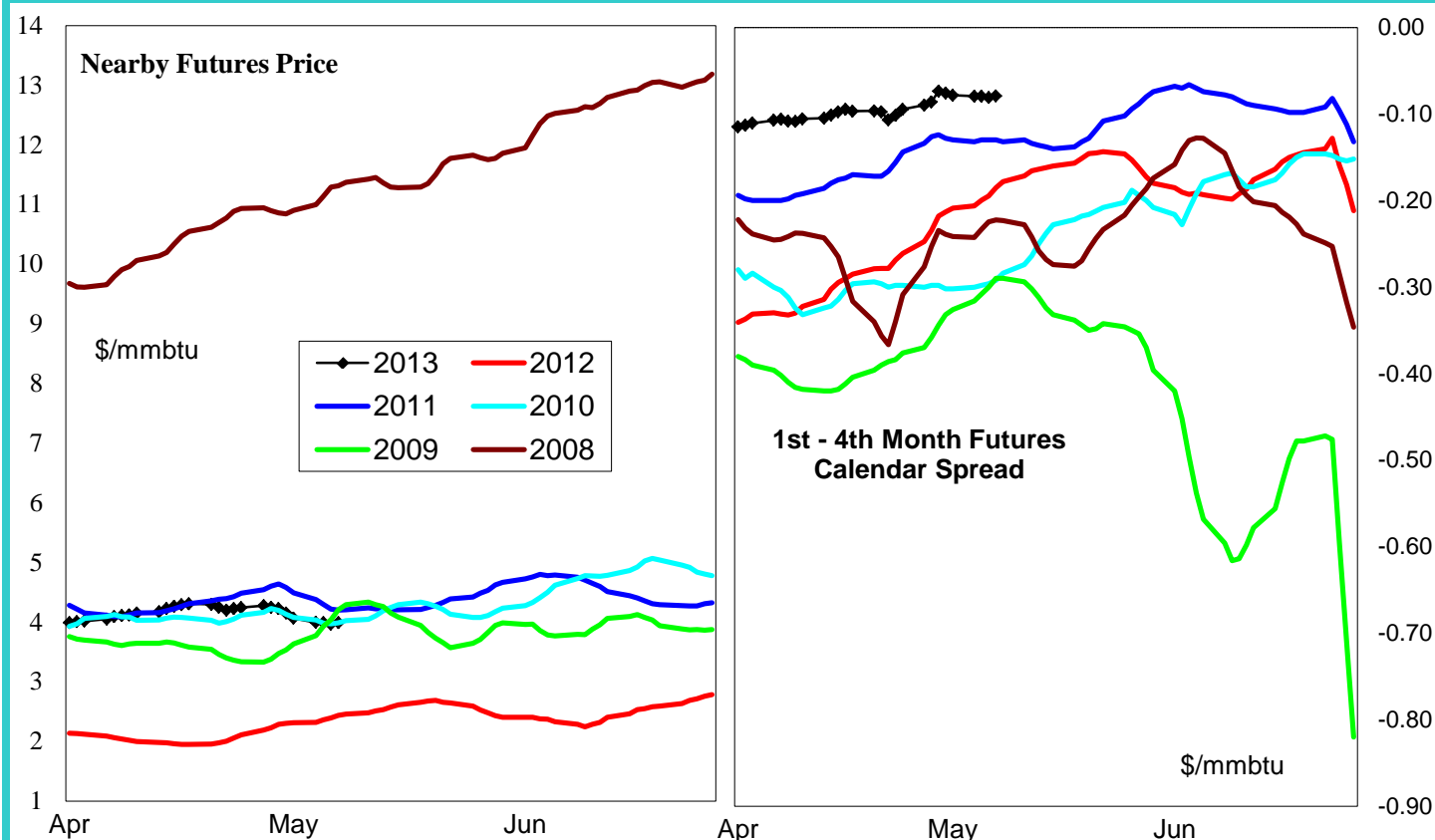
Week ending:	3-May-13			27-Apr-13		4-May-13		11-May-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,865	88	-28.3	15	39%	-51	-17%	-20	-39%
East	756	52	-36.3	26	36%	-64	-27%	-18	-42%
West	344	5	-9.0	-41	9%	-30	-14%	-30	-46%
Producing	765	31	-26.3	11	136%	-22	98%	-20	22%

Seasonal Trends in Stocks and Heating Degree Days

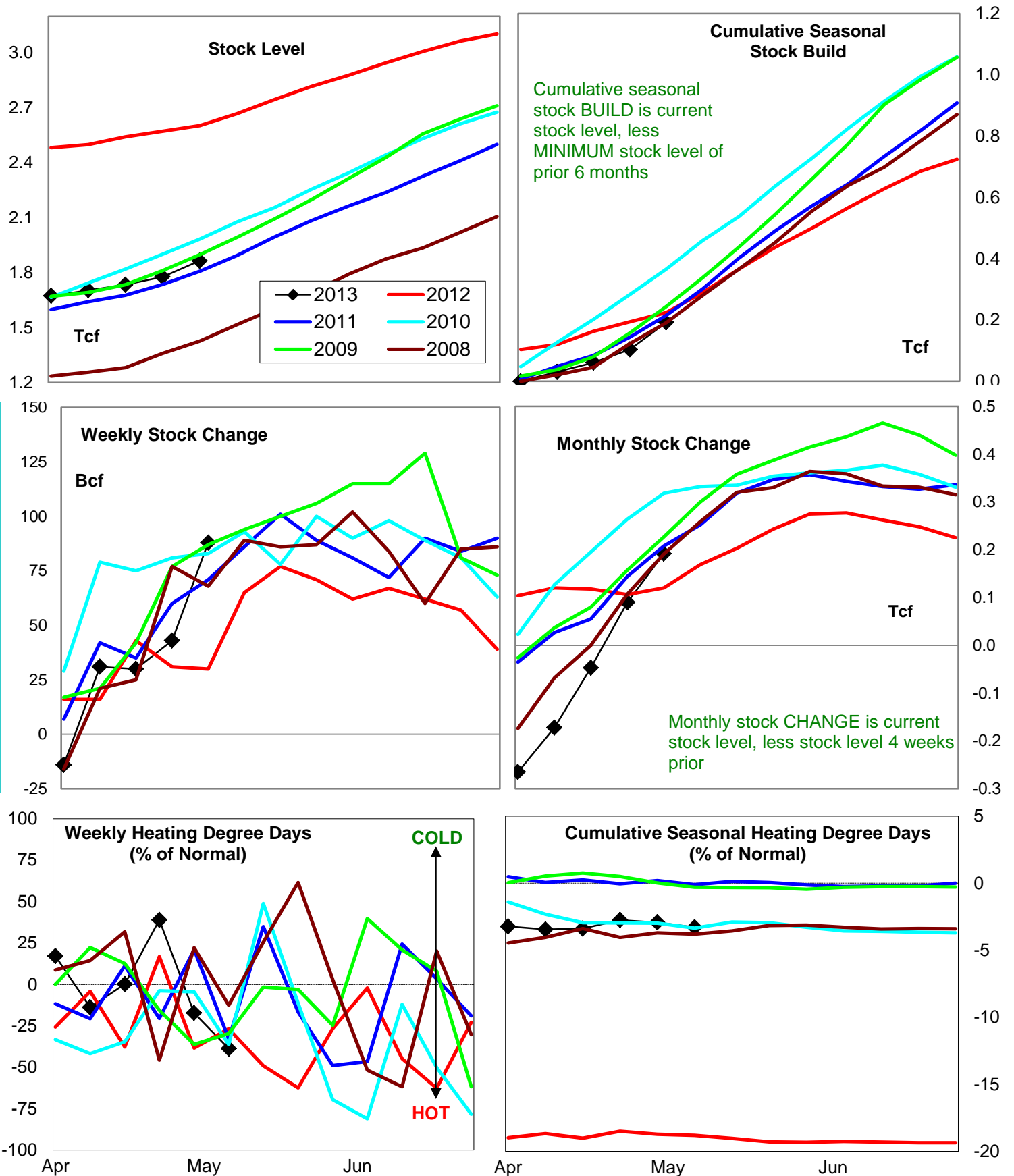
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	192	-32	-16.7	102	-2.7	51	-2.9	31	-3.3
East	110	-26	-23.6	116	-2.3	53	-2.7	34	-3.1
West	14	-20	-142.9	95	-3.1	66	-3.3	35	-3.9
Producing	75	2	2.7	60	-5.0	38	-4.4	17	-4.2

Futures Market Price Trends

Date:	9-May-13	Change vs prior week, month, year		
		3-May-13	12-Apr-13	18-May-12
1st month Futures	3.99	-0.05	-0.23	1.25
% change	xxxxx	-1.3	-5.5	45.7



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

-737

58

72

-32

Percent Change (%)

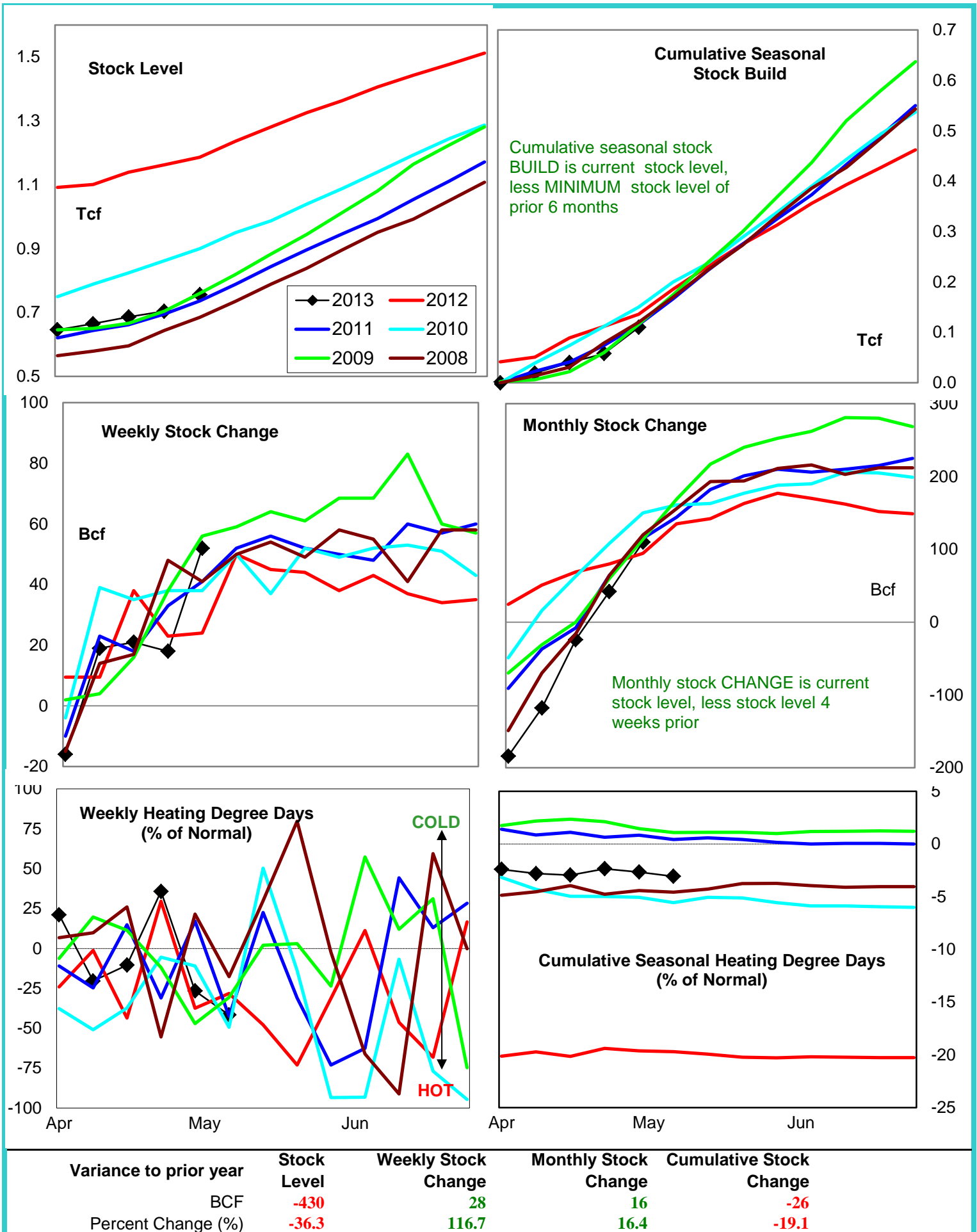
-28.3

193.3

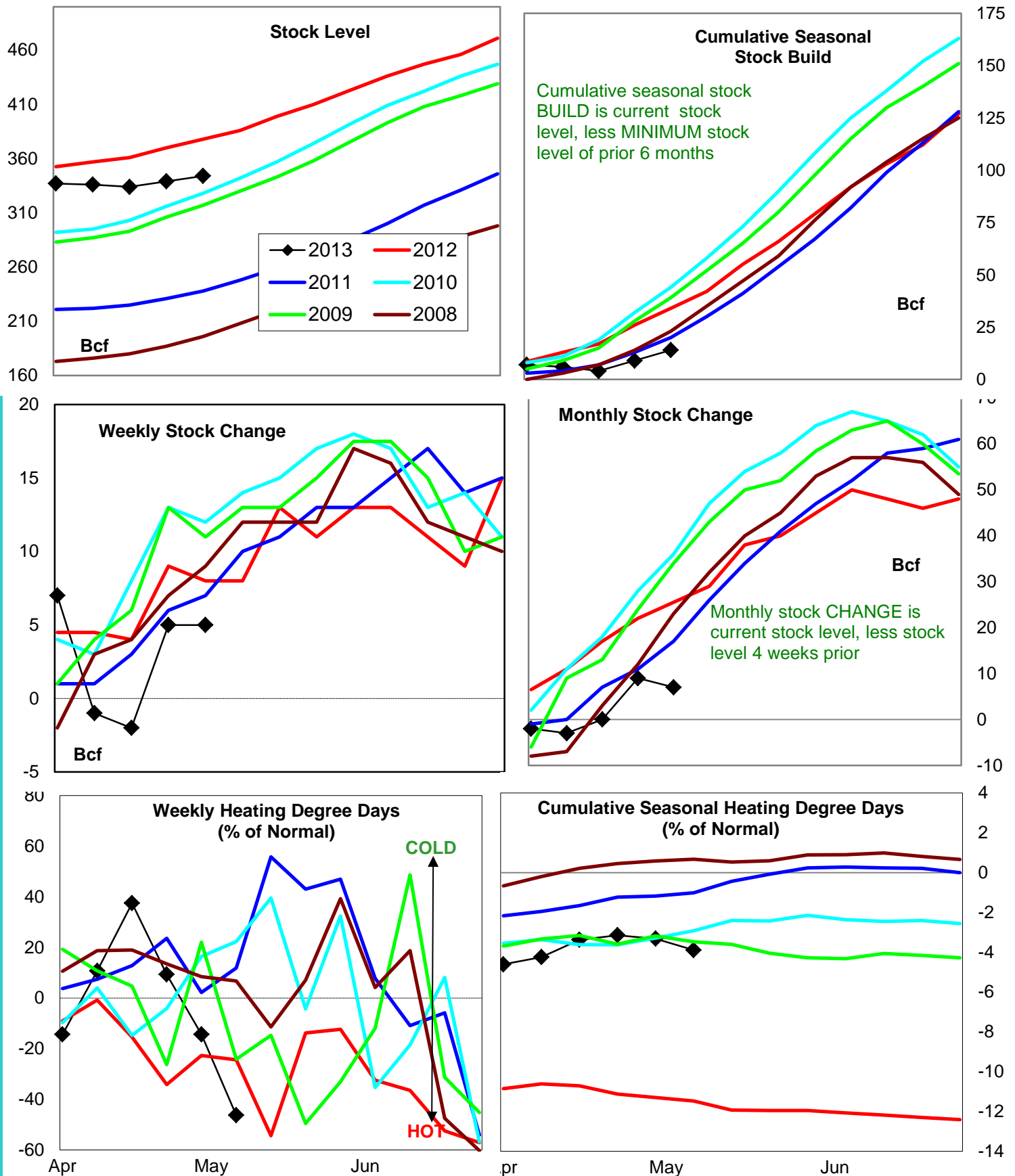
60.0

-14.3

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

-34

-3

-19

-20

Percent Change (%)

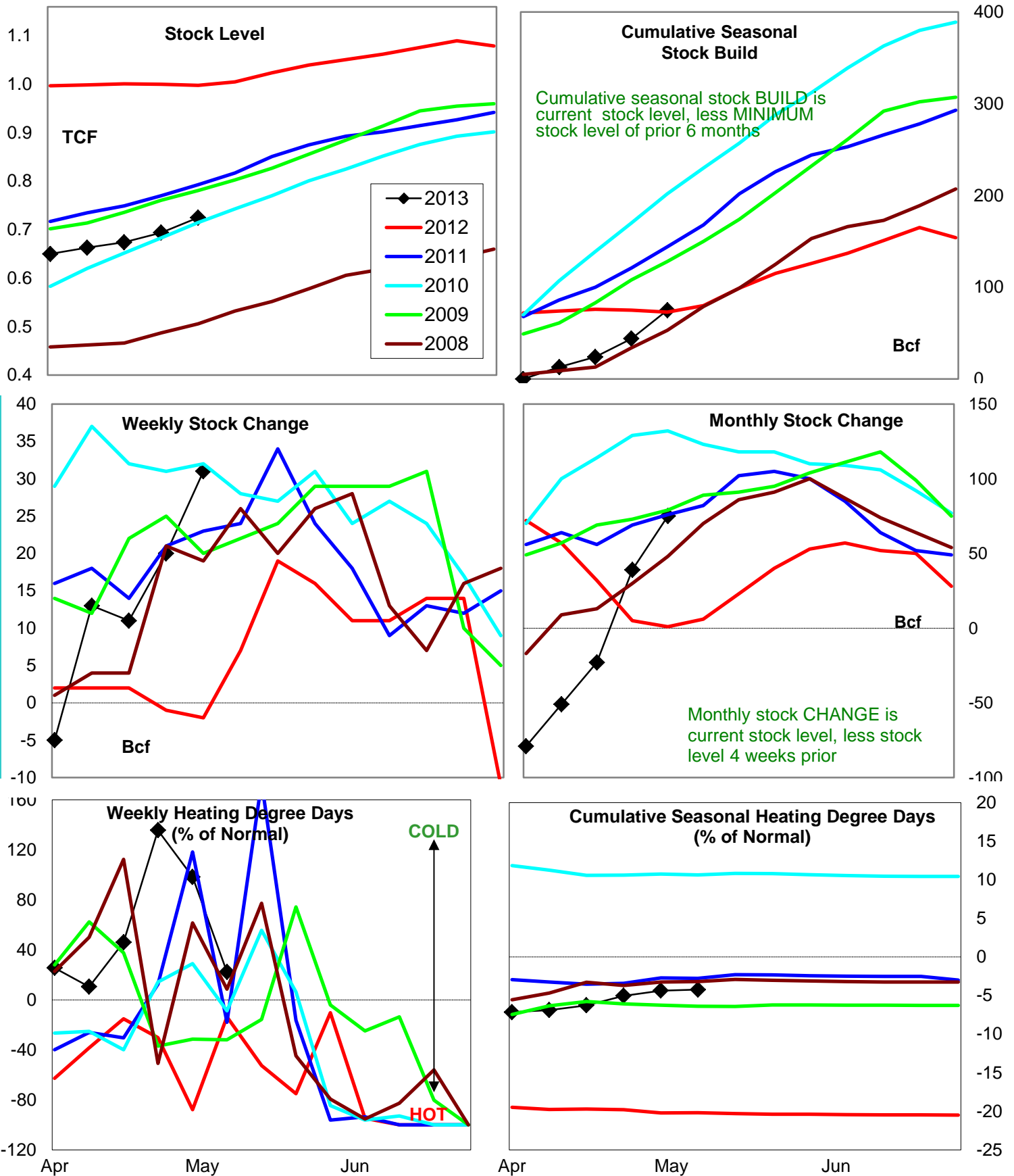
-9.0

-37.5

-72.5

-58.8

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-273

33

74

2

Percent Change (%)

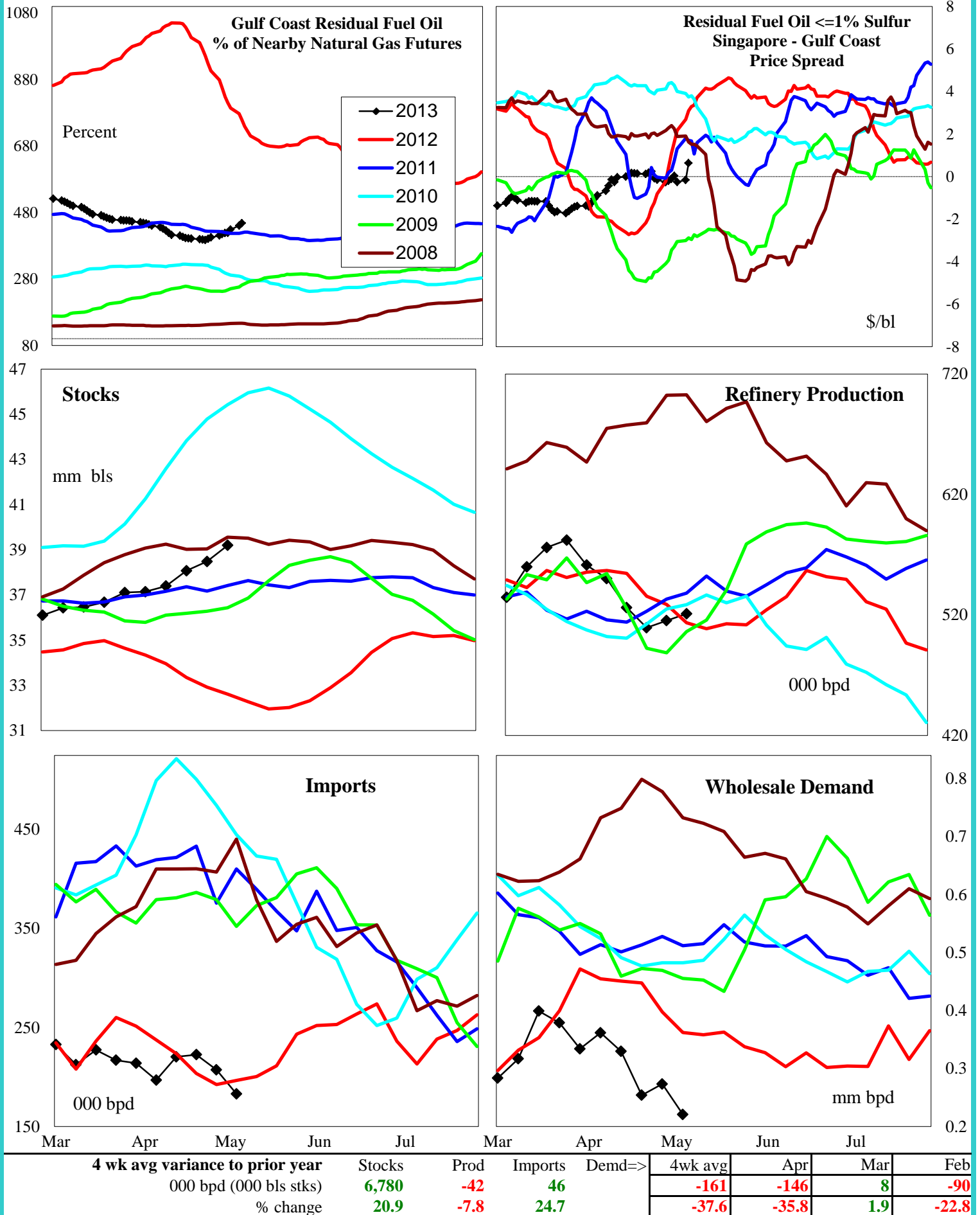
-26.3

-1,650.0

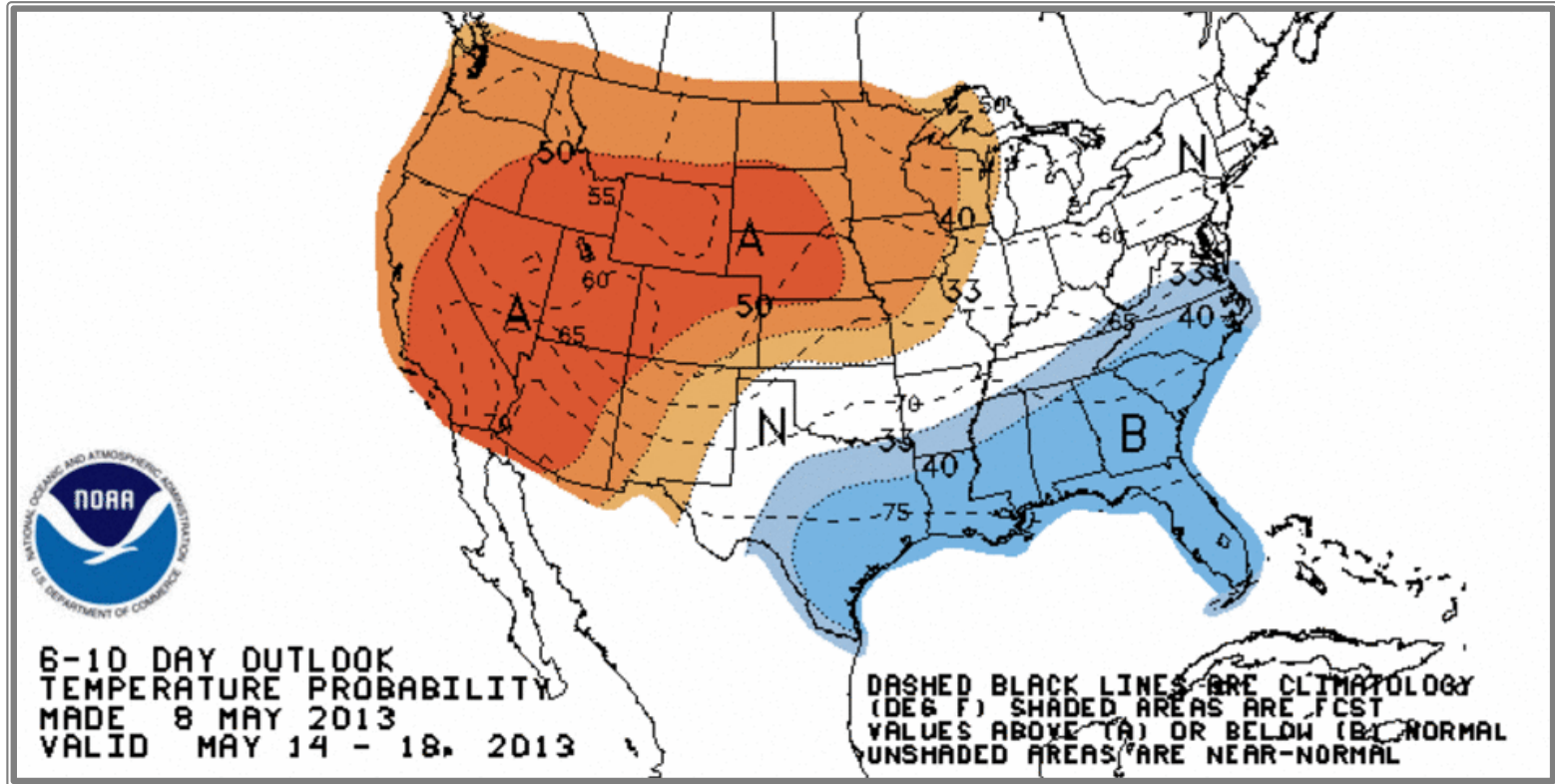
7,400.0

2.7

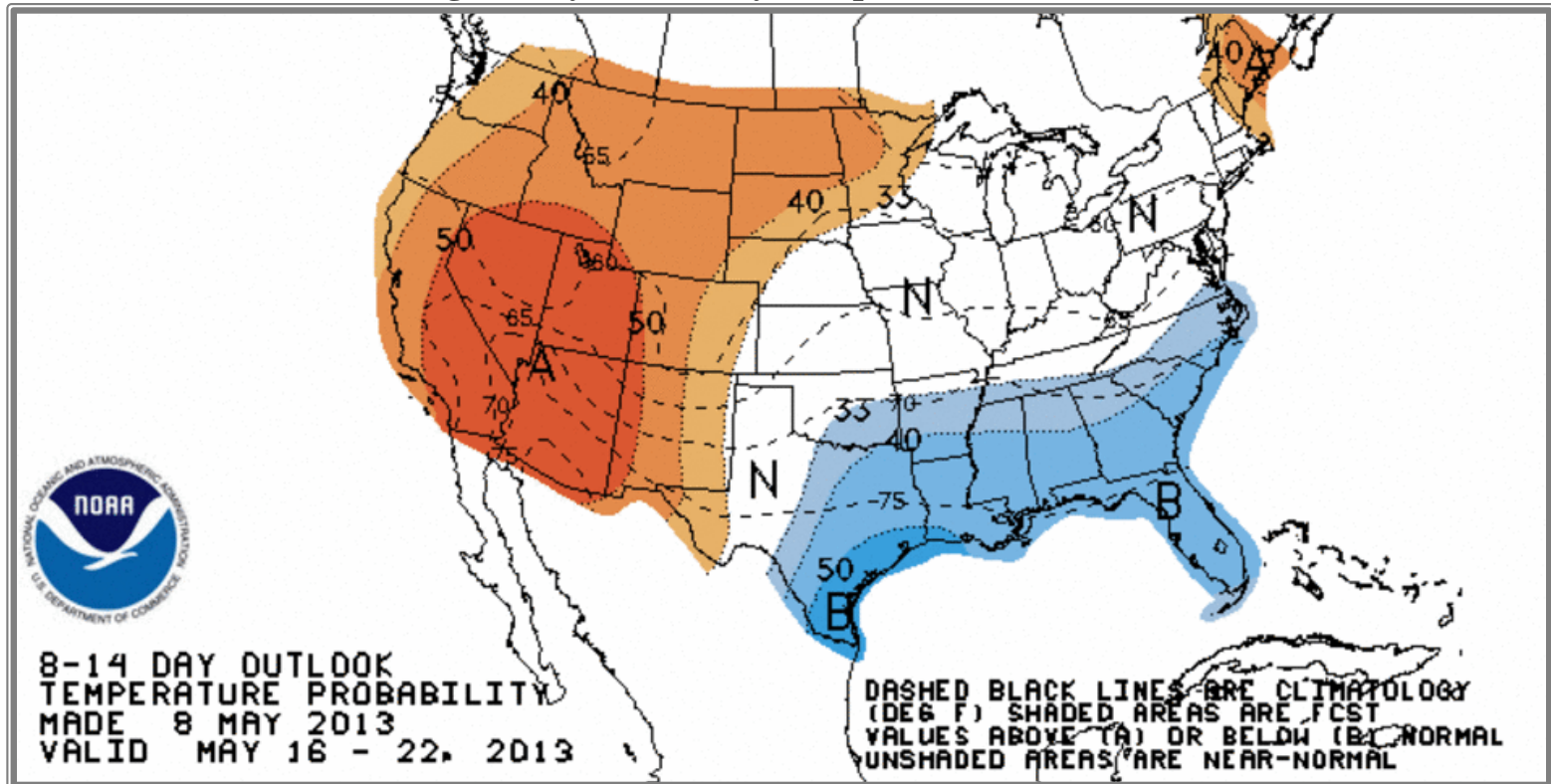
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

