



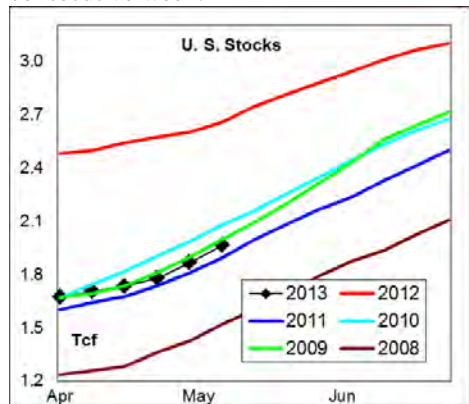
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

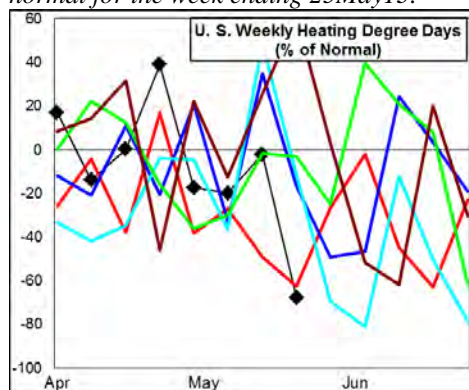
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Tuesday, May 21, 2013



Summary¹ The stock build of +99 Bcf for the week was a 5-year high for the 2nd consecutive week.



Heating degree days for the week ending 11May13 were -20% below normal, -2% below normal for the week ending 18May13 and forecast to be -68% below normal for the week ending 25May13.



In the East Region stocks increased +55 Bcf for the week, a build near 5-year weekly highs. Stocks increased +13 Bcf in the West Region, a build also near historic highs for the week. Stocks were +31 Bcf higher on the week in the Producing region, the 2nd consecutive weekly record build.

Heating degree days were -28% below normal in the East Region, -22% below normal in the West Region and +104% above normal in the Producing Region for the week ending 11May13.

Heating degree days were -20% below normal for the week ending 11May13, -2%

¹ Related Web Sites:

[Data Source is EIA Weekly Statistics](#)

[National Weather Service 6-10 Day](#)

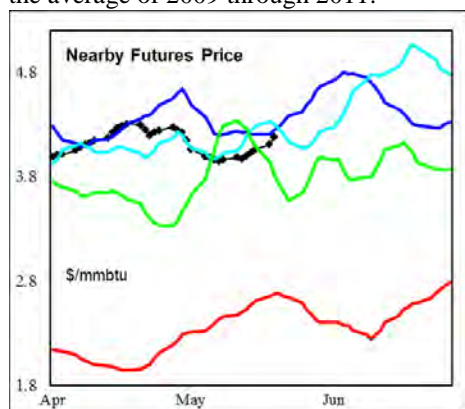
[National Weather Service 10-14 Day](#)

below normal for the week ending 18May13, and forecast to be -68% below normal for the week ending 25May13.

The 6-10 day NWS forecast for the week ending 30May13 is for below normal heating degree days in the eastern 2/3rds of the country.

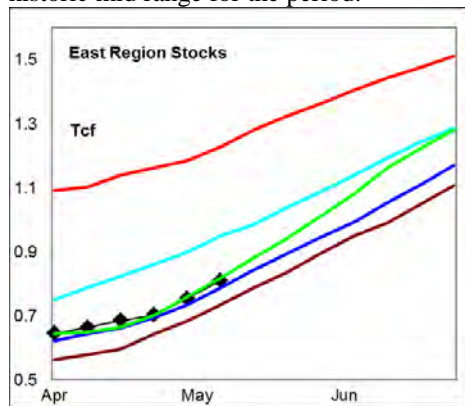
The 8-14 day NWS forecast for the week ending 03Jun13 is for below normal heating degree days in the eastern 2/3rds of the country.

Prices: Nearby gas futures prices increased +\$0.16/mmbtu for the week ending 21May13. 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.

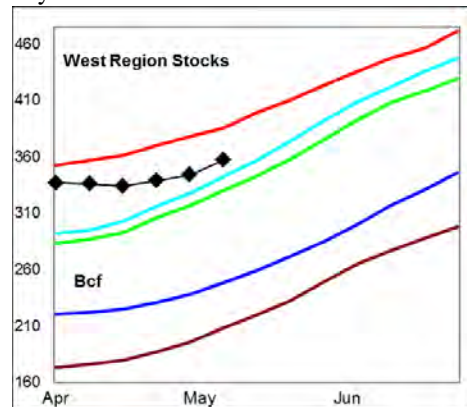
East Region stocks increased +55 Bcf for the week, a build near 5-year weekly highs. The current stock level matched the historic mid range for the period.



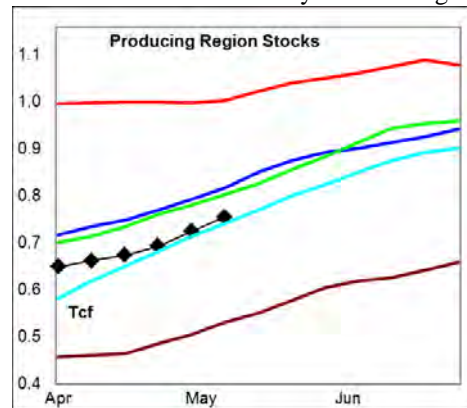
Heating degree days in the region were -28% below normal for the week ending 11May13, +9% above normal for the week ending 18May13, and forecast to be -73% below normal for the week ending 25May13. Heating degree days are forecast to be much below normal in the region for the next 10-days.

West Region stocks increased +13 Bcf last week, a build also near historic highs for

the week. Stock levels ended the week -7% below last year. Heating degree days were -22% below normal for the week ended 11May13, -53% below normal for the week ending 18May13, and forecast to be -38% below normal for the week ending 25May13. Heating degree days are forecast to be near normal for the next 10-days.



Producing Region stocks increased +31 Bcf for the week, the 2nd consecutive weekly record build. Stock levels ended the week well below the 5-year mid range.



Heating degree days were +104% above normal for the week ended 11May13, -17% below normal for the week ending 18May13, and forecast to be -87% below normal for the week ending 25May13. Well 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 -14% below last year.

Outlook: Stock builds for the last 2-wks were near record highs on mild temperatures and increased production. However, carry out stock levels are below the 5-year mid range. Start of the summer peak in gas powered electricity demand and below average stocks should provide support to prices.

NATURAL GAS: Graph Link and Weekly Summary



Report prepared as of: May 21, 2013

For the week ending: 10-May-13

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

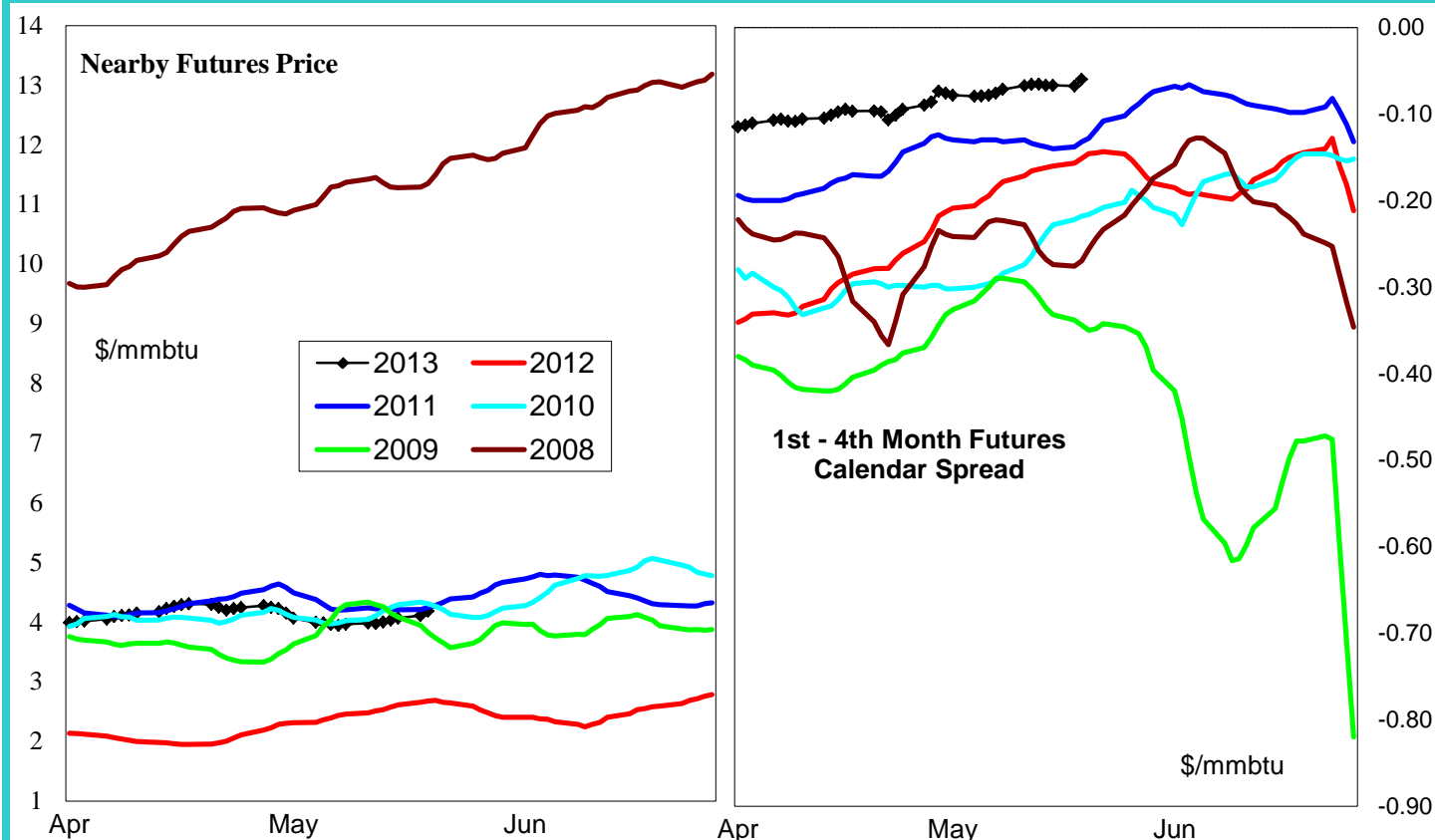
Week ending:	10-May-13			11-May-13		18-May-13		25-May-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,964	99	-26.1	-11	-20%	-1	-2%	-29	-68%
East	811	55	-34.0	-11	-28%	8	9%	-41	-73%
West	357	13	-7.3	-14	-22%	-25	-53%	2	-38%
Producing	796	31	-23.8	-9	104%	-21	-17%	-7	-87%

Seasonal Trends in Stocks and Heating Degree Days

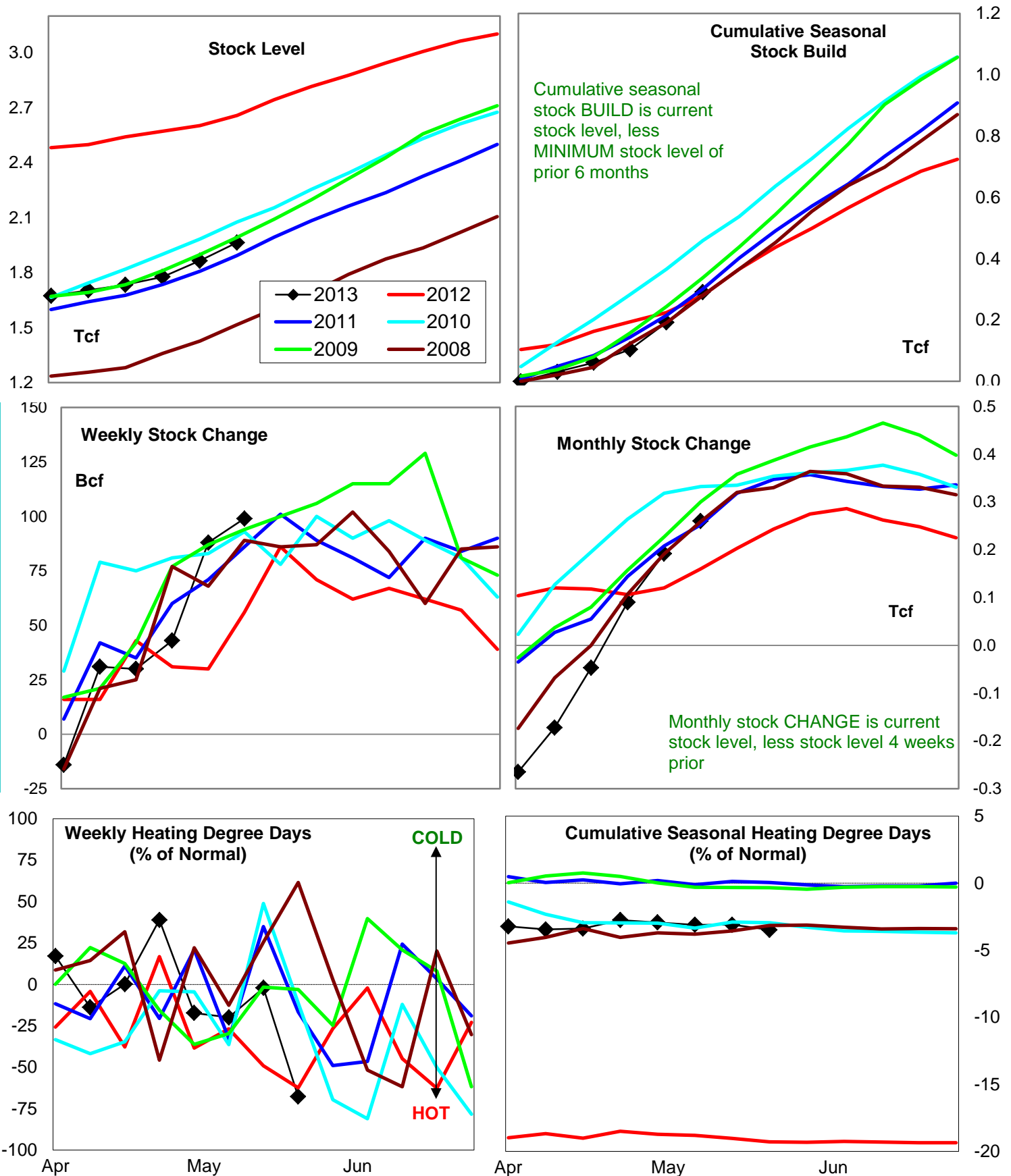
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	291	11	3.8	40	-3.1	39	-3.1	10	-3.5
East	165	-14	-8.5	42	-2.9	50	-2.8	9	-3.2
West	27	-14	-51.9	51	-3.6	26	-4.1	28	-4.4
Producing	106	27	25.5	29	-3.8	8	-3.9	1	-4.1

Futures Market Price Trends

Date:	21-May-13	Change vs prior week, month, year		
		15-May-13	24-Apr-13	30-May-12
1st month Futures	4.18	0.11	0.01	1.77
% change	xxxxx	2.7	0.3	73.1



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-694

43

100

11

Percent Change (%)

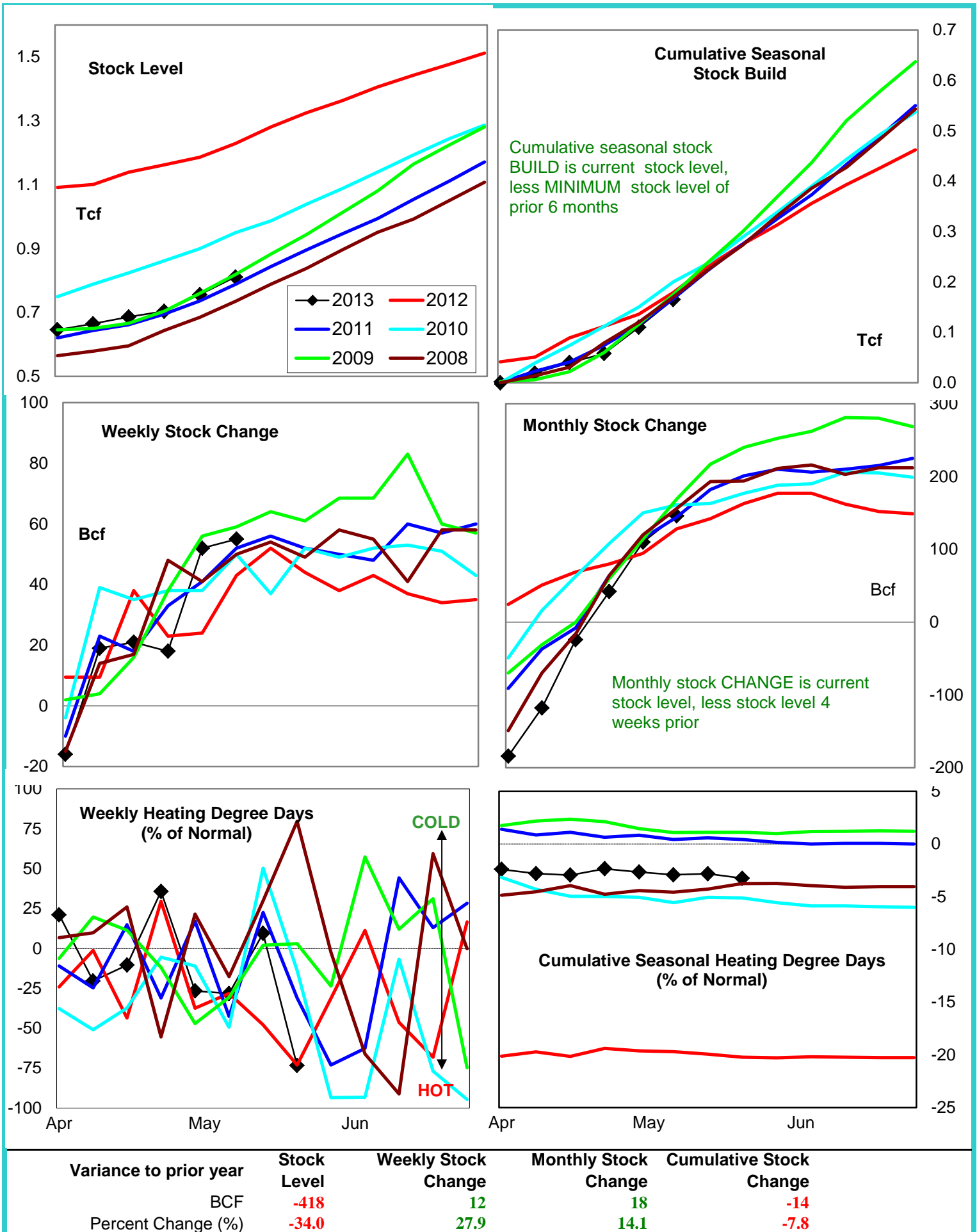
-26.1

76.8

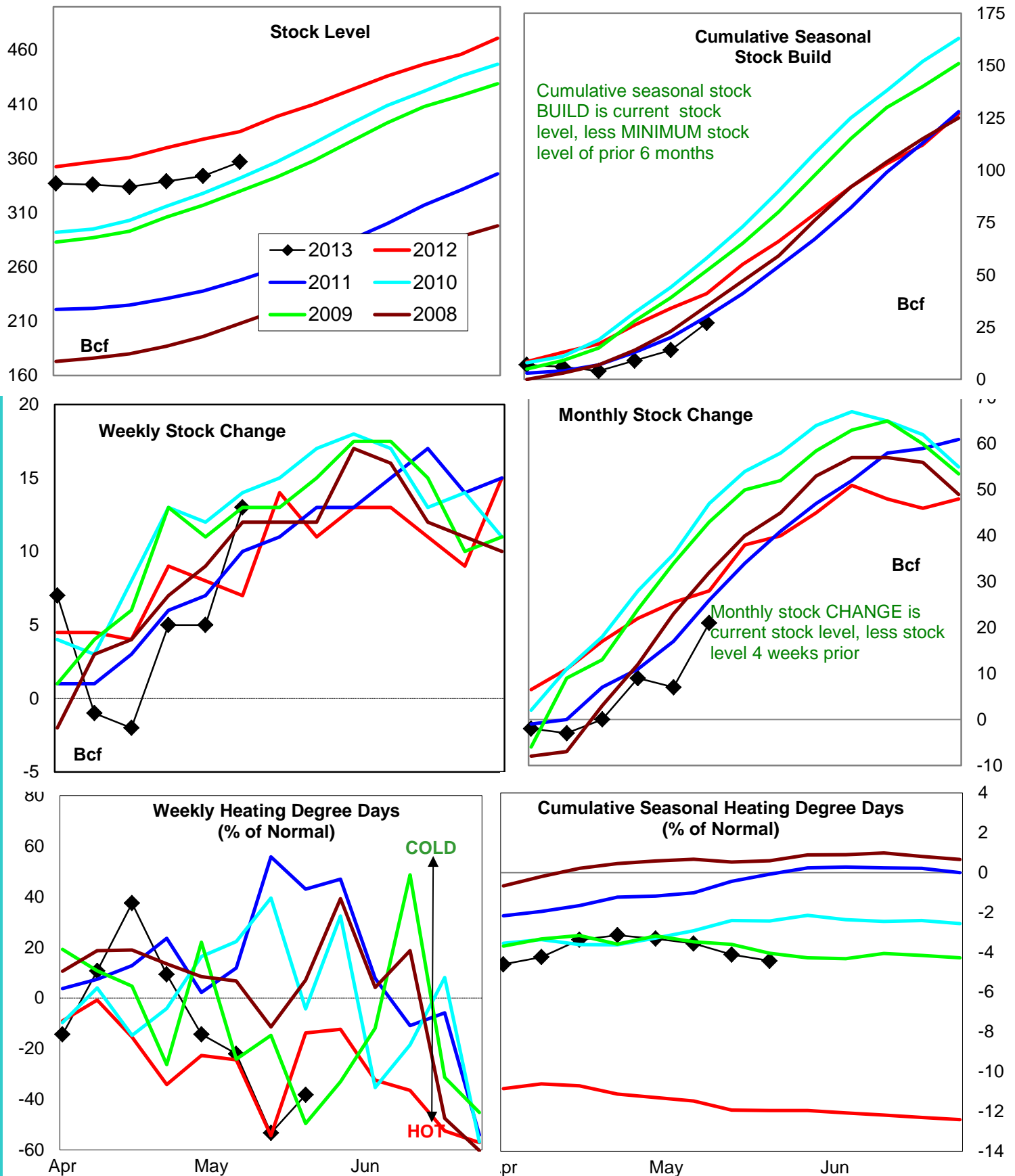
62.5

3.9

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

-28

6

-7

-14

Percent Change (%)

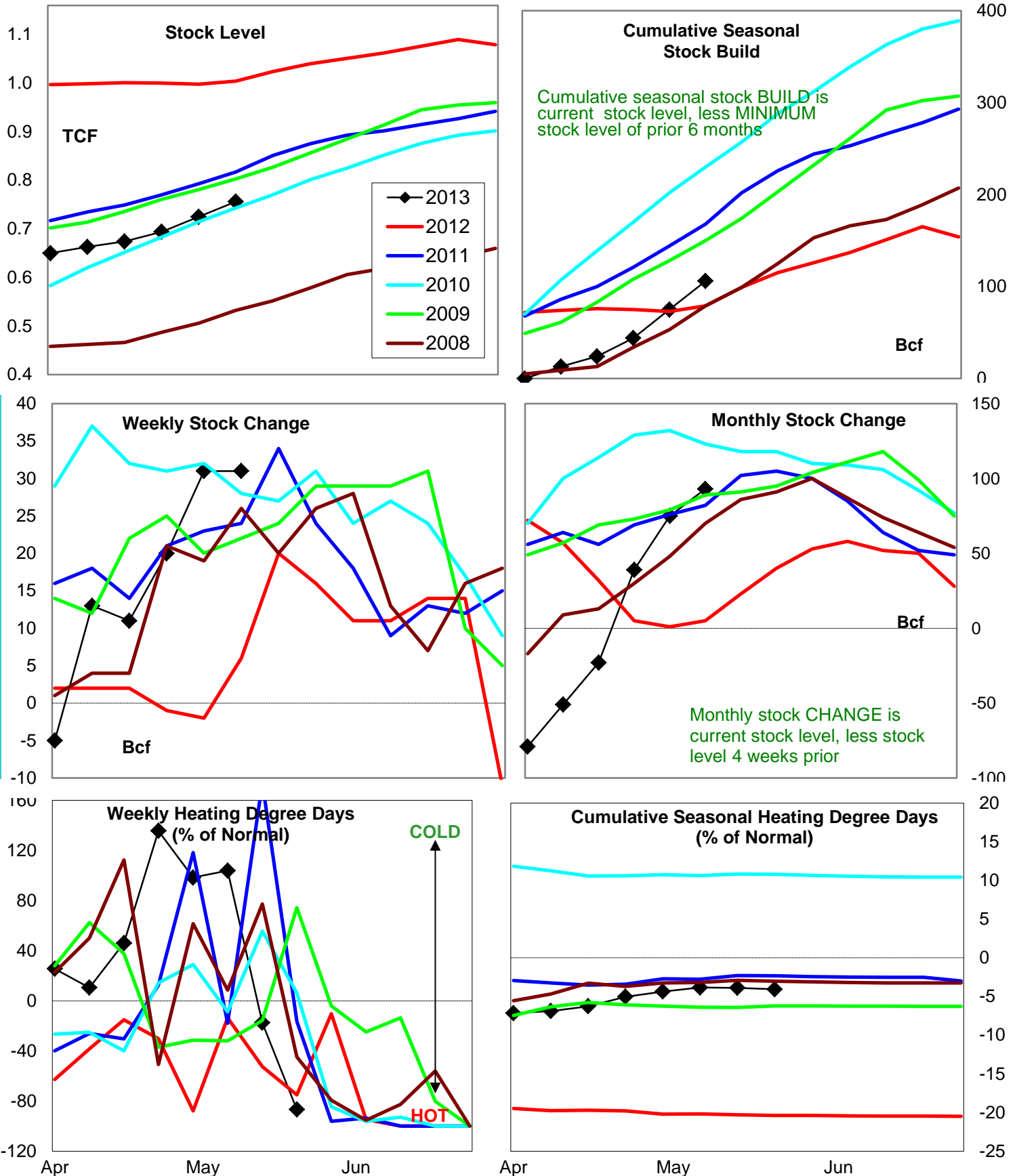
-7.3

85.7

-25.0

-34.1

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-248

25

88

27

Percent Change (%)

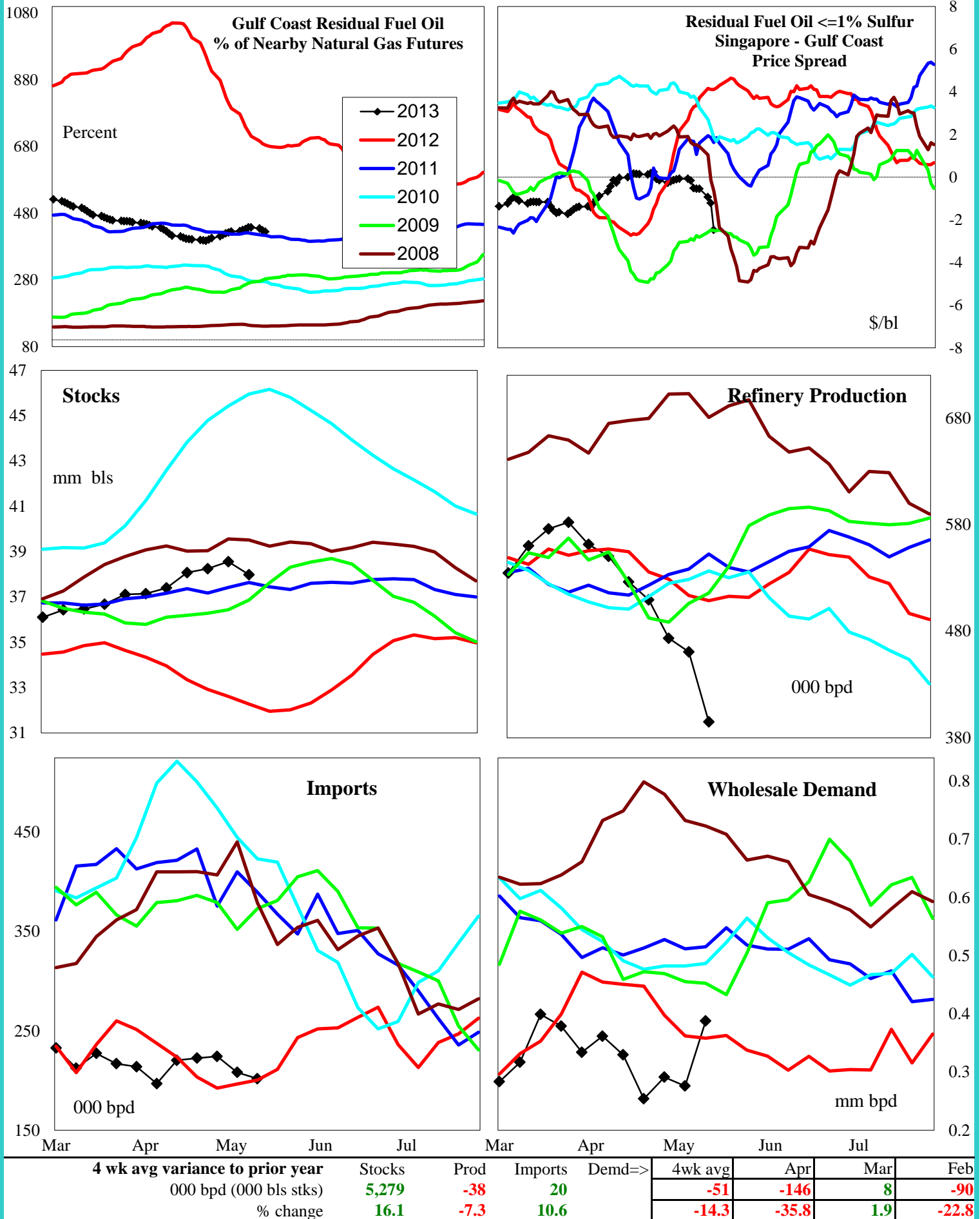
-23.8

416.7

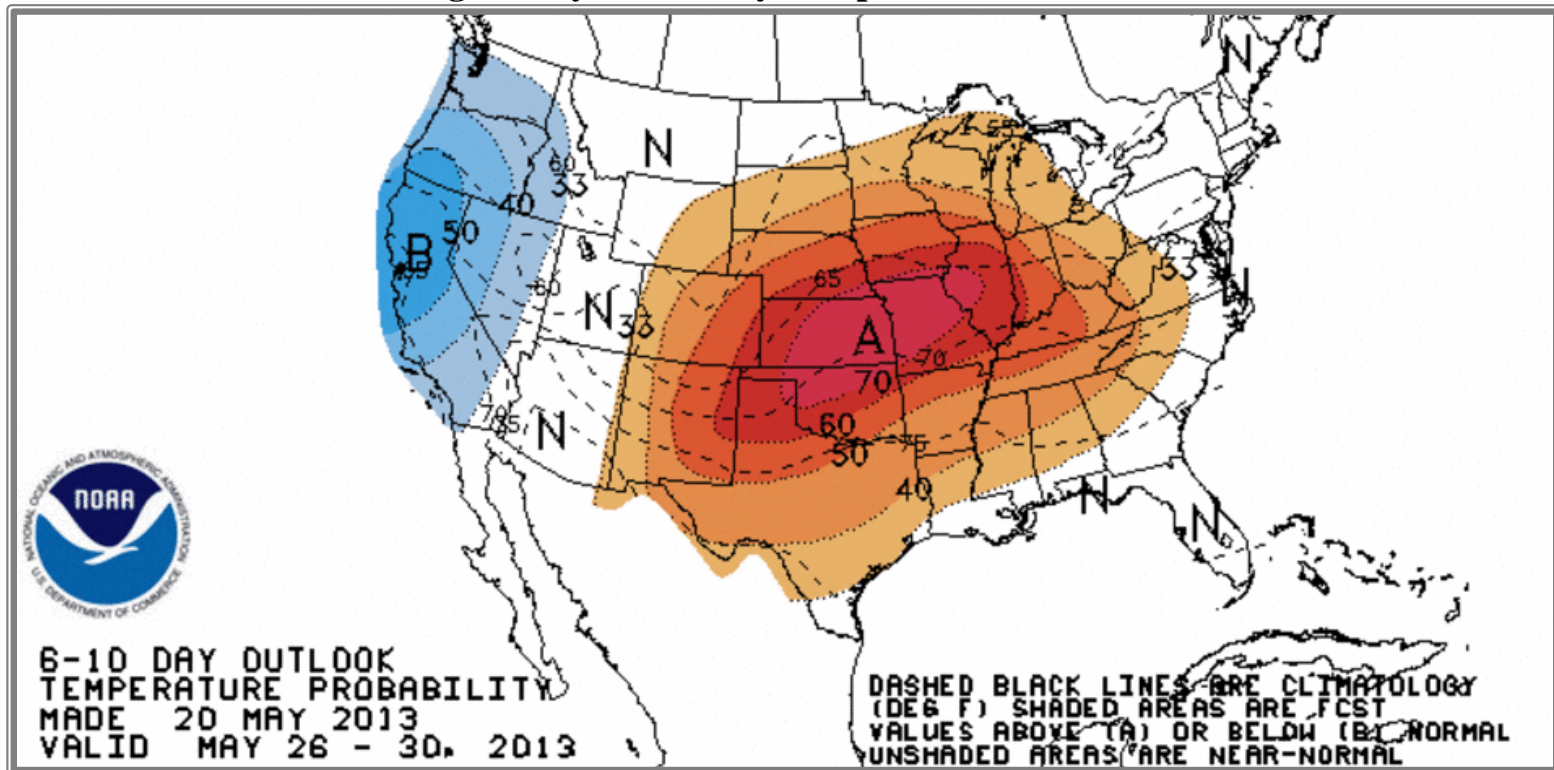
1,760.0

34.2

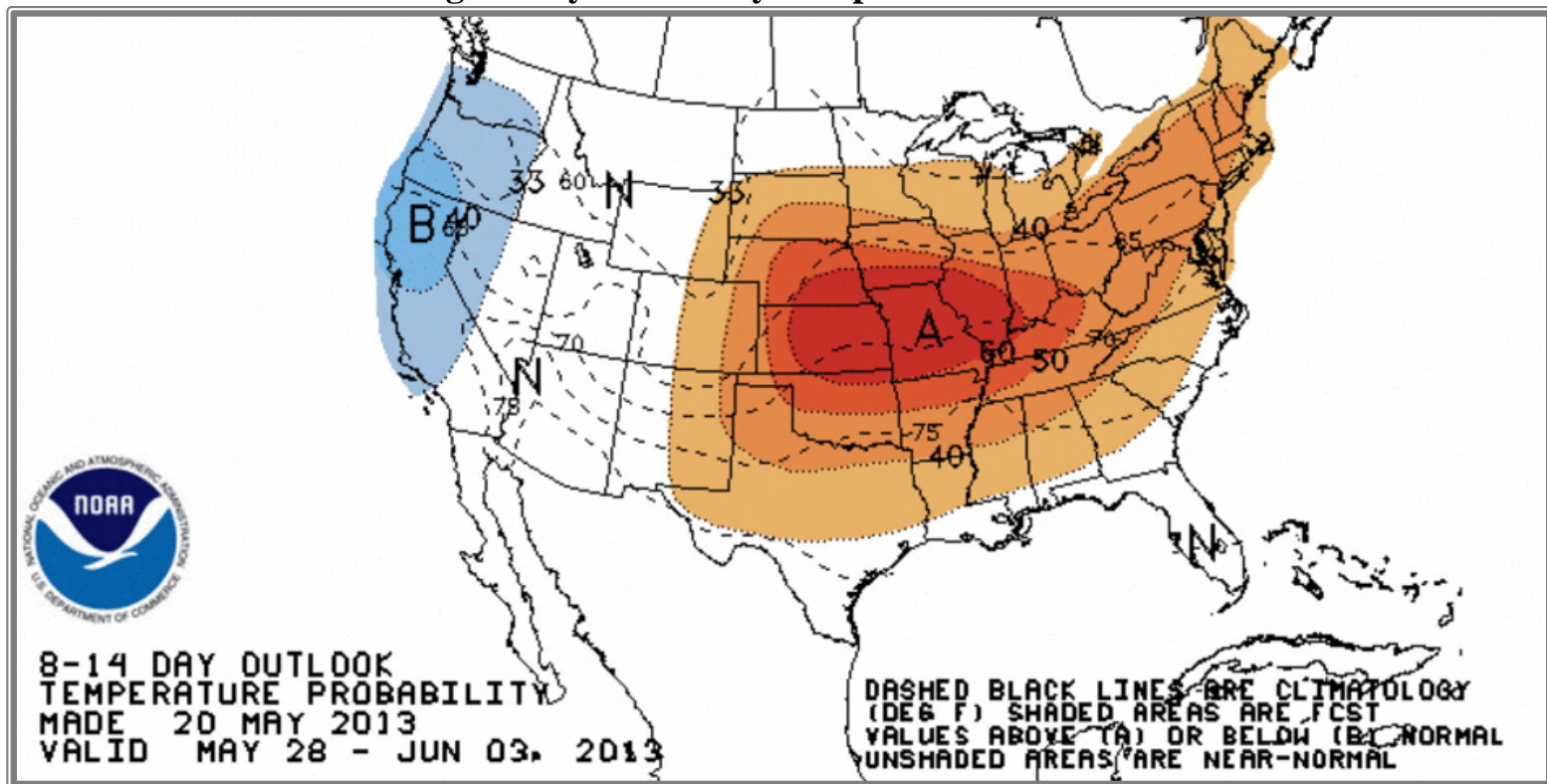
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

