



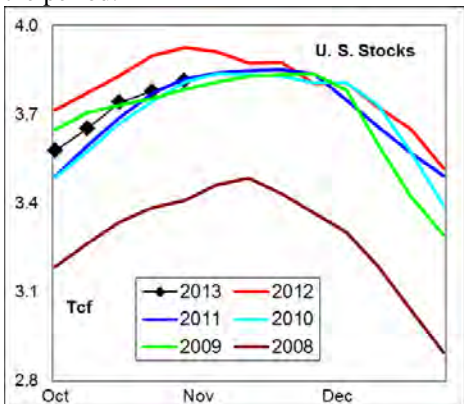
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

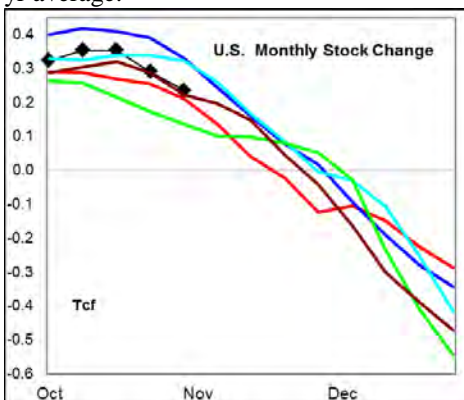
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Tuesday, November 12, 2013



Summary¹ The stock build of +35 Bcf for the week matched the 5-yr mid range for the period.



The latest 4-wk stock change was a build of 244 Bcf, a level comparable to the 5-yr mid range, although less than the latest 3-yr average.



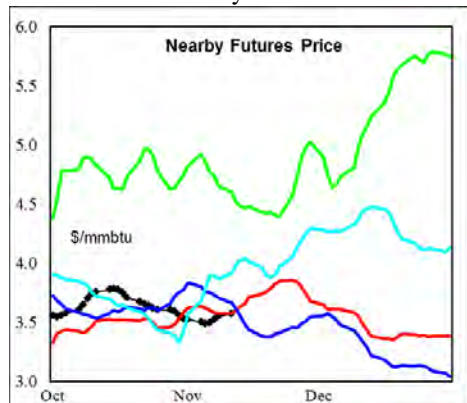
In the East Region stocks increased +10 Bcf for the week, a build at the low end of the 5-yr range for the week. Stocks increased +3 Bcf in the West Region, a build at the low end of the historic range for the week. Stocks were +22 Bcf higher on the week in the Producing region, a build equal to the 3-yr mid range.

Heating degree days were below normal across the eastern 2/3rds of the country last week.

The 6-10 day NWS forecast for the week ending 21Nov13 is for below normal heating degree days across the eastern 1/2 of the country.

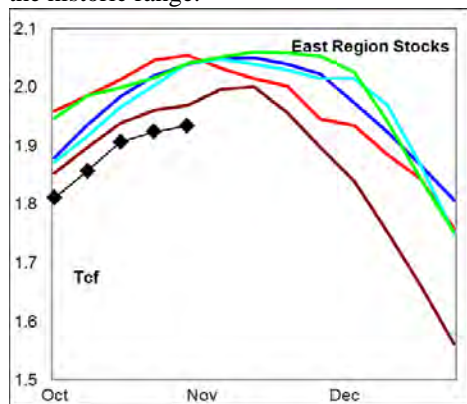
The 8-14 day NWS forecast for the week ending 25Nov13 is for above normal heating degree days across southeastern 1/3rd of the country.

Prices: Nearby gas futures increased +\$.04/MMBTU for the week ending 11Nov13. The current price level ended the week at a level which matched 3-yr lows for this time of year.



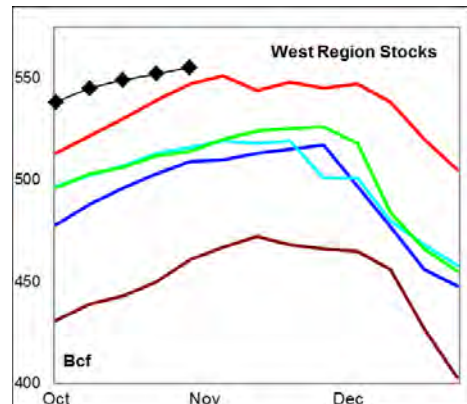
The 1st - 4th month forward price curve trended higher last week ending at record low 'carry' in the forward price curve.

East Region stocks increased +10 Bcf for the week, a build at the low end of the 5-yr range. The current stock level is -5.8% below last years' record high; and below the historic range.

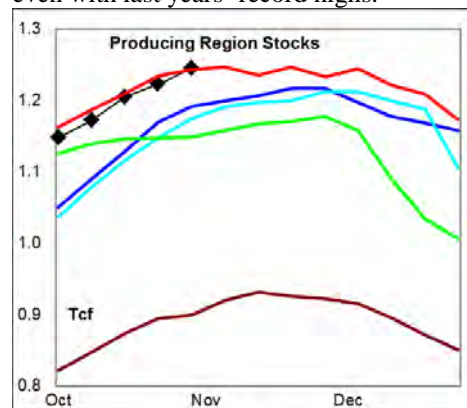


Heating degree days are forecast to be below normal in the region for the next week, then increase to above normal by late in the month.

West Region stocks increased +3 Bcf last week, a build at the low end of the historic range. Stock levels ended the week +1.5% above last years' record high. Heating degree days are forecast to be slightly below normal for the next 10-days.



Producing Region stocks increased +22 Bcf for the week, a build equal to the 3-yr mid range. Stock levels ended the week even with last years' record highs.



Below normal heating degree days are forecast for the next week then increase to above normal by late in the month.

Residual Fuel Oil Switching: The price spread between fuel oil and natural gas remains highly favorable for gas, with residual fuel demand -30% below last year.

Outlook: Heating degree days are forecast to be below normal across the eastern 1/2 of the country for the next week, then increase to above normal by late in the month.

U.S. stock levels are -2.9% below last year's record highs, due in part to a lack of weather disruptions in the Gulf this hurricane season. As a result, the monthly rate of stock building is comparable to the 5-yr mid range.

With the market very well supplied, prices match 5-yr lows for this time of year. The forecast of slightly above normal heating degree days during Thanksgiving week in the eastern 1/2rd of the country should provide support to prices.

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: November 12, 2013

For the week ending: 1-Nov-13

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

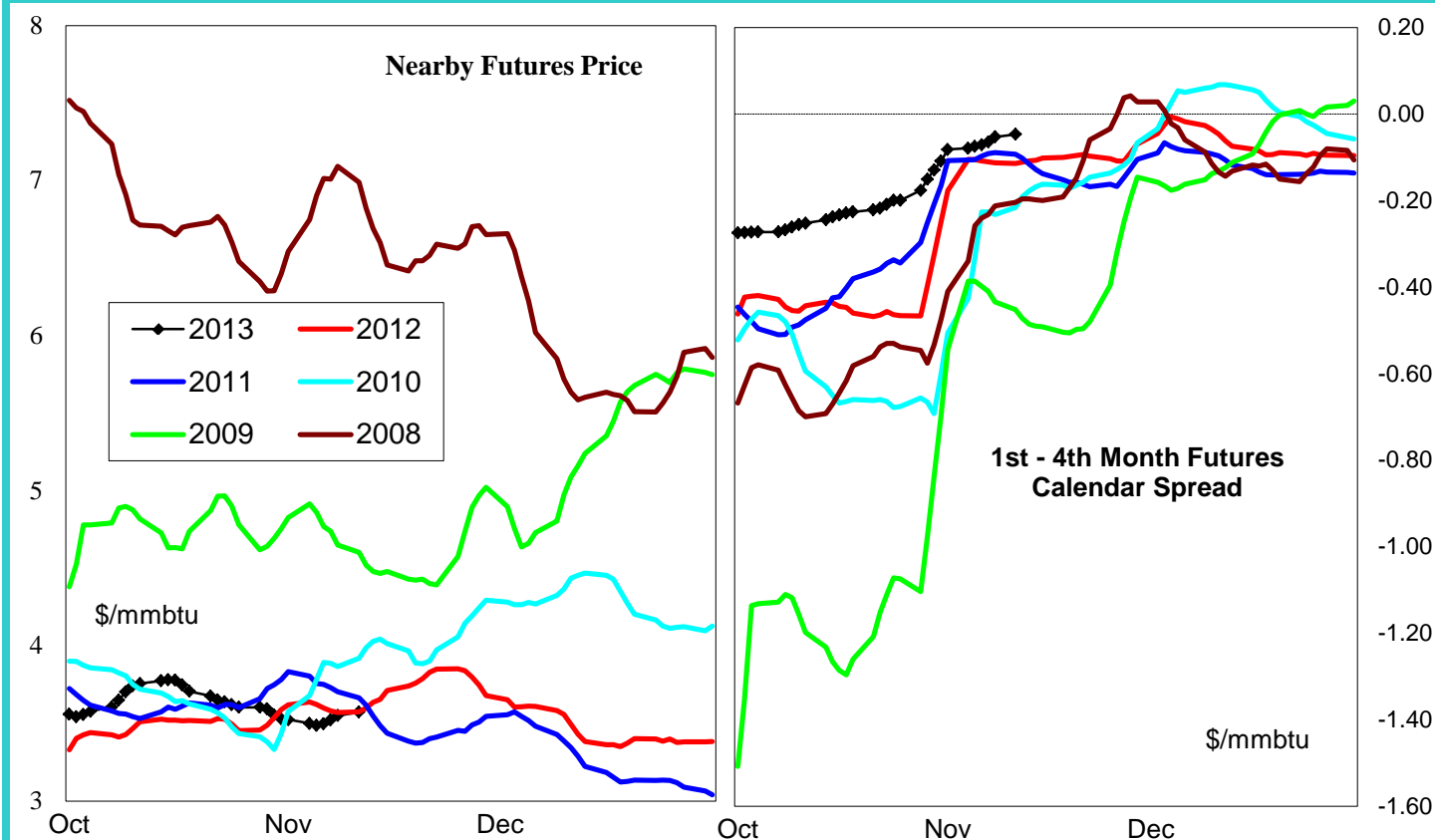
Week ending:	1-Nov-13			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,814	35	-2.9	-14	-45%	-2	-33%	-3	-77%
East	1,974	10	-5.8	-17	-39%	-2	-18%	-4	-74%
West	555	3	1.5	-12	-58%	-2	-55%	-5	-78%
Producing	1,285	22	0.1	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

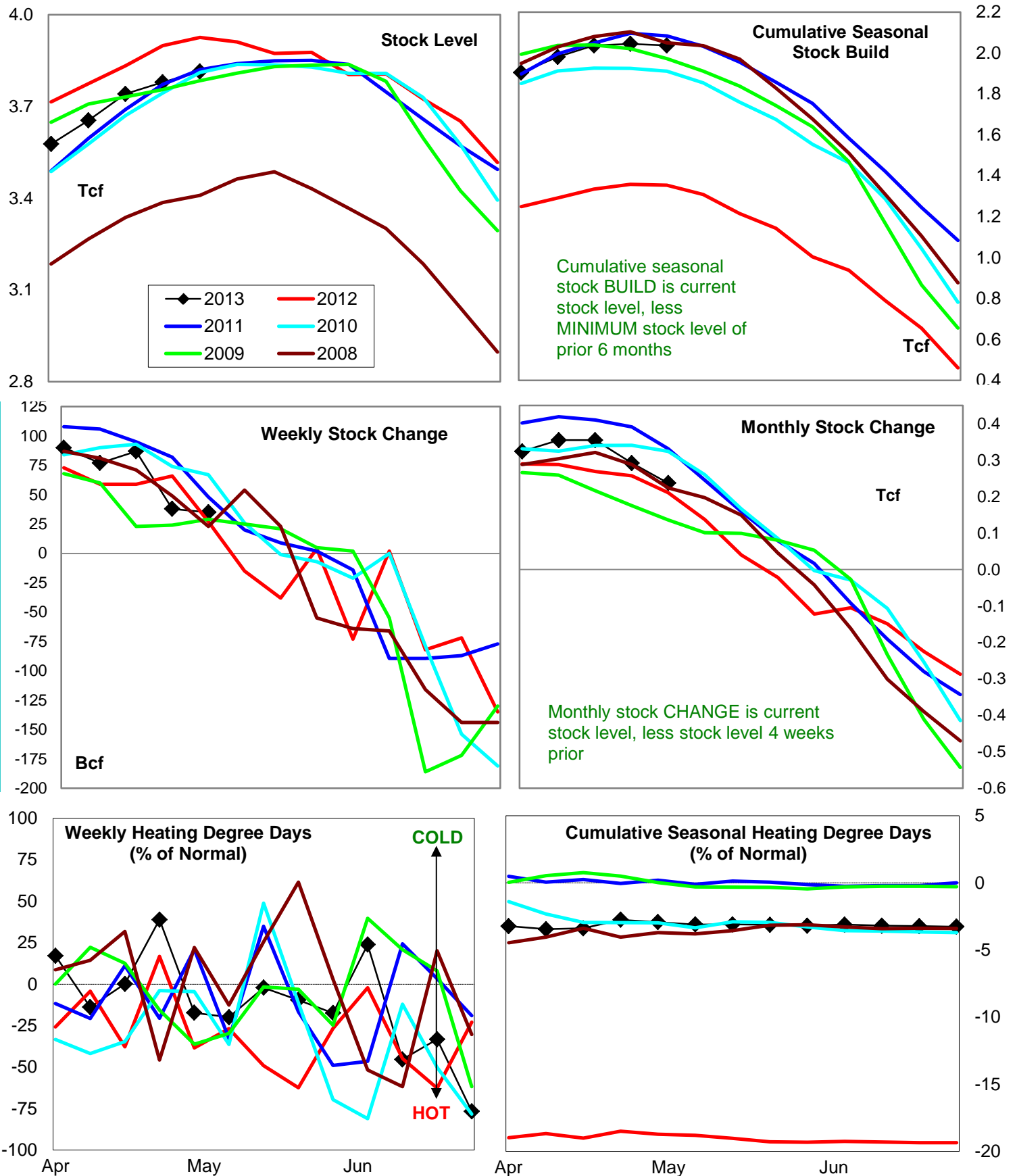
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	2,037	683	33.5	6	-3.2	4	-3.2	1	-3.3
East	1,270	337	26.5	6	-2.9	4	-2.9	1	-2.9
West	216	39	18.1	10	-4.6	8	-4.7	3	-4.9
Producing	551	305	55.4	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

Date:	11-Nov-13	Change vs prior week, month, year		
		5-Nov-13	15-Oct-13	21-Nov-12
1st month Futures	3.57	0.11	-0.22	-0.33
% change	xxxxx	3.1	-5.7	-8.4



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-112

8

26

683

Percent Change (%)

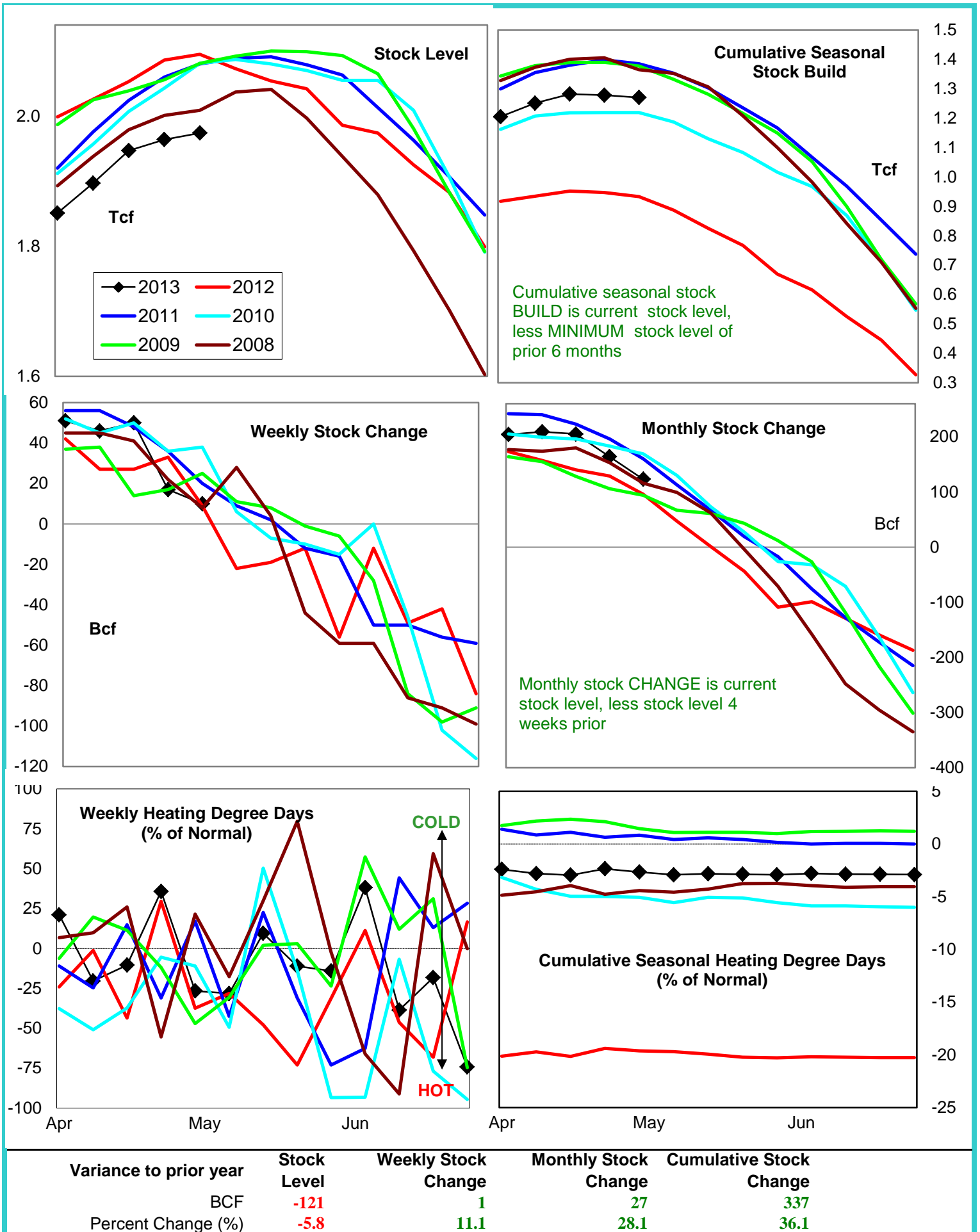
-2.9

29.6

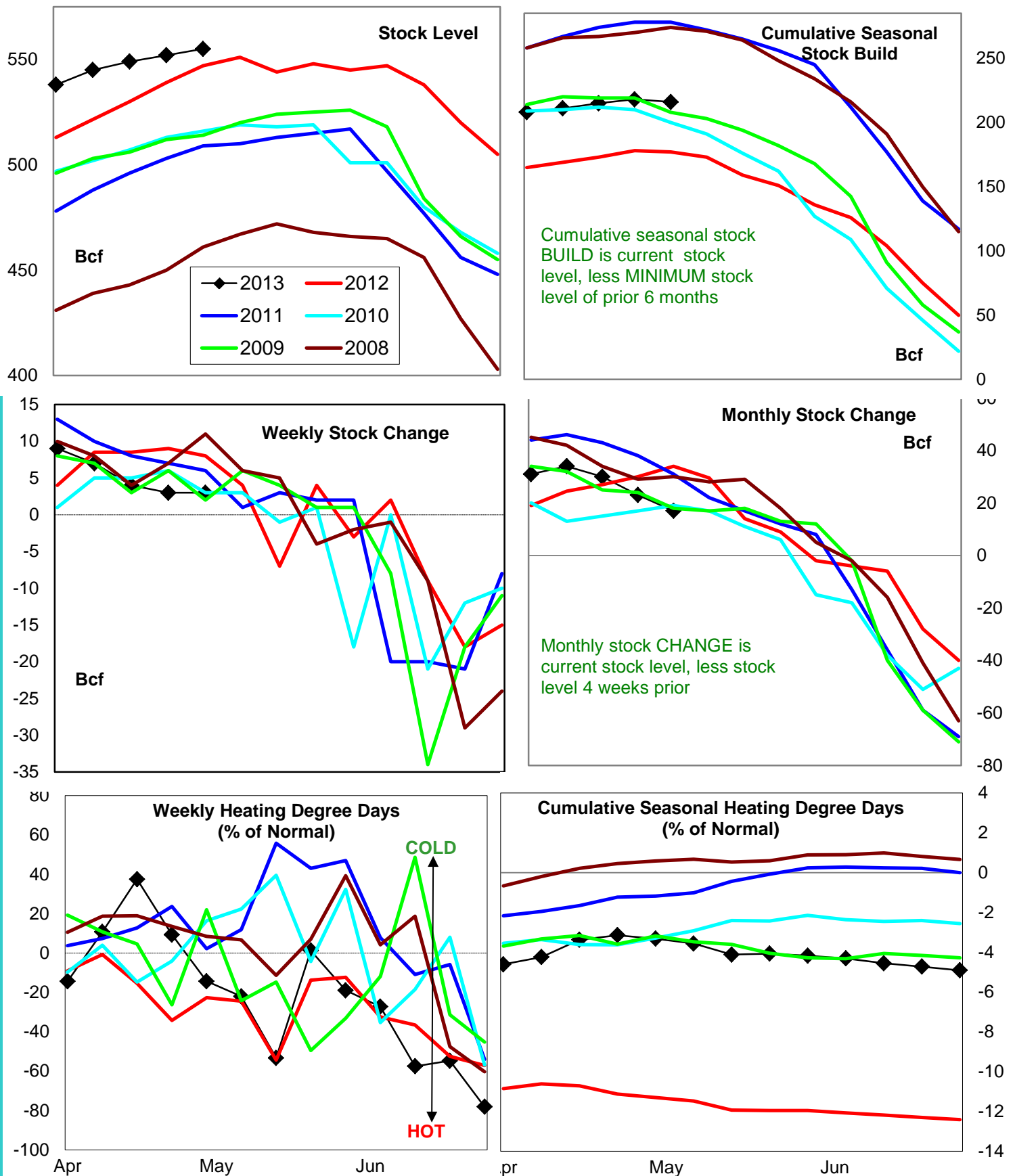
12.3

50.4

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

8

-5

39

Percent Change (%)

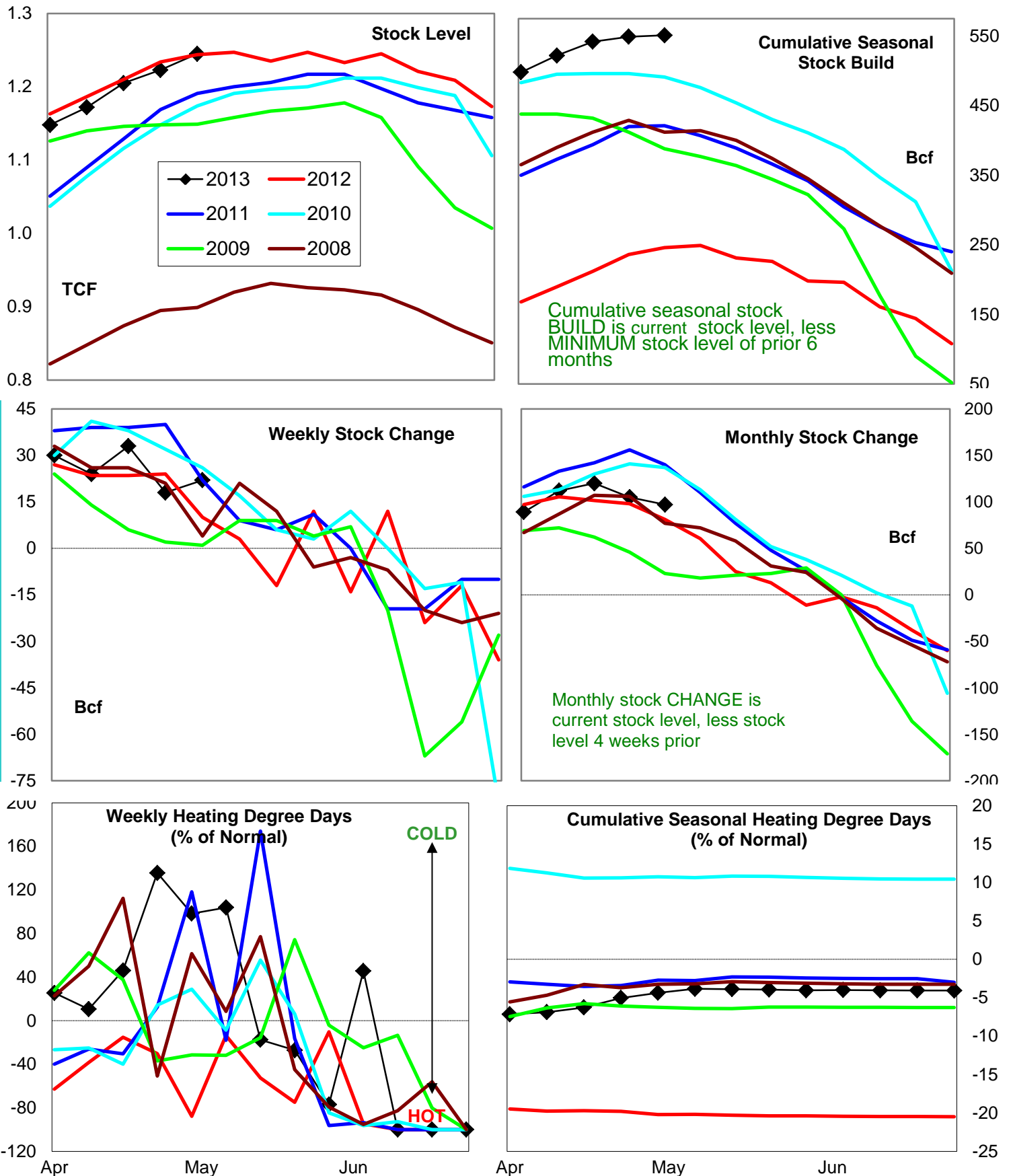
1.5

-62.5

-50.0

22.0

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

1

12

16

305

Percent Change (%)

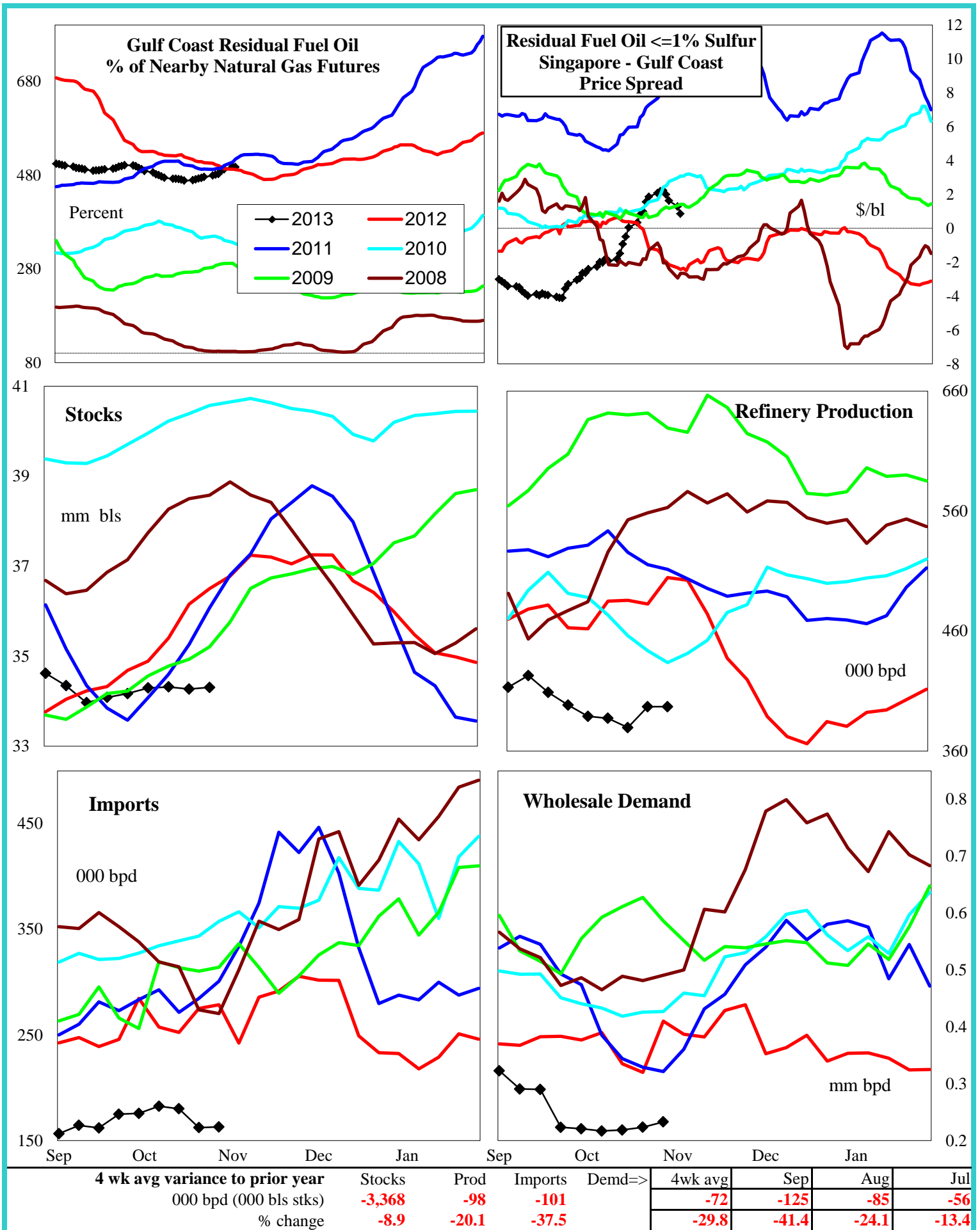
0.1

120.0

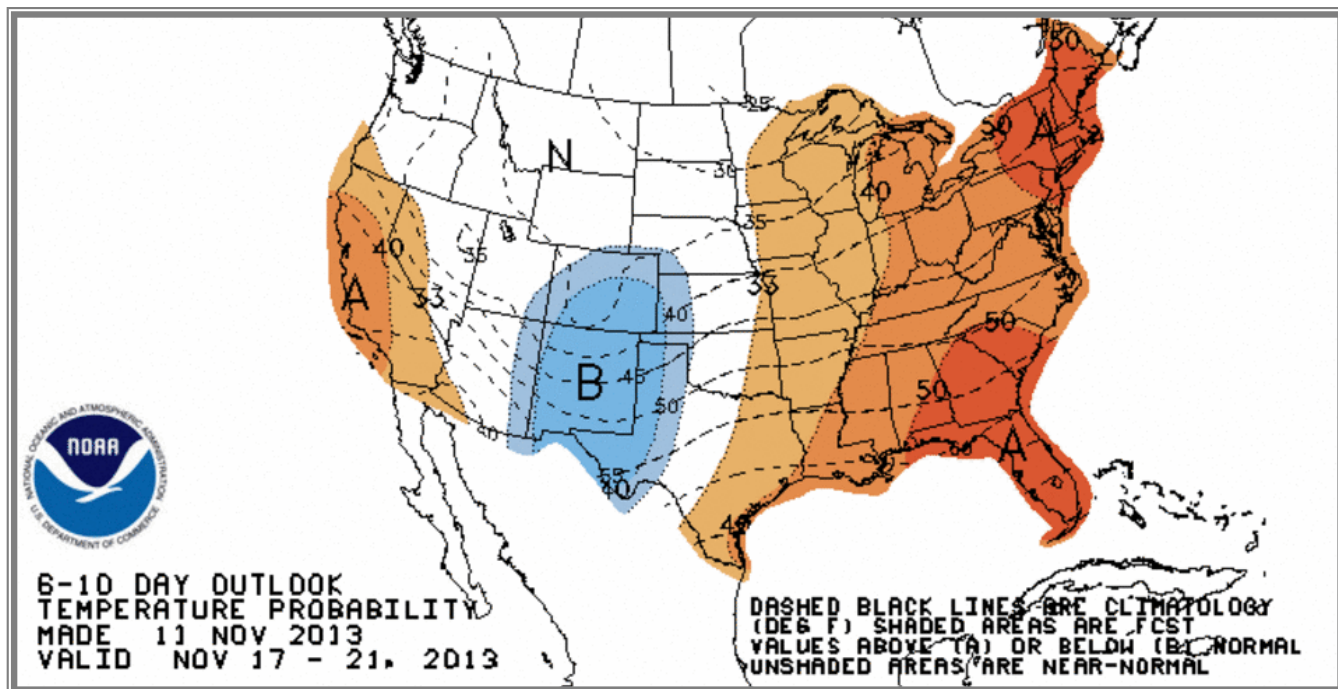
19.8

124.0

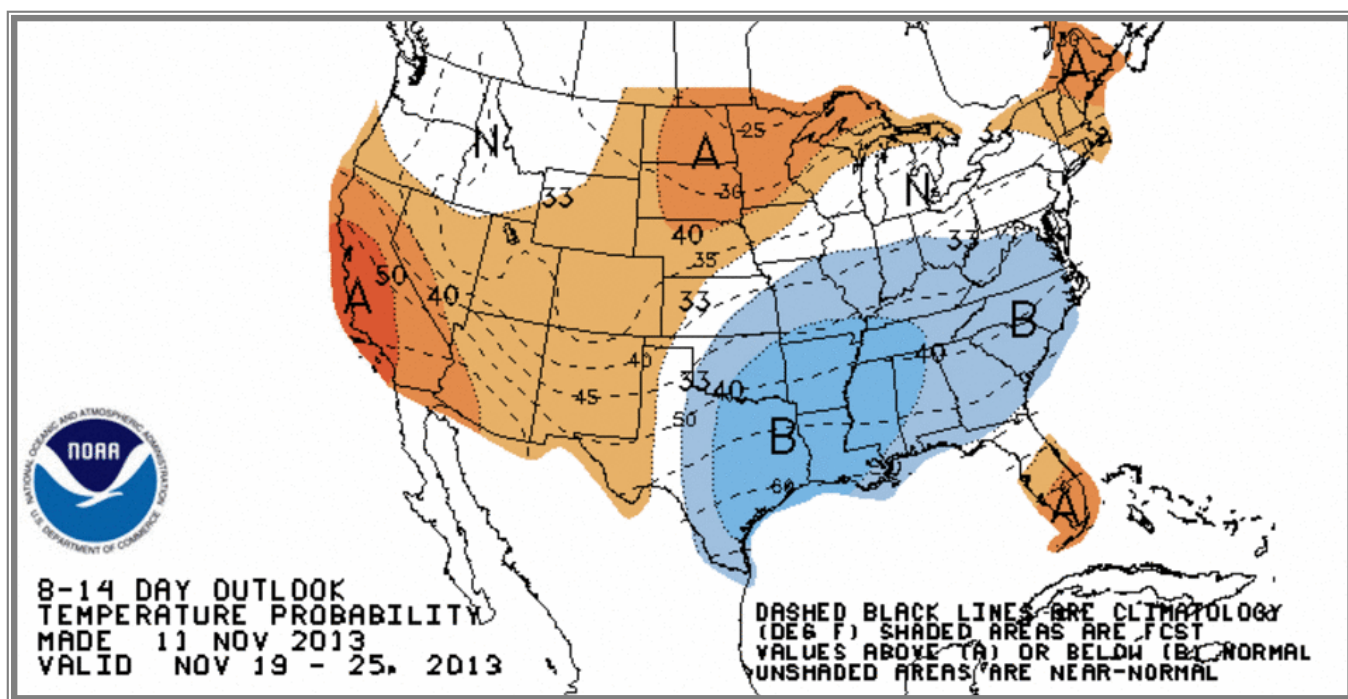
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

