



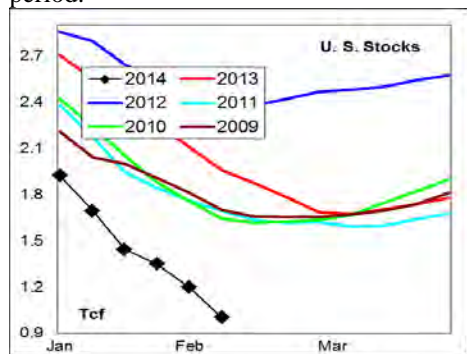
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

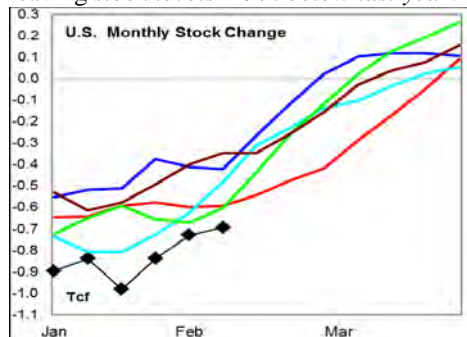
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, March 17, 2014



Summary ¹ The stock draw of -195 Bcf for the week was a record draw for the period.



The latest 4-wk stock change was a draw of -692 Bcf, a record draw for the period; leaving stock levels -49% below last year.



In the East Region stocks decreased -95 Bcf for the week, a record draw for the period. Stocks decreased -21 Bcf in the West Region, representing five of six record weekly draws for the region. Stocks decreased -79 Bcf on the week in the Producing region, a record draw for the period.

Note: heating degree charts in the report are not current with data under revision.

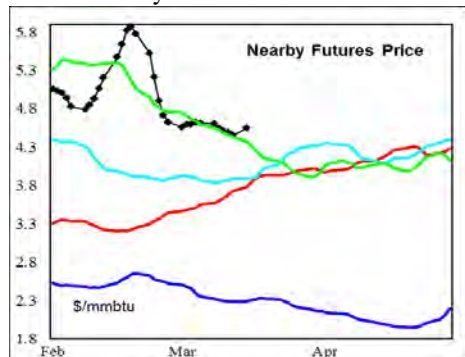
Heating degree days were above normal East of the Rockies for the week ending 14Mar14; which should lead to a larger than average draw in the upcoming EIA report.

The 6-10 day NWS forecast for the week ending 26Mar14 is for sharply above normal heating degree days in the eastern 2/3rds of the country and above normal in

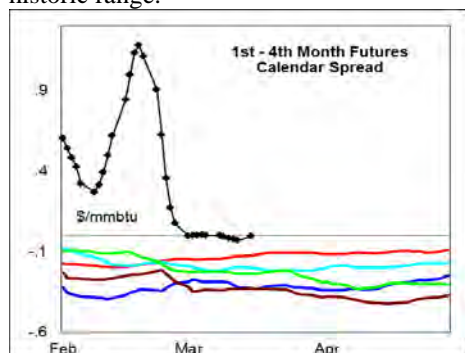
the southwest.

The 8-14 day NWS forecast for the week ending 30Mar14 is for well above normal heating degree days across 2/3rds of the country and below normal in the southwest.

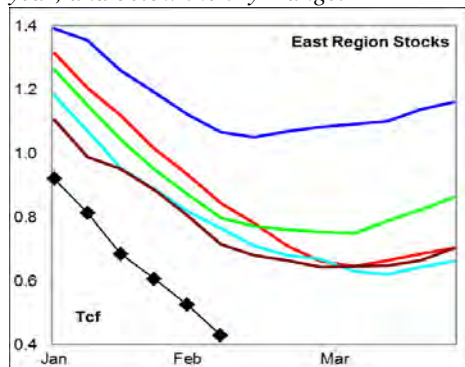
Prices: Nearby gas futures decreased - \$0.11/mmbtu for the week ending 17Mar14. A seasonal decline in heating degree days, although above normal, underlies the modest price downtrend in the last 10-days.



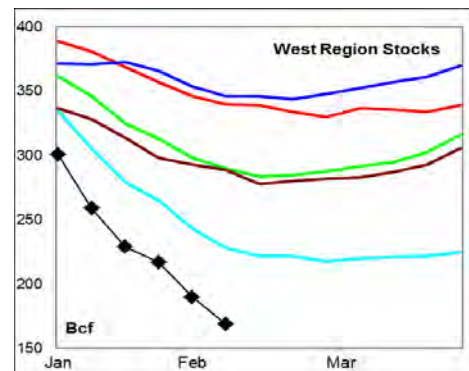
The 1st - 4th month forward price curve traded flat last week at a level above the historic range.



East Region stocks decreased -95 Bcf for the week, a record draw for the period. The current stock level is -49% below last year, and below the 5-yr range.

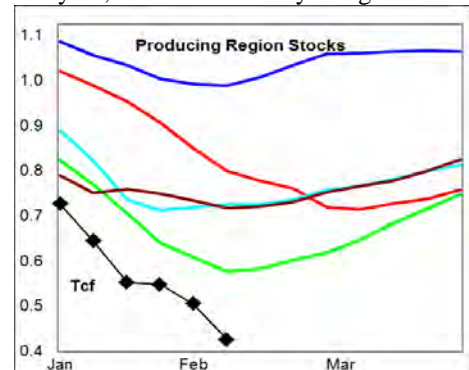


Heating degree days were above normal in the prior week, above normal in the week just ended week and forecast to be sharply above normal for the next 10-days.



West Region stocks decreased -21Bcf last week, representing five of six record weekly draws for the region. Stock levels ended the week -50% below last year, and well below the 5-yr range. Heating degree days are forecast to be below normal for the next 10-days. Stocks have dropped to very low levels in this region, even with much below heating degree days during the winter quarter.

Producing Region stocks declined -79 Bcf for the week, a record draw for the period. Stock levels ended the week -48% below last year, and below the 5-yr range.



Above normal heating degree days are forecast for the next 10-days in the region.

Residual Fuel Oil Switching: The price spread between fuel oil and natural gas may favor residual fuel in some local eastern markets where pipeline capacity constraints exist.

Outlook: Stock levels in all regional markets are nearly -50% below last year, and at record lows. With continued above normal heating degree days forecast through month end, stock levels should end the heating season at levels which can not be rebuilt over the next 6-months. Look for ongoing support to prices through the next 2-quarters.

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: March 17, 2014

For the week ending: 7-Mar-14

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

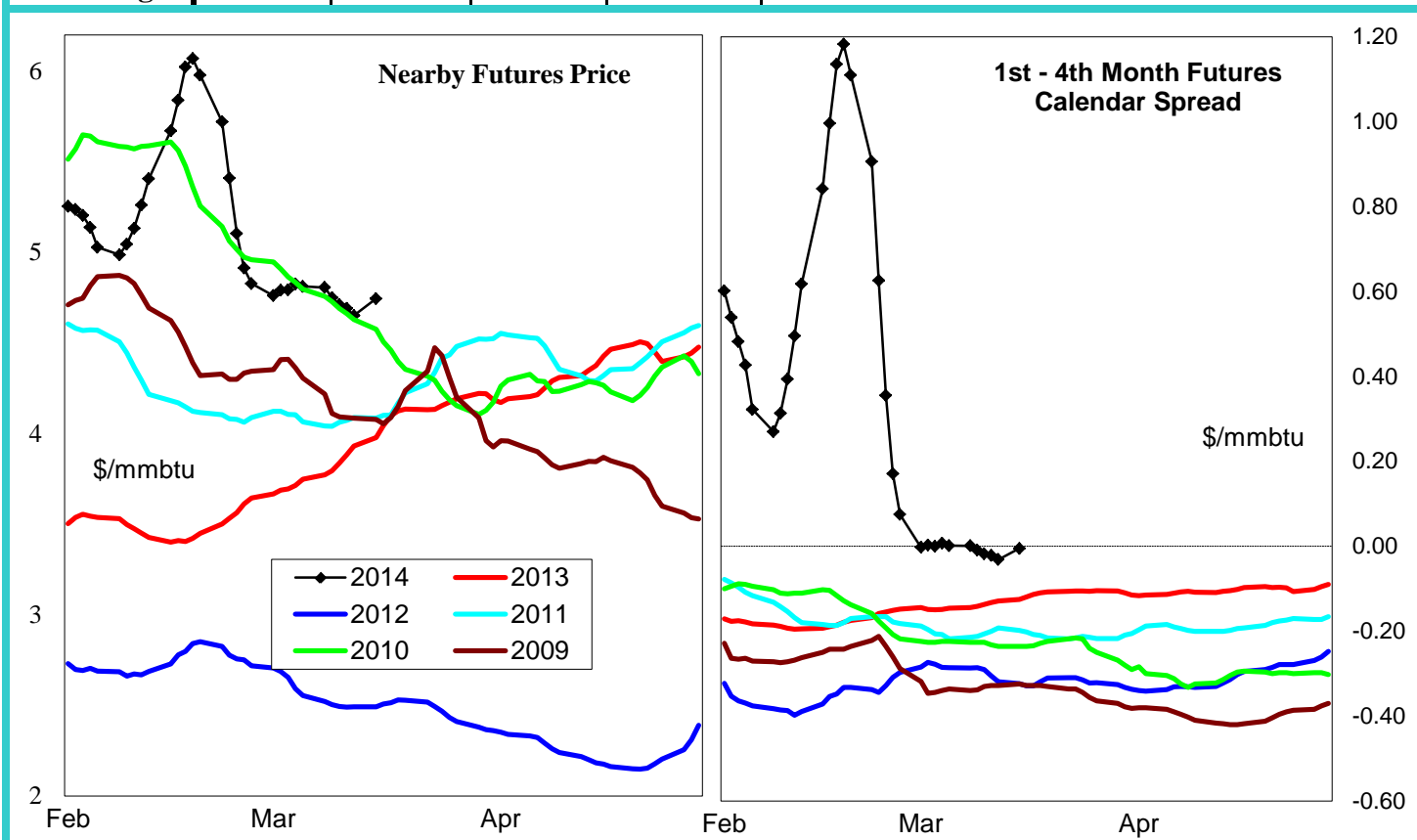
Week ending:	7-Mar-14			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
		Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
	Bcf	Week Bcf	Year (%)						
U.S. Total	1,001	-195	-48.9	-14	-45%	-2	-33%	-3	-77%
East	430	-95	-49.0	-17	-39%	-2	-18%	-4	-74%
West	169	-21	-50.3	-12	-58%	-2	-55%	-5	-78%
Producing	402	-79	-48.2	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

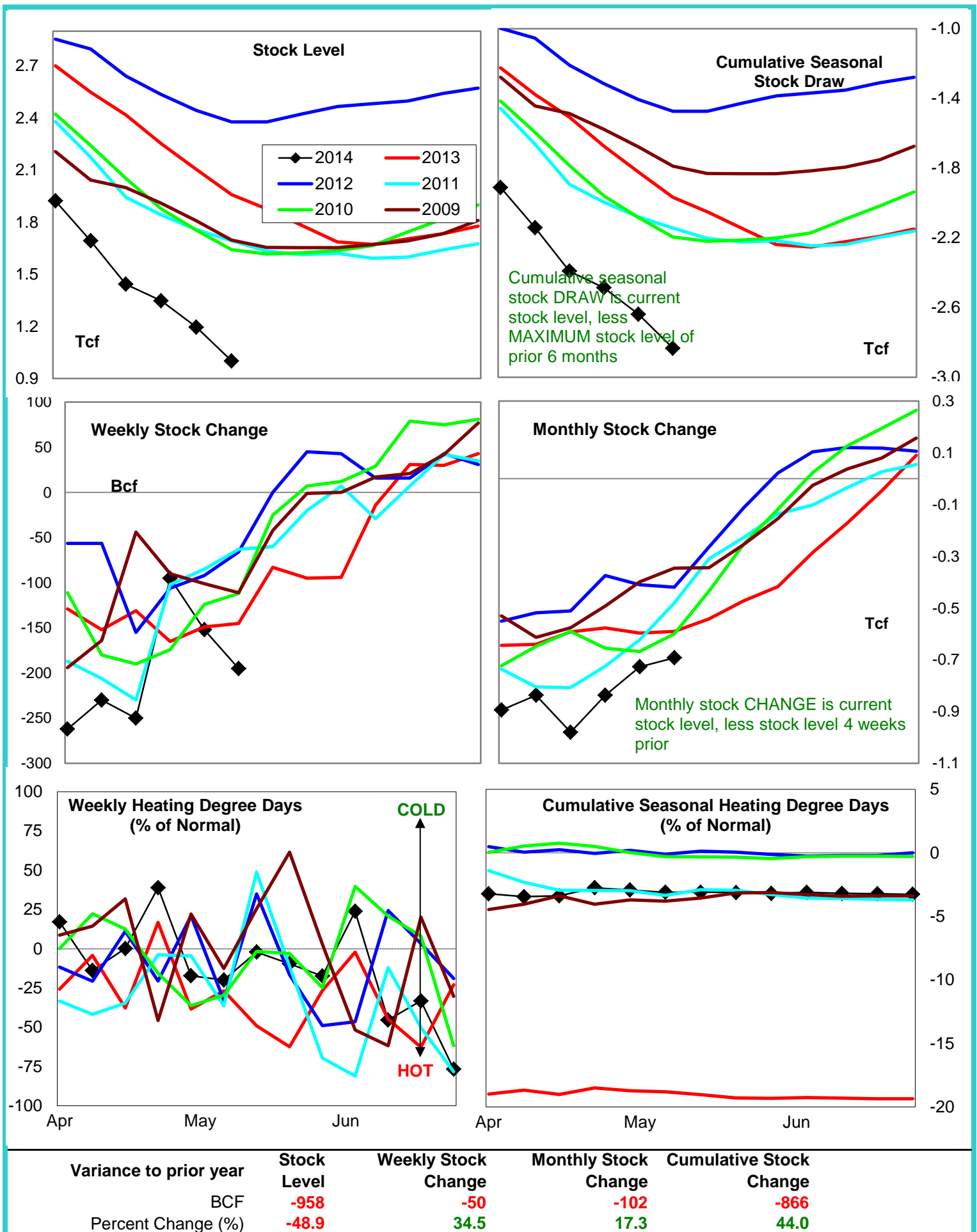
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-2,833	-866	30.6	6	-3.2	4	-3.2	1	-3.3
East	-1,554	-302	19.4	6	-2.9	4	-2.9	1	-2.9
West	-386	-175	45.3	10	-4.6	8	-4.7	3	-4.9
Producing	-895	-384	42.9	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

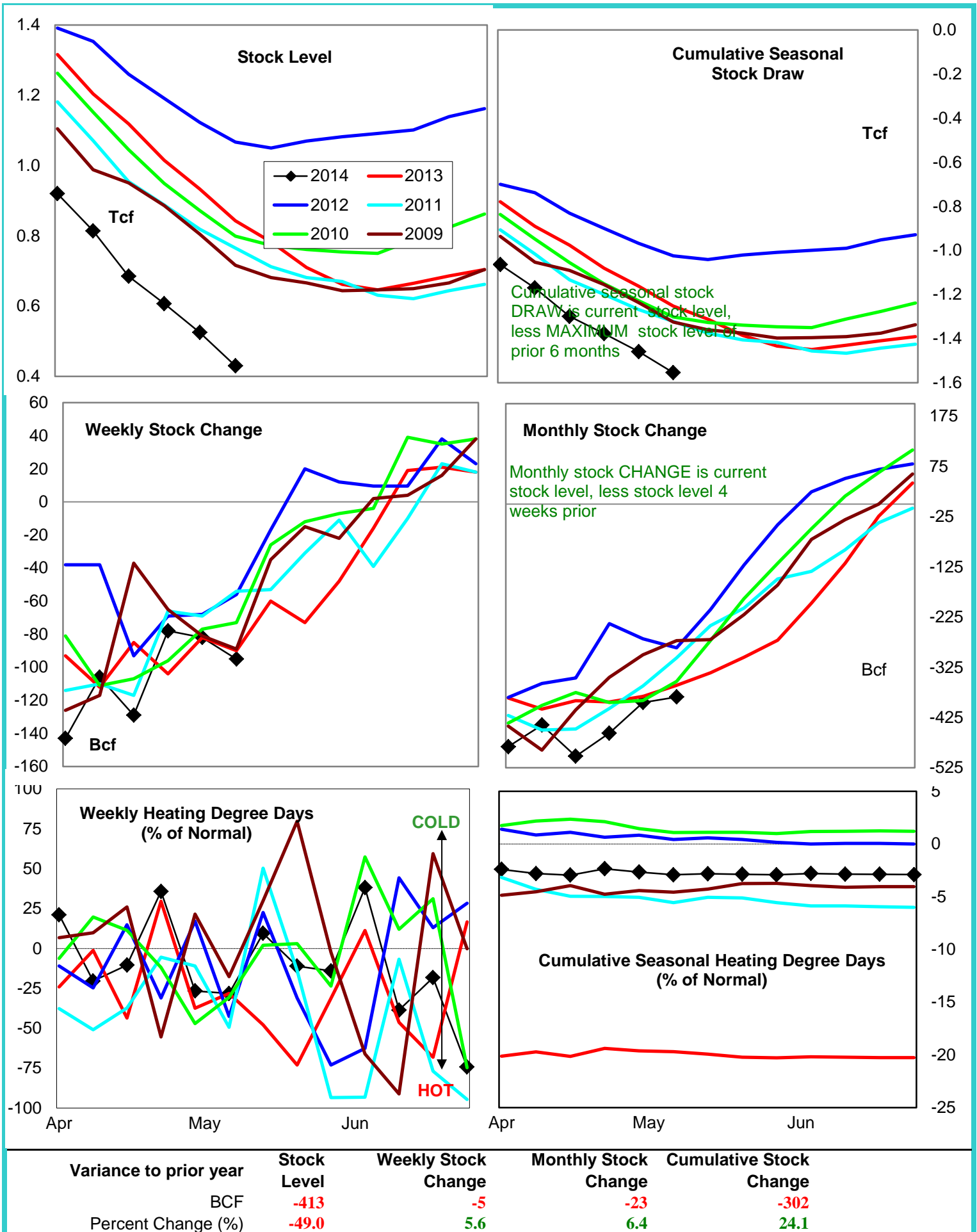
Date:	30-Apr-14	Change vs prior week, month, year		
		24-Apr-14	3-Apr-14	9-May-13
1st month Futures	4.54	-0.06	-1.01	0.52
% change	xxxxx	-1.3	-18.1	12.9



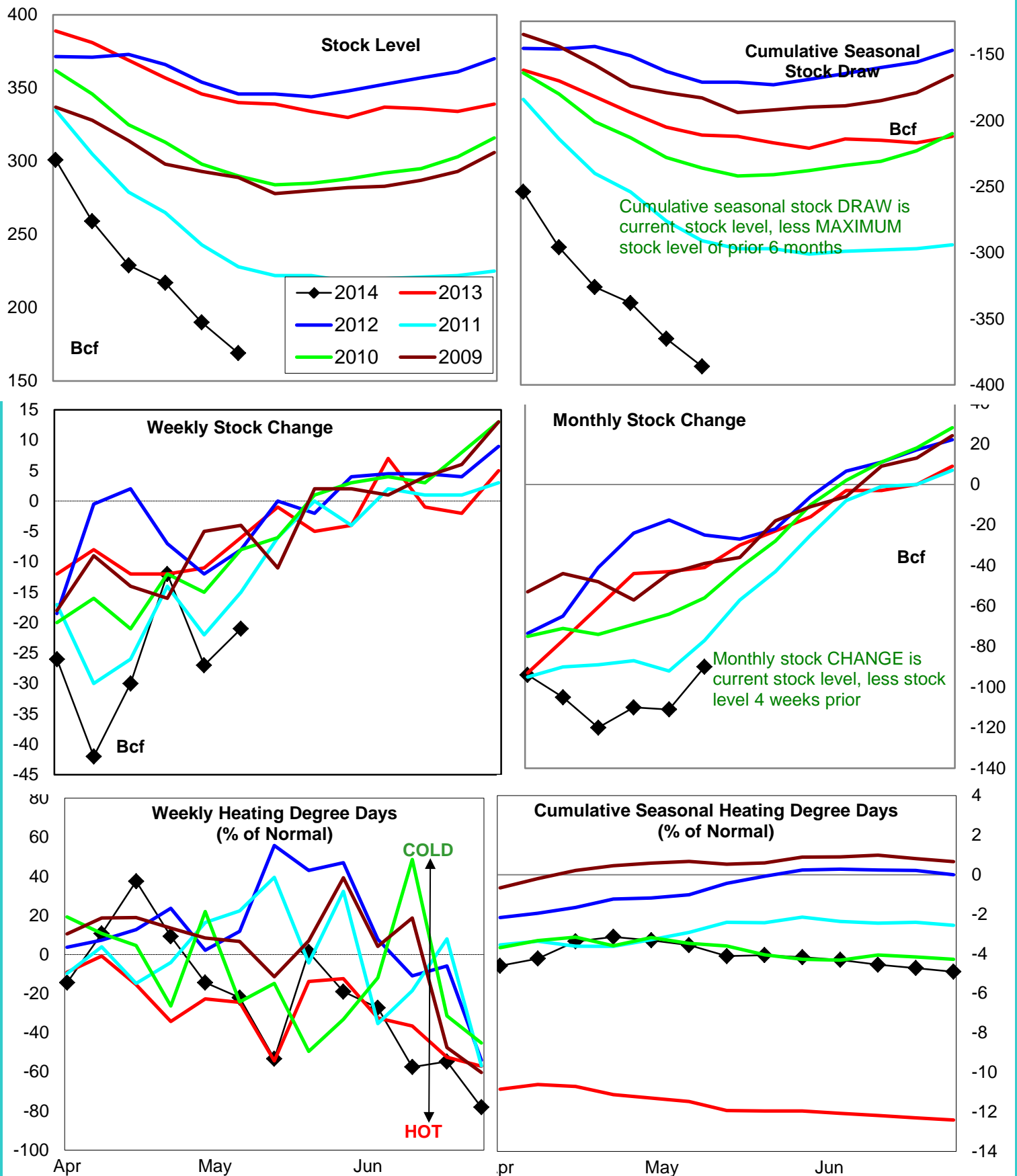
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



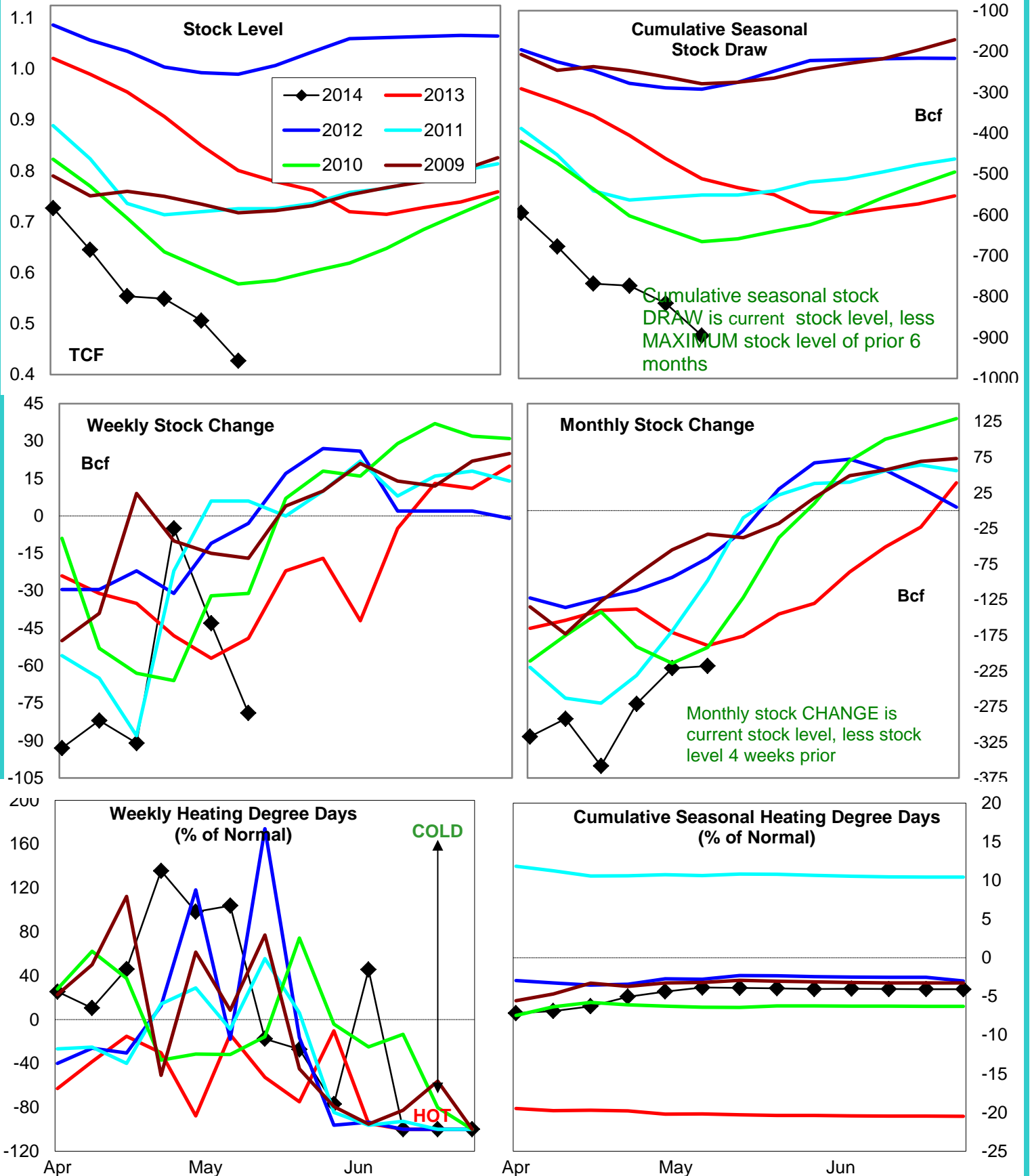
Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-171
-50.3-15
250.0-49
119.5-175
82.9

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

-374

-30

-29

-384

Percent Change (%)

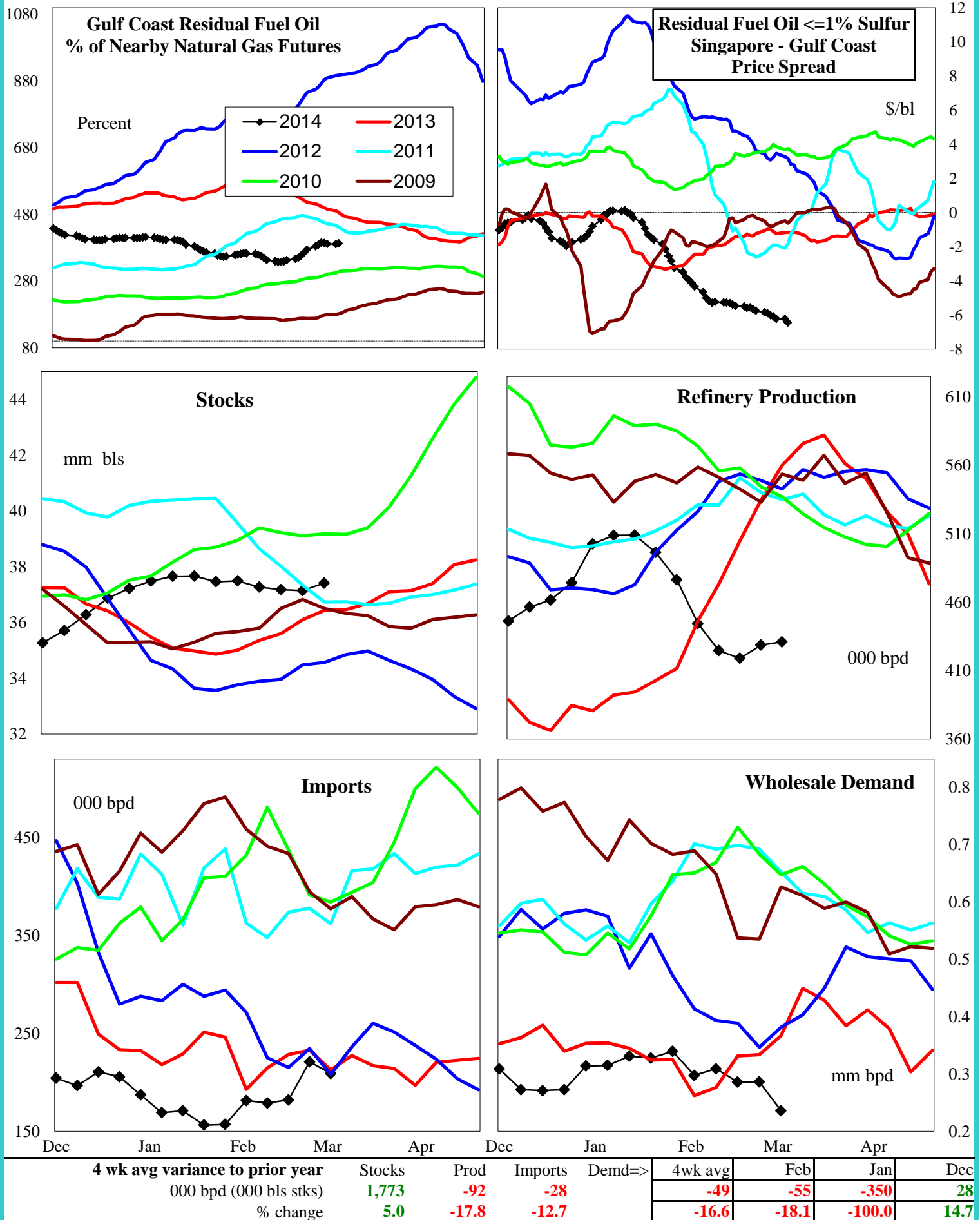
-48.2

61.2

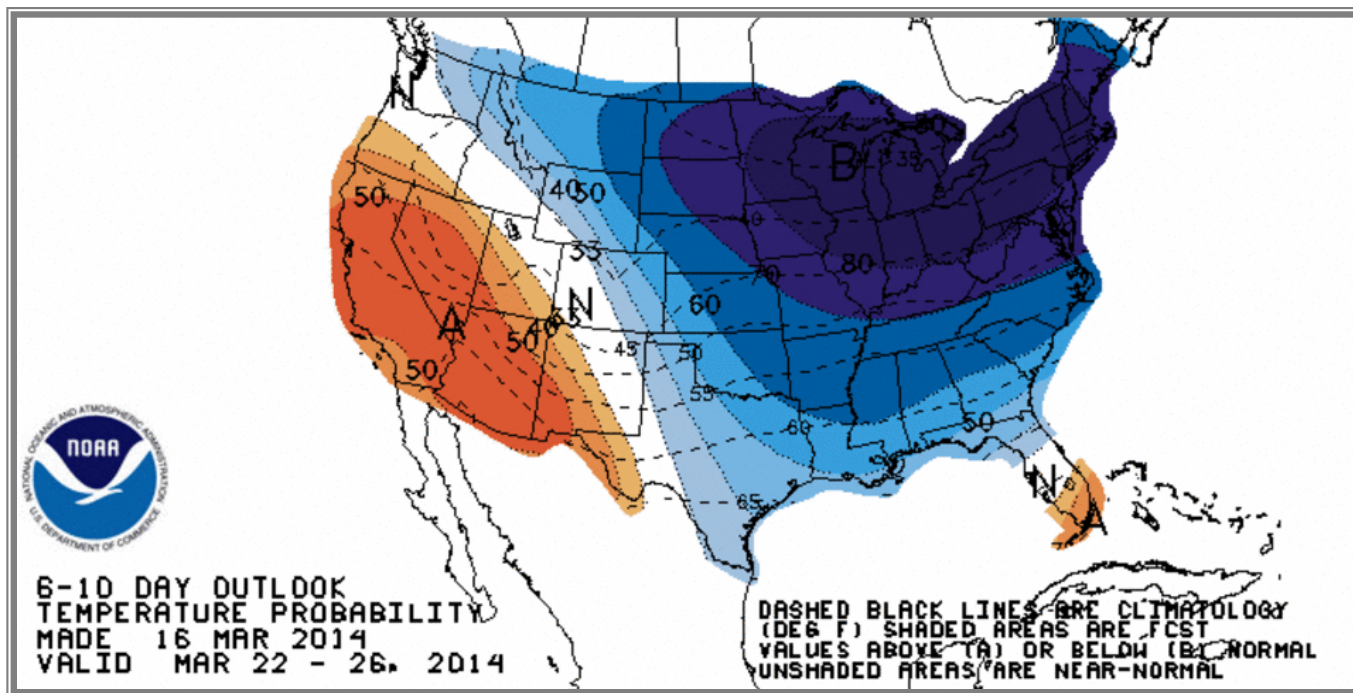
15.3

75.1

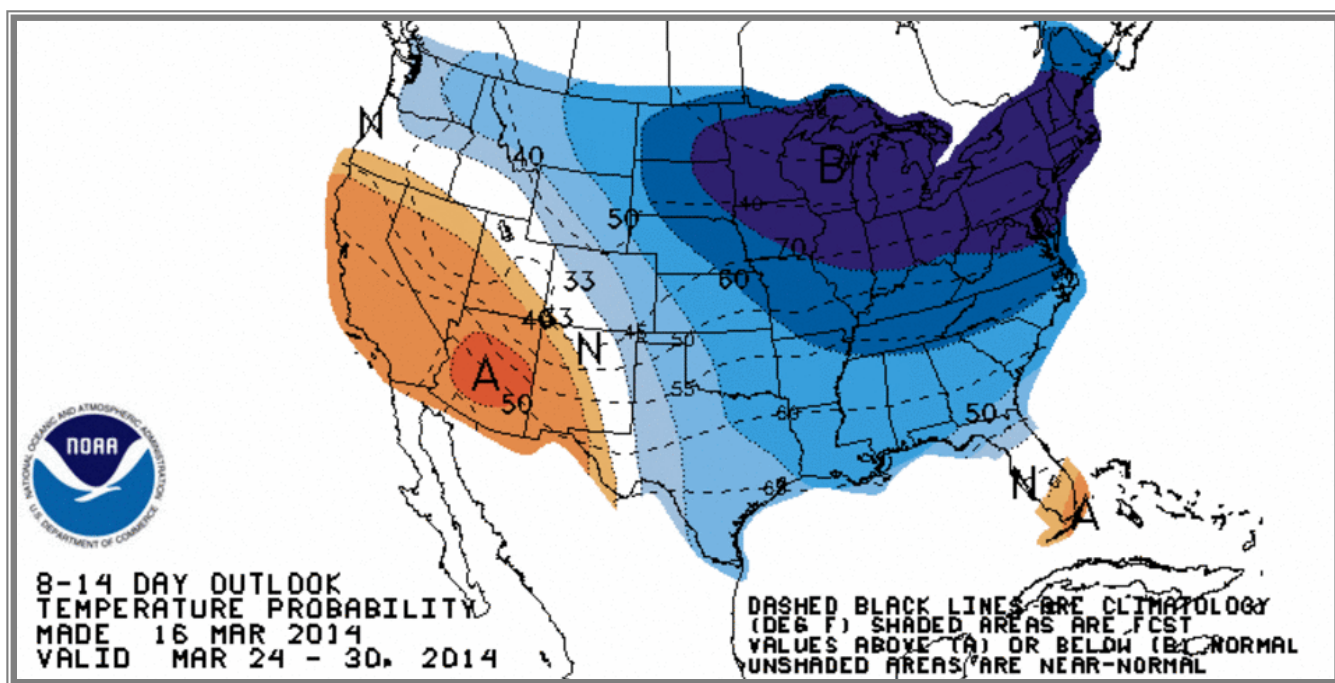
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

