



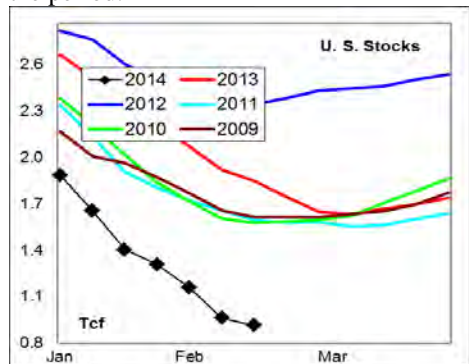
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

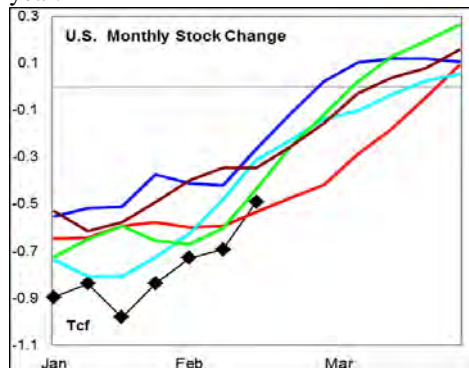
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, March 24, 2014



Summary¹ The stock draw of -48 Bcf for the week matched the 3-yr mid range for the period.



The latest 4-wk stock change was a draw of -435 Bcf, a less than than occurred last year.



In the East Region stocks decreased -35 Bcf for the week, a draw less than the 3-yr mid range. Stocks decreased -2 Bcf in the West Region, a draw comparable to the last 2-yrs. Stocks decreased -11 Bcf on the week in the Producing region, a smaller than last year.

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

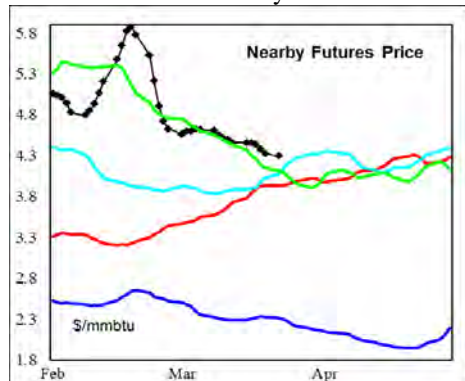
Heating degree days were above normal East of the Rockies for the week ending 21Mar14; which should lead to an above average draw in the upcoming EIA report.

The 6-10 day NWS forecast for the week ending 02Apr14 is for below normal heating degree days in the western ½ of the country and near normal in the east.

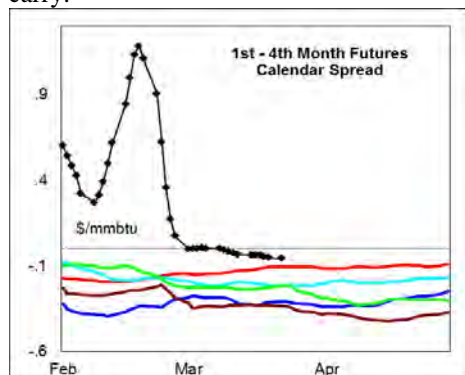
The 8-14 day NWS forecast for the

week ending 06Apr14 is for slightly above normal heating degree days across the eastern 2/3rds of the country and below normal in the southwest.

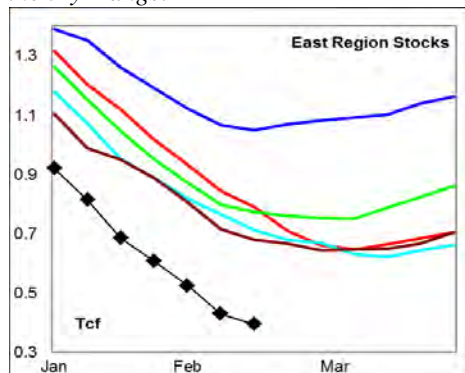
Prices: Nearby gas futures decreased - \$0.24/mmbtu for the week ending 24Mar14. A seasonal decline in heating degree days, although above normal, underlies the price downtrend in the last 10-days. The price level is now slightly above three of the last 4-yrs.



The 1st - 4th month forward price curve trended lower last week, ending in a small carry.

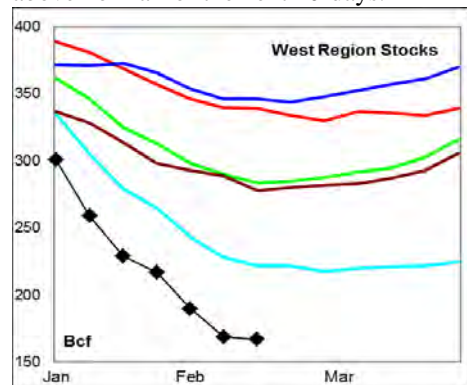


East Region stocks decreased -35 Bcf for the week, a draw less than the 3-yr mid range for the period. *The current stock level is -50% below last year, and below the 5-yr range.*



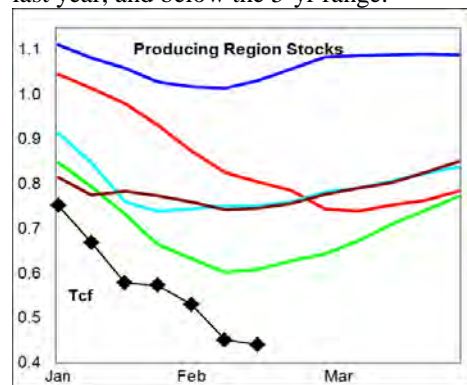
Heating degree days were near normal in the prior week, above normal in the week just ended week, with a forecast to be

above normal for the next 10-days.



West Region stocks decreased -2Bcf last week, a draw comparable to the last 2-yrs. Stock levels ended the week -51% below last year, and well below the 5-yr range. Heating degree days are forecast to be well 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 -11 Bcf for the week, a draw less than last year. Stock levels ended the week -48% below last year, and below the 5-yr range.



Near 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 favors natural gas use.

Outlook: Stock levels in all regional markets are nearly -50% below last year, and at record lows. Lower seasonal heating degree days, even with cooler than normal temperatures East of the Rockies, has focused attention to low carryout stocks. Record low carry out stocks should support 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 24, 2014

For the week ending: 14-Mar-14

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

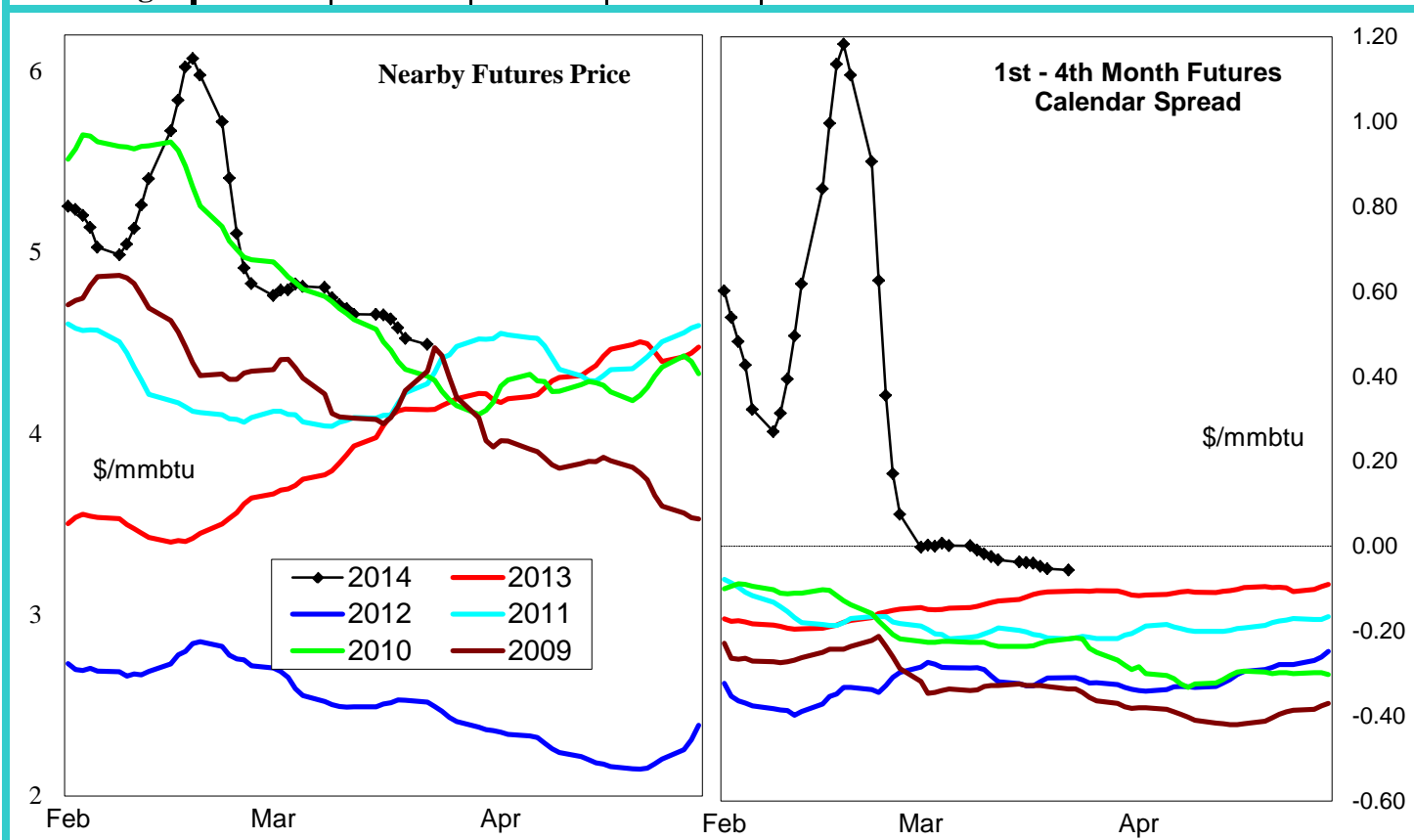
Week ending:	14-Mar-14			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
		Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
	Bcf	Week Bcf	Year (%)						
U.S. Total	953	-48	-49.4	-14	-45%	-2	-33%	-3	-77%
East	395	-35	-50.0	-17	-39%	-2	-18%	-4	-74%
West	167	-2	-50.7	-12	-58%	-2	-55%	-5	-78%
Producing	391	-11	-48.3	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

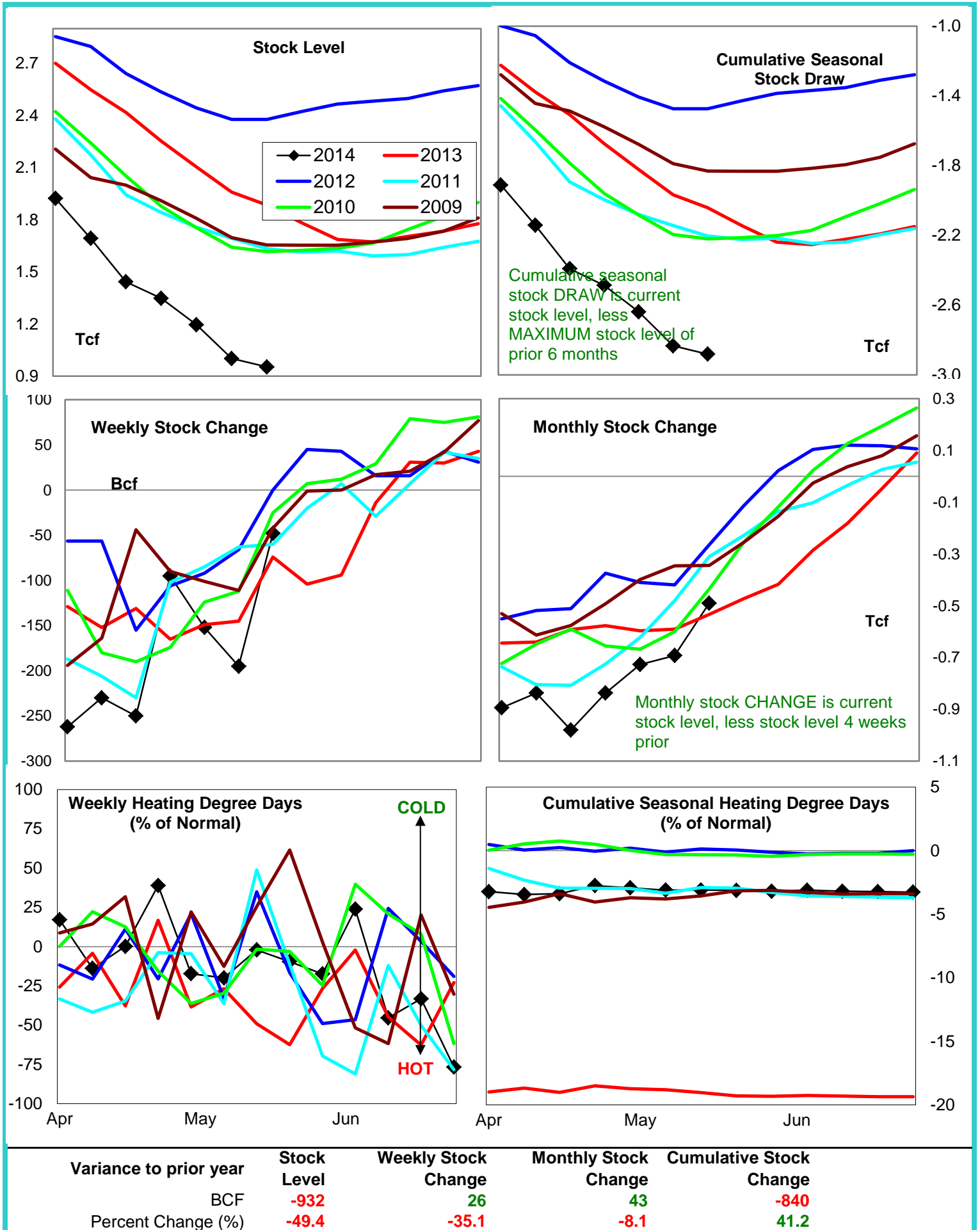
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-2,881	-840	29.2	6	-3.2	4	-3.2	1	-3.3
East	-1,589	-284	17.9	6	-2.9	4	-2.9	1	-2.9
West	-388	-176	45.4	10	-4.6	8	-4.7	3	-4.9
Producing	-906	-375	41.4	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

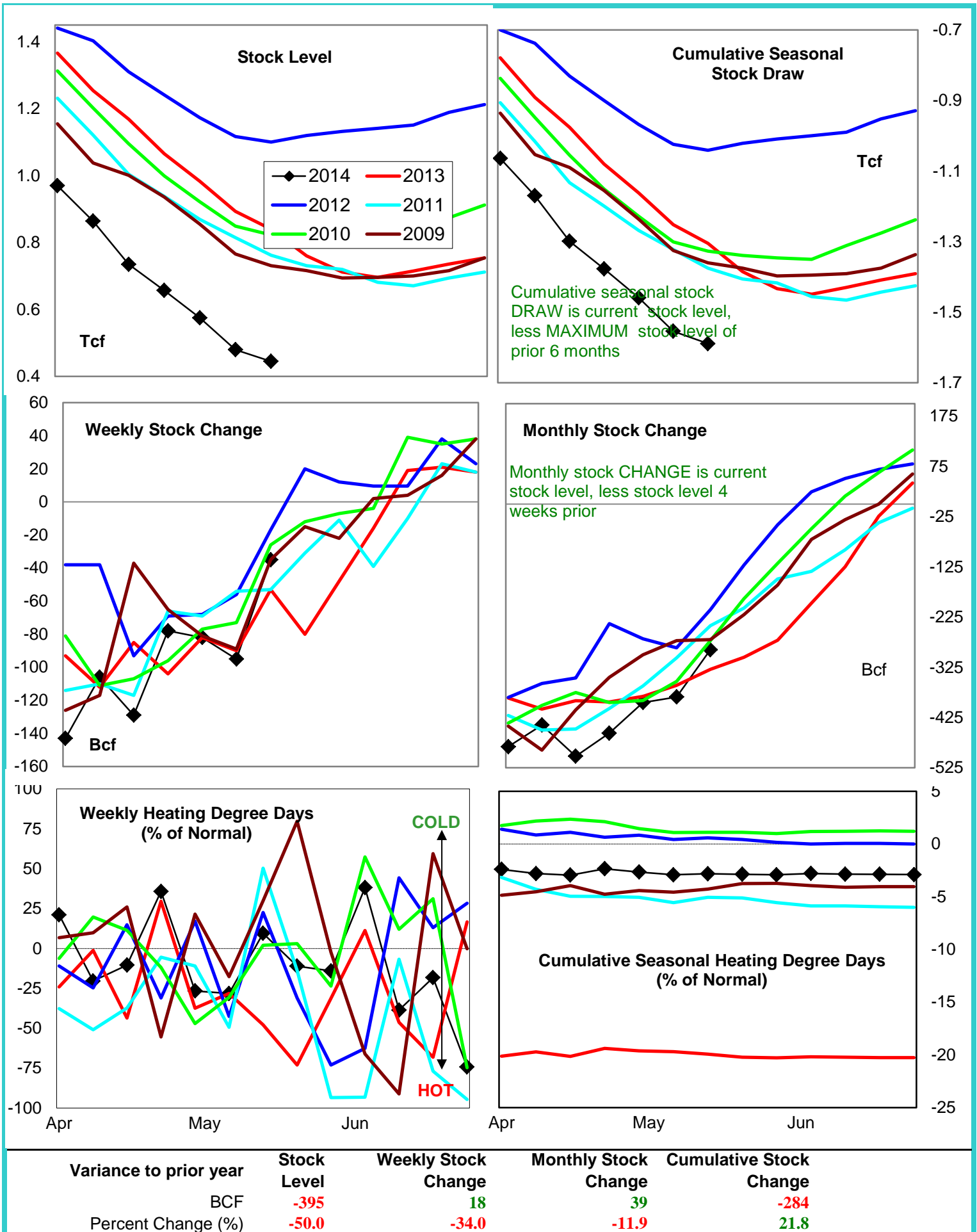
Date:	30-Apr-14	Change vs prior week, month, year		
		24-Apr-14	3-Apr-14	9-May-13
1st month Futures	4.29	-0.17	-0.81	0.34
% change	xxxxx	-3.7	-15.8	8.7



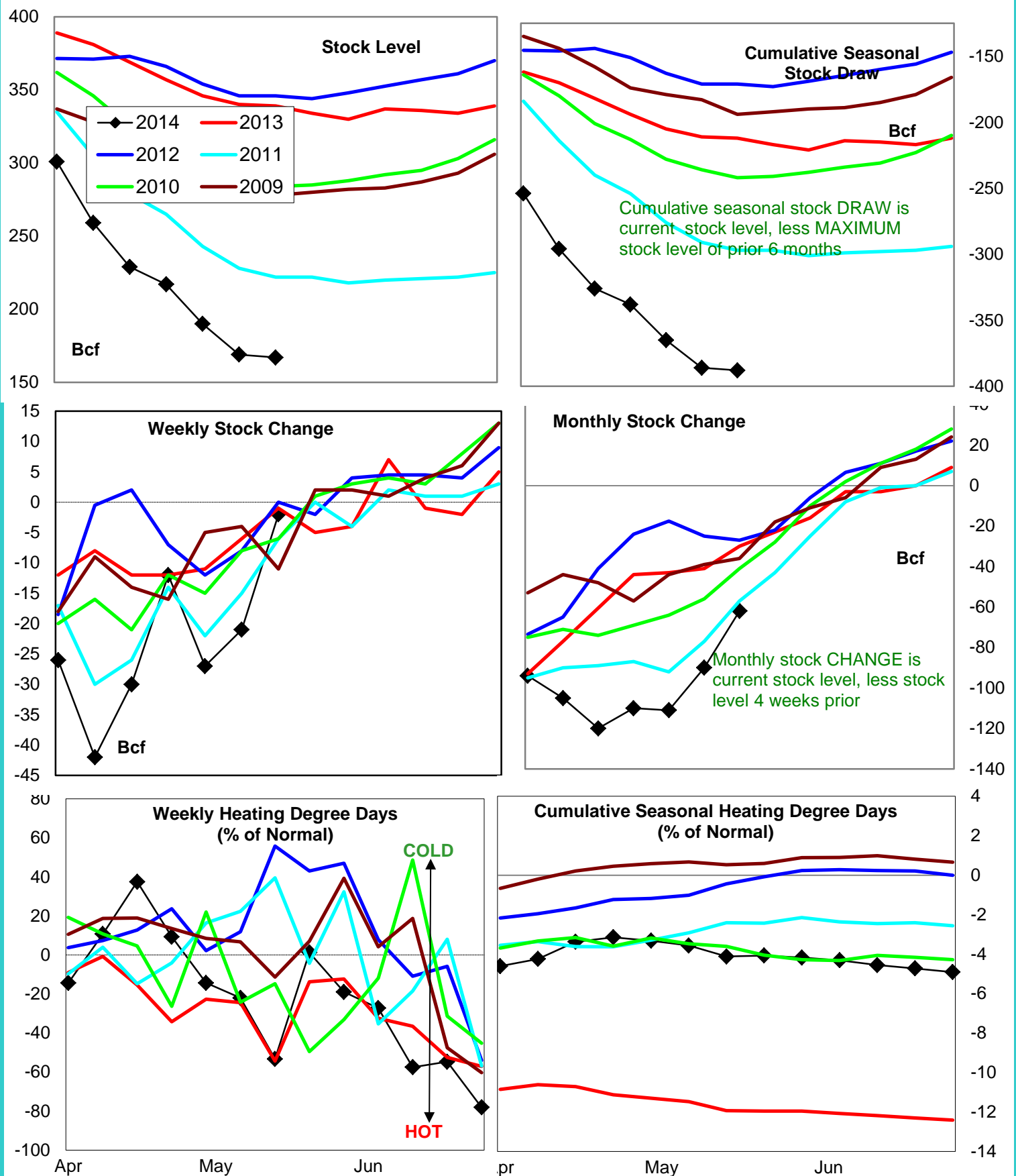
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock Level

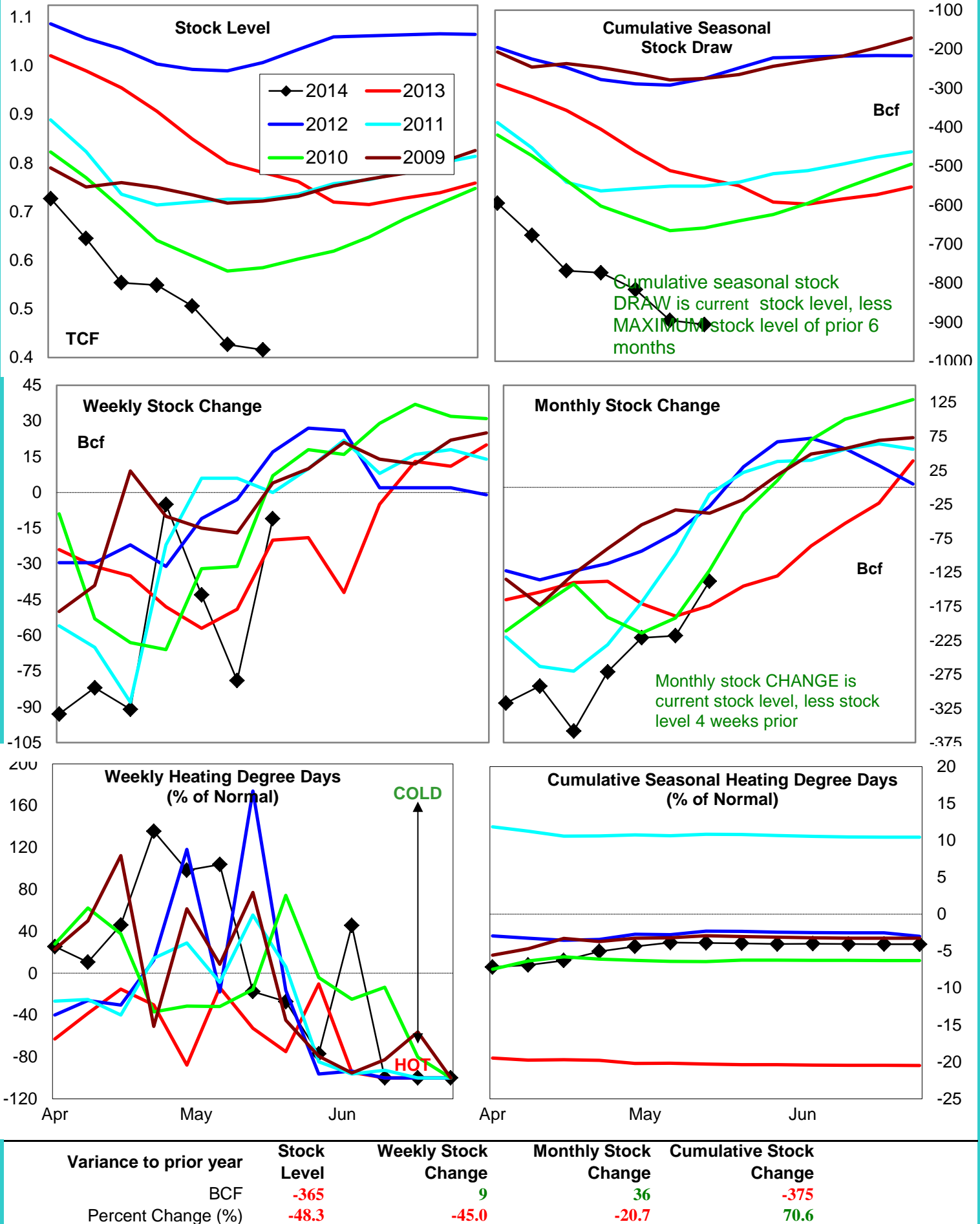
Weekly Stock Change

Monthly Stock Change

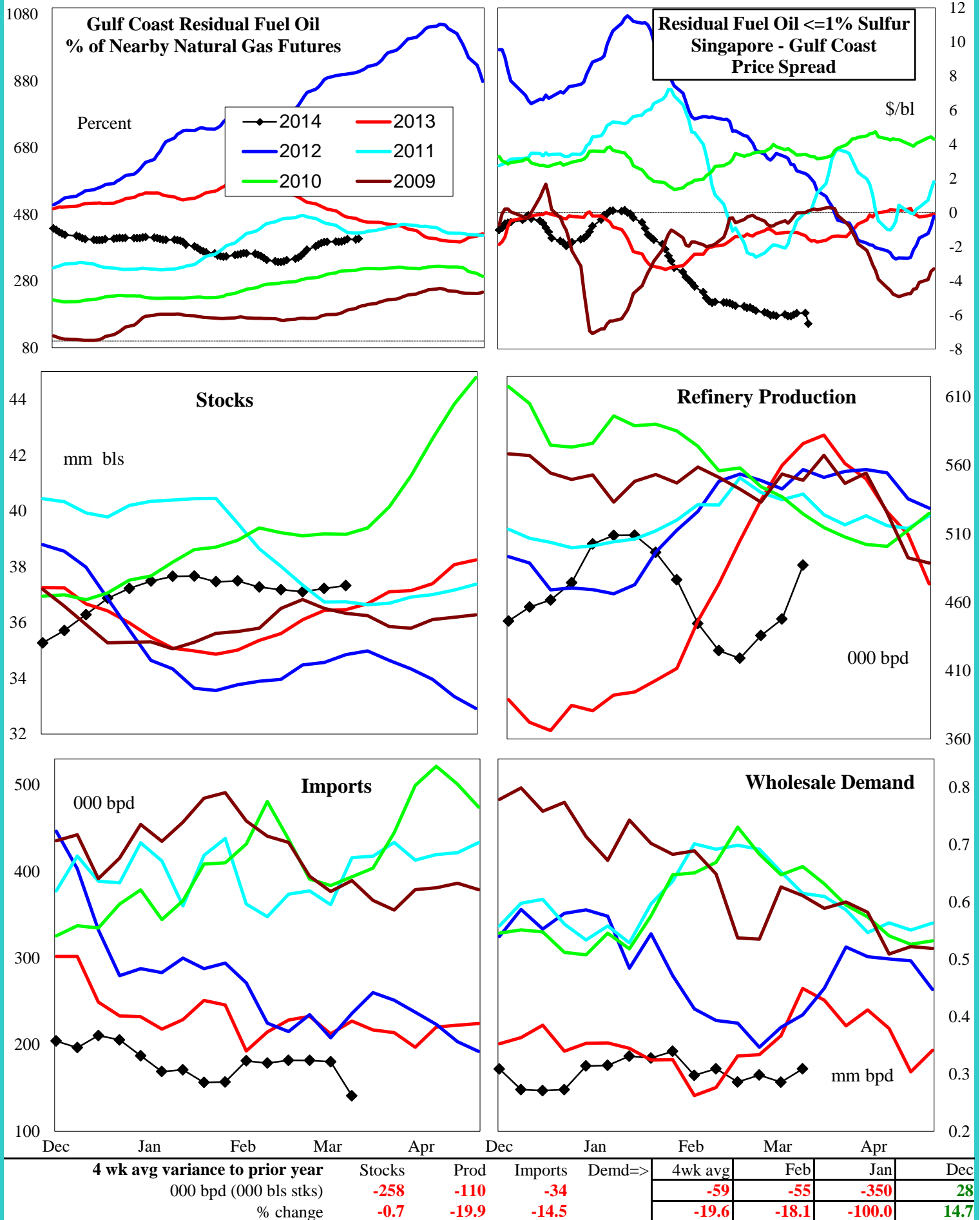
Cumulative Stock Change

BCF
Percent Change (%)-172
-50.7-1
100.0-32
106.7-176
83.0

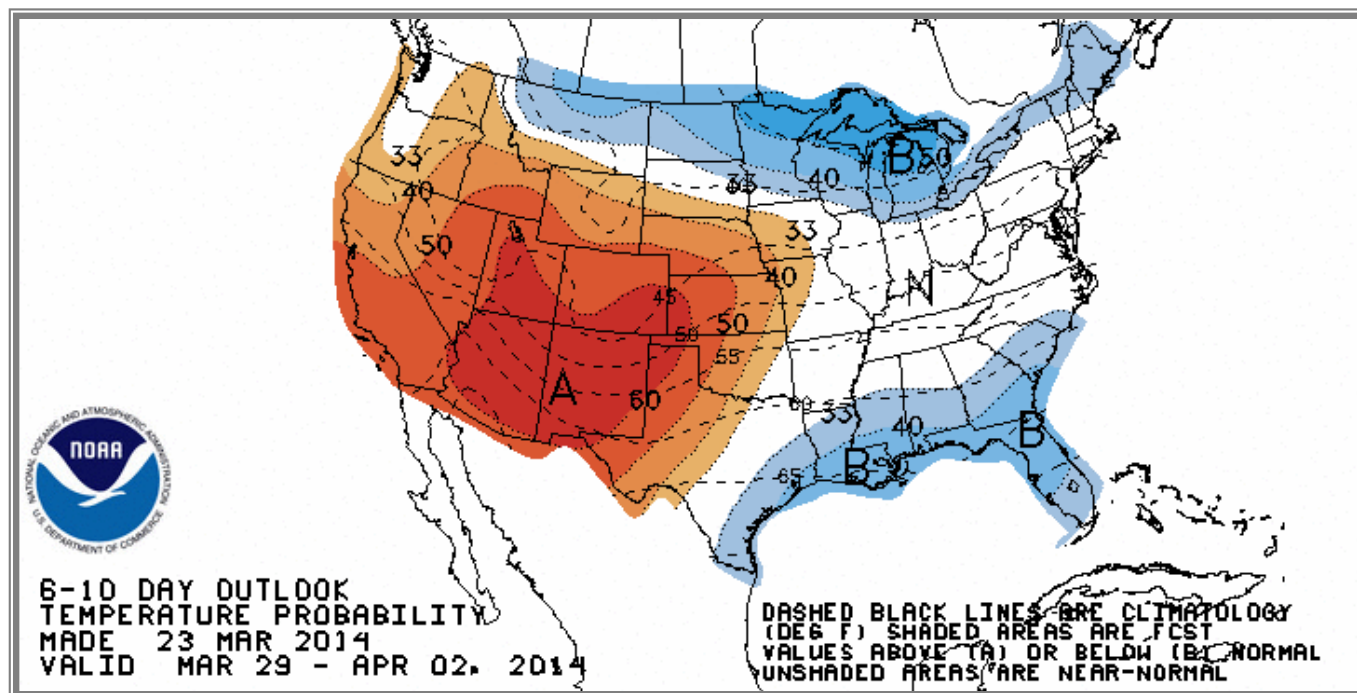
Natural Gas Producing Region Stock and Weather Trends



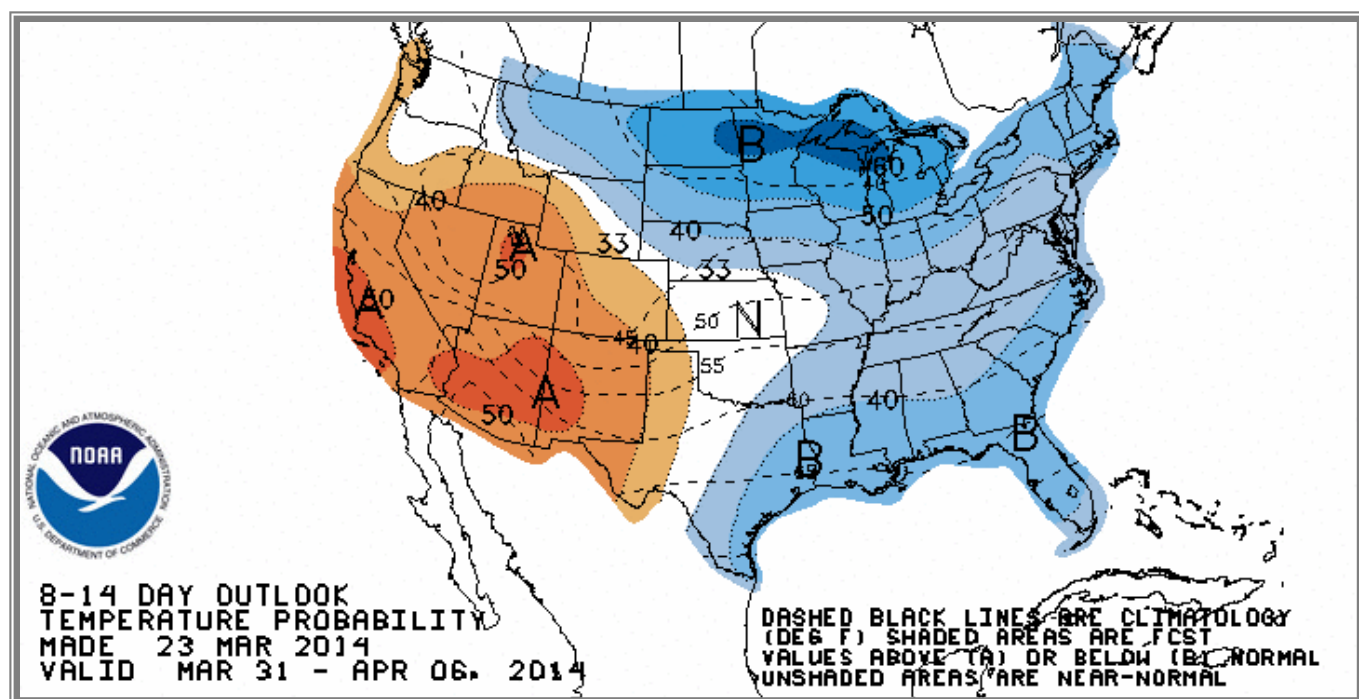
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

