



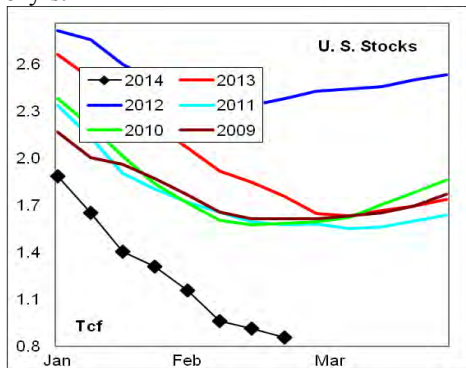
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

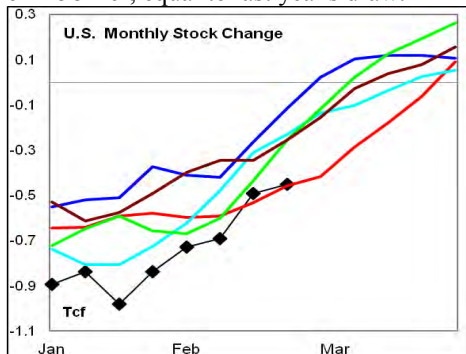
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Sunday, March 30, 2014



Summary¹ The stock draw of -57 Bcf for the week was greater than four of the last 5-yrs.



The latest 4-wk stock change was a draw of -458 Bcf, equal to last year's draw.



In the East Region stocks decreased -39 Bcf for the week, greater than four of the last 5-yrs. Stocks decreased -3 Bcf in the West Region, a draw comparable to the last 2-yrs. Stocks decreased -15 Bcf on the week in the Producing region, a similar draw to last year.

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

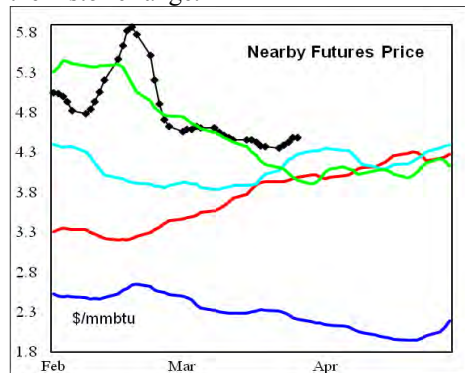
Heating degree days were above normal East of the Rockies for the week ending 28Mar14; which should lead to an above average draw in the upcoming EIA report.

The 6-10 day NWS forecast for the week ending 09Apr14 is for below normal heating degree days in the western 1/2 of the country and above normal in the east.

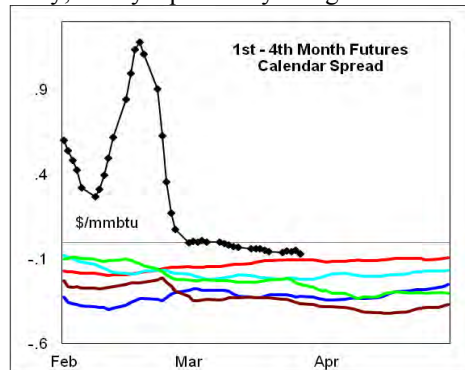
The 8-14 day NWS forecast for the week ending 13Apr14 is for above normal

heating degree days across the eastern 2/3rds of the country and well below normal in the west.

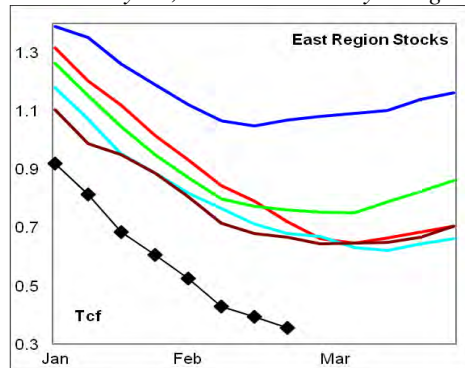
Prices: Nearby gas futures increased +\$0.17/mmbtu for the week ending 28Mar14. The -50% draw down in stocks below a year ago and continued colder than normal temperatures in the Ester 1/2 of the country is supporting prices above the historic range.



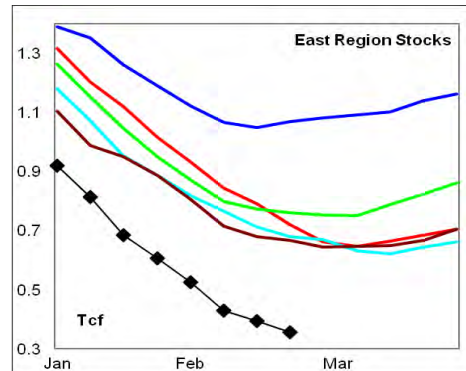
The 1st - 4th month forward price curve trended lower last week, ending in a small carry; nearly equal to a year ago.



East Region stocks decreased -39 Bcf for the week, a draw greater than four of the last 5-yrs. The current stock level is -51% below last year, and below the 5-yr range.

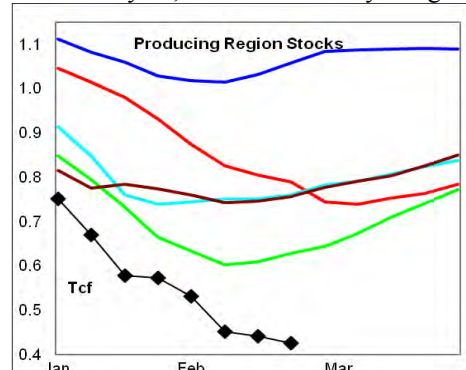


Heating degree days were above normal in the prior week, above normal in the week just ended, with a forecast to be above normal for the next 10-days.



West Region stocks decreased -3 Bcf 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 -15 Bcf for the week, a draw comparable to a year ago. Stock levels ended the week -49% 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 favors natural gas use.

Outlook: Stock levels in all regional markets are -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 on the low carryout stocks. Continued cold temperatures are forecast into Mid April East of the Rockies, which may delay the start of seasonal stock building. These fundamentals should support prices at the upper end of the 5-yr range.

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 30, 2014

For the week ending: 21-Mar-14

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

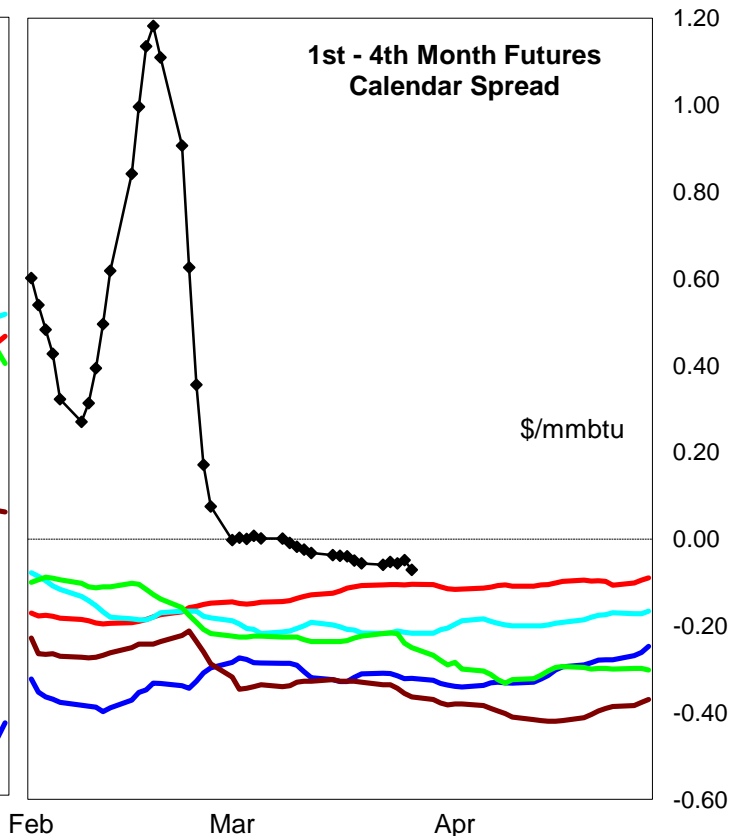
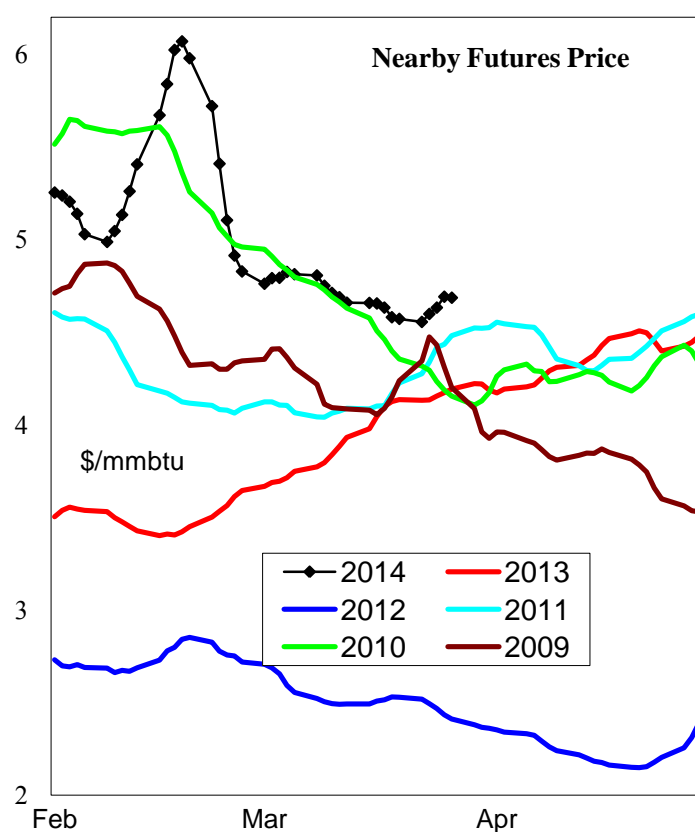
Week ending:	21-Mar-14			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	896	-57	-50.1	-14	-45%	-2	-33%	-3	-77%
East	356	-39	-50.6	-17	-39%	-2	-18%	-4	-74%
West	164	-3	-51.0	-12	-58%	-2	-55%	-5	-78%
Producing	376	-15	-49.1	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

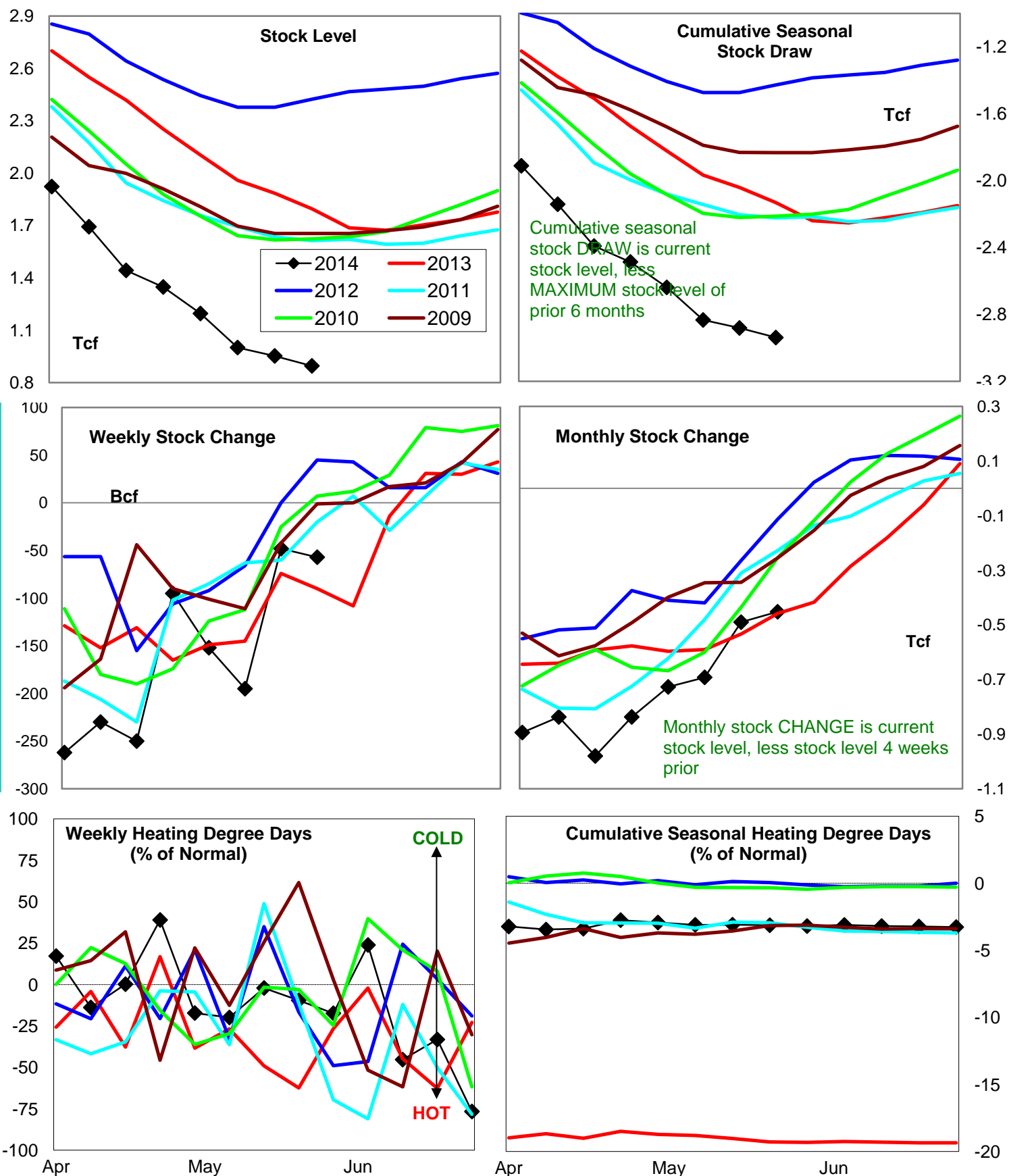
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-2,938	-807	27.5	6	-3.2	4	-3.2	1	-3.3
East	-1,628	-253	15.5	6	-2.9	4	-2.9	1	-2.9
West	-391	-175	44.8	10	-4.6	8	-4.7	3	-4.9
Producing	-921	-373	40.5	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	4.49	0.21	-0.01	0.40
% change	xxxxx	4.9	-0.2	9.8



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock Level

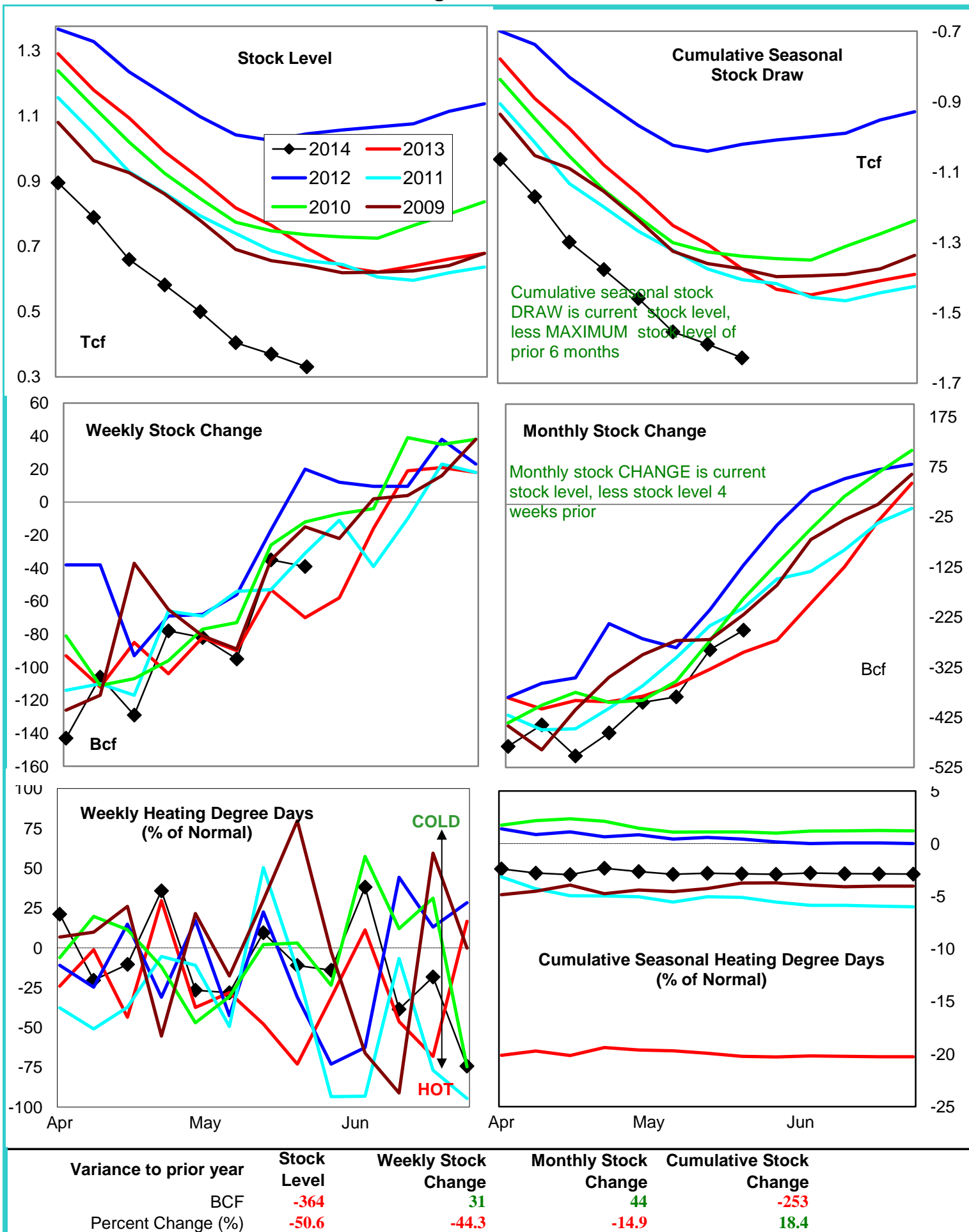
Weekly Stock Change

Monthly Stock Change

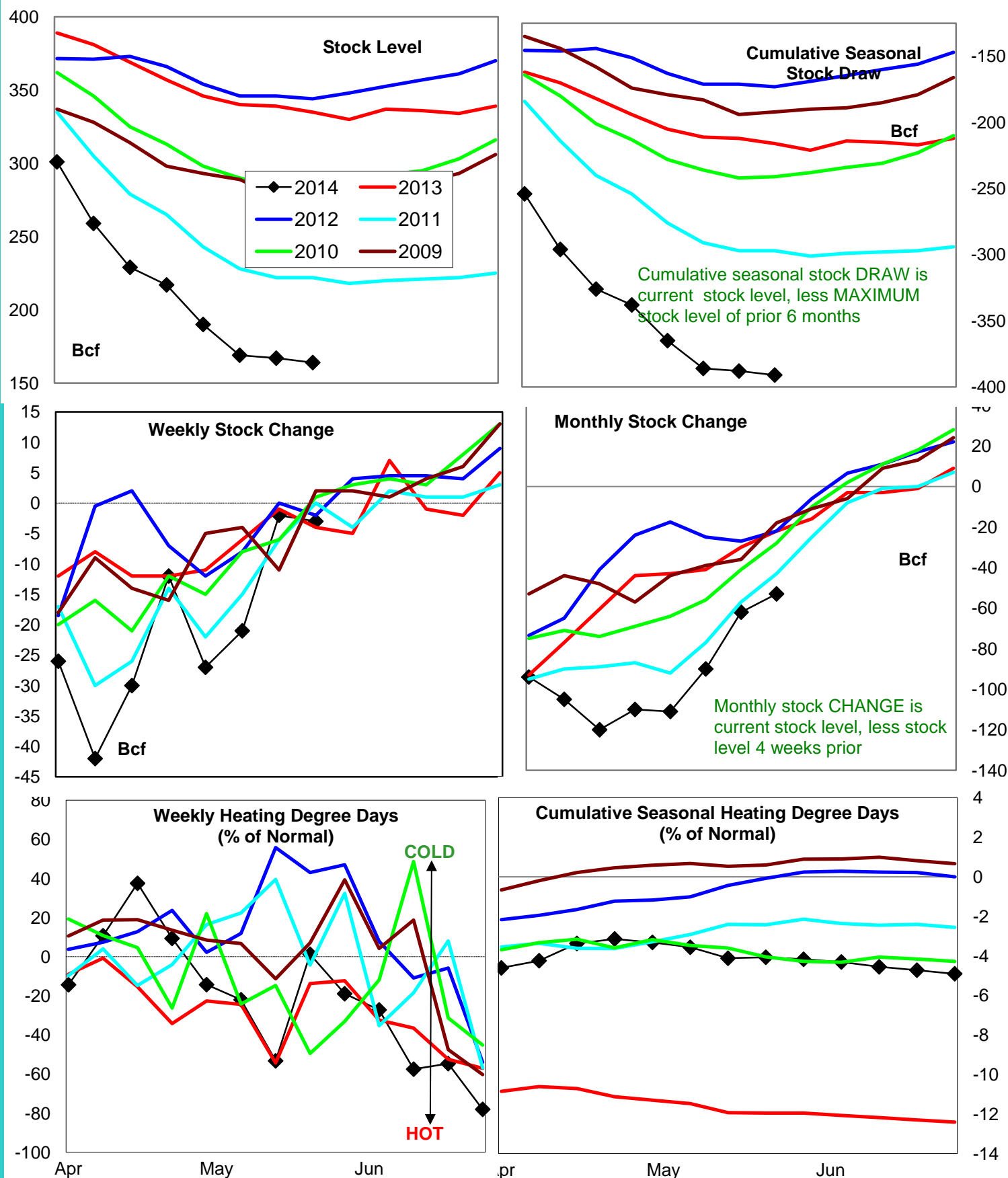
Cumulative Stock Change

BCF
Percent Change (%)-899
-50.133
-36.76
-1.3-807
37.9

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

-171

1

-31

-175

Percent Change (%)

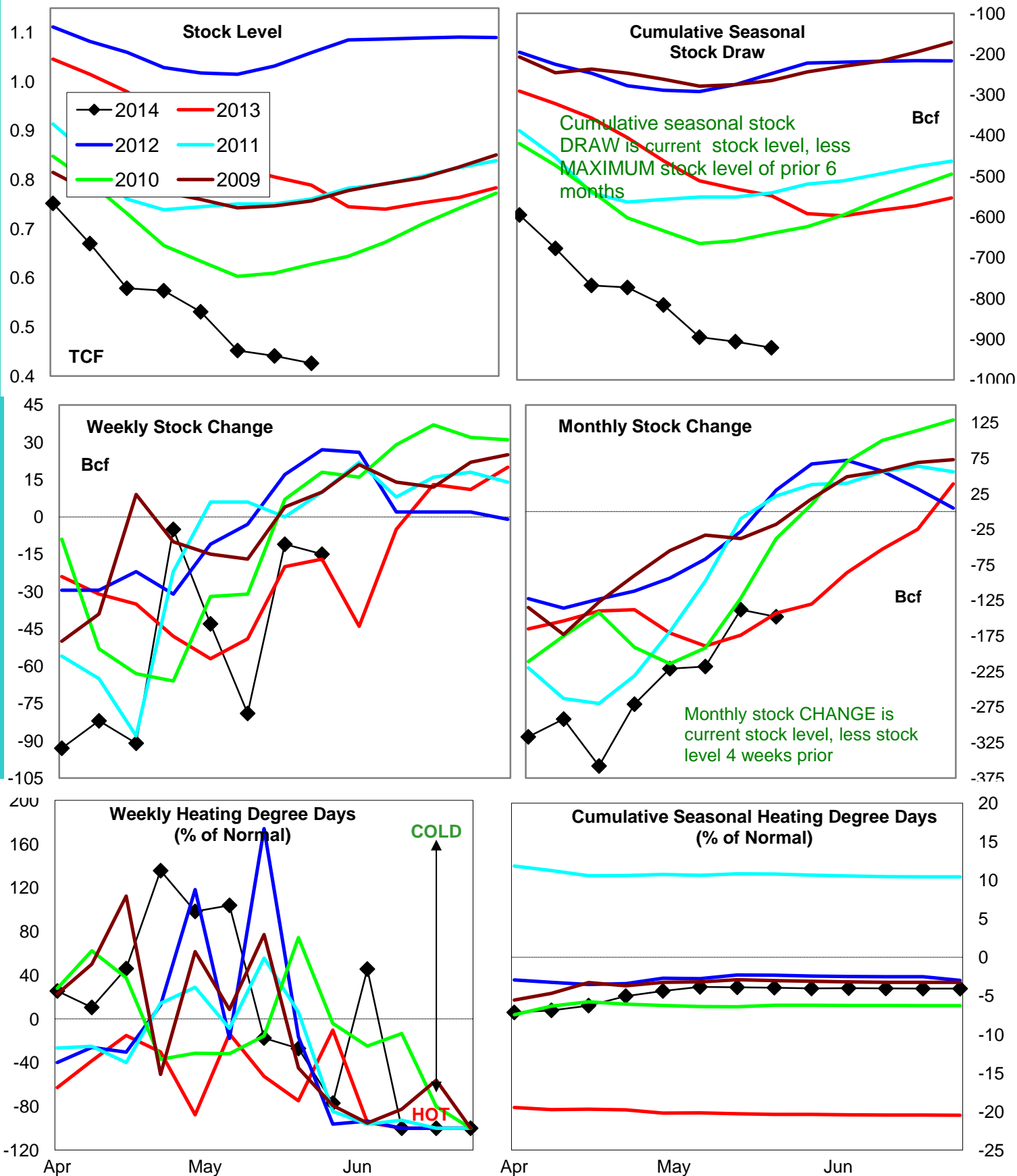
-51.0

-25.0

140.9

81.0

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

-363

2

-5

-373

Percent Change (%)

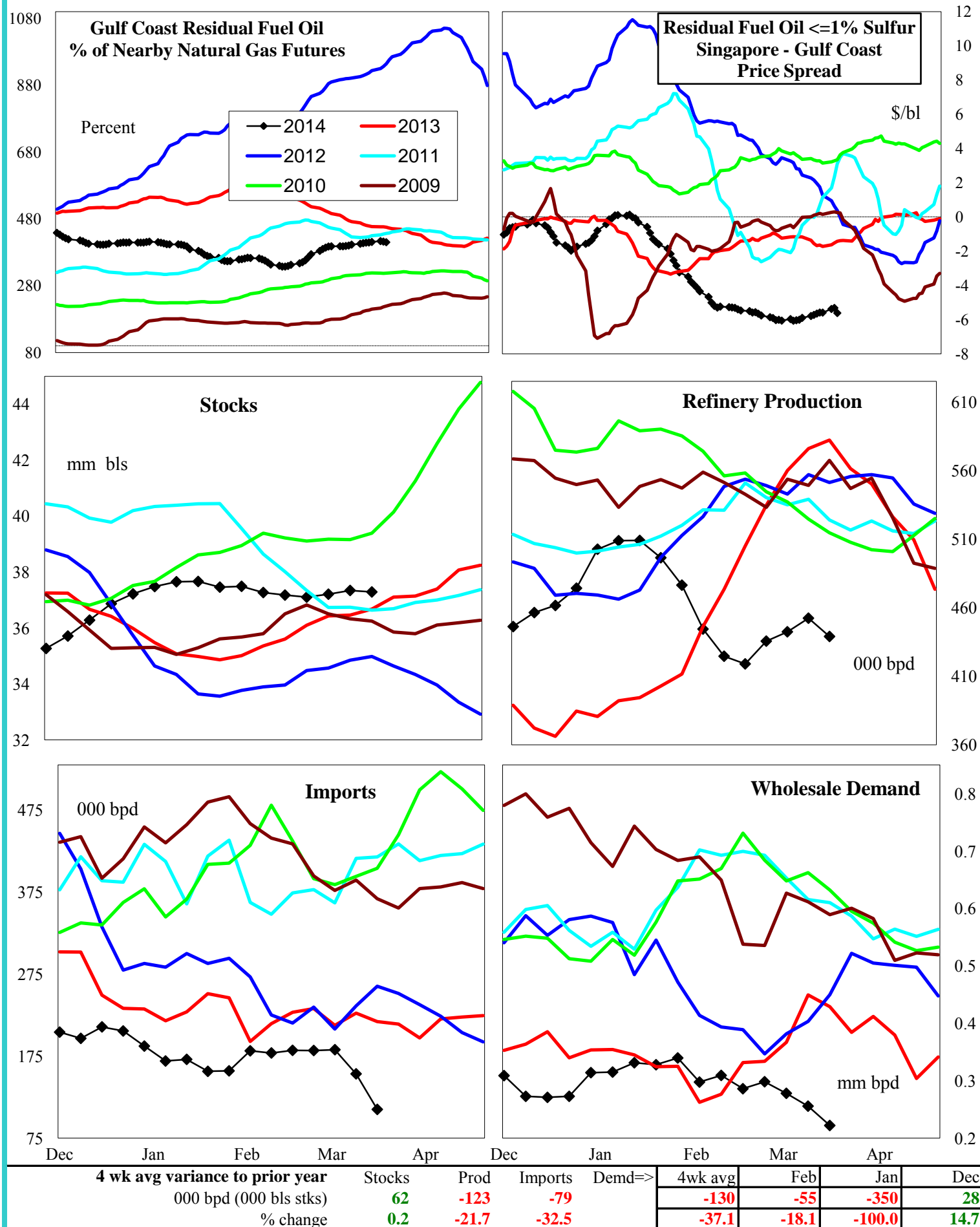
-49.1

-11.8

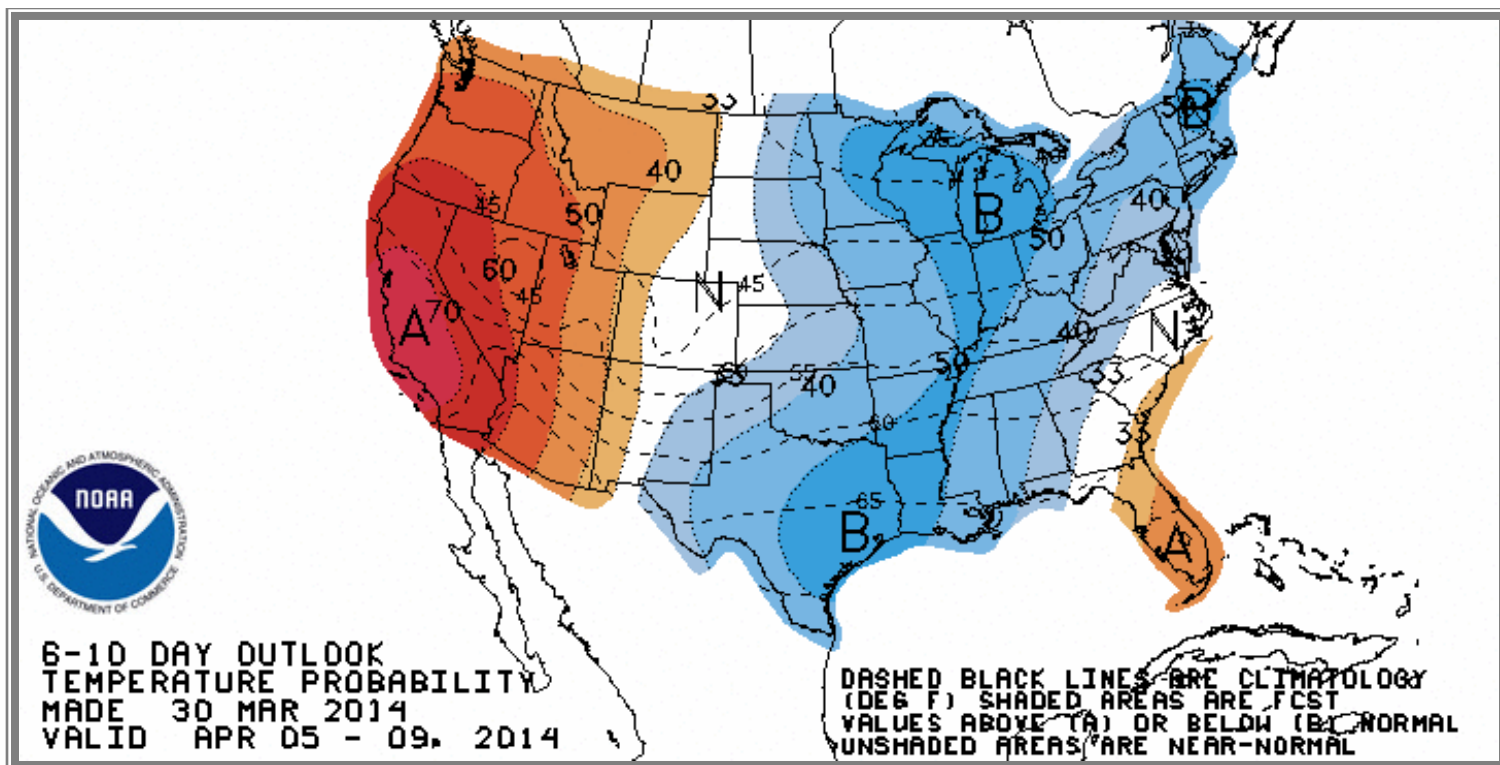
3.5

68.1

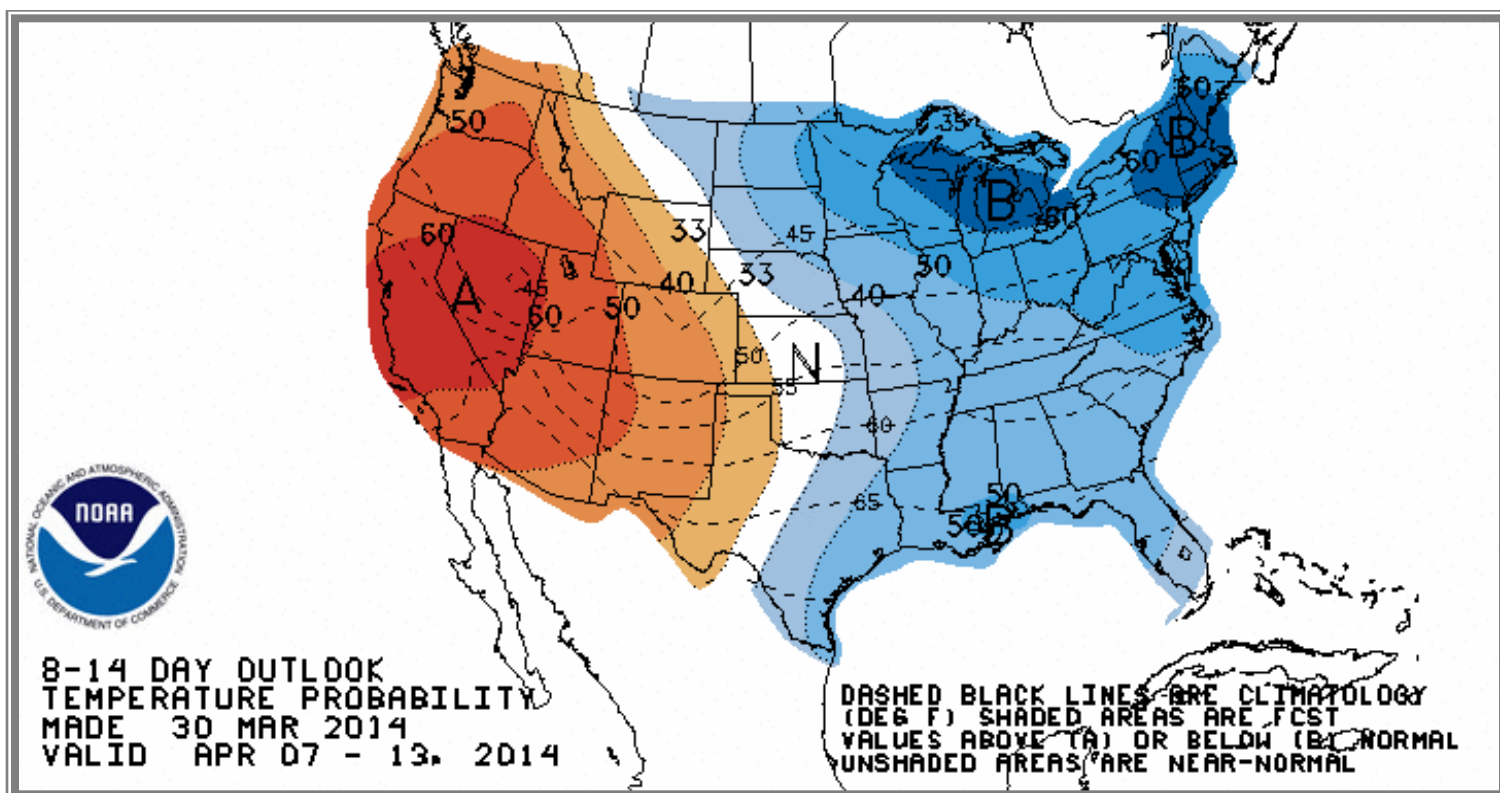
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

