



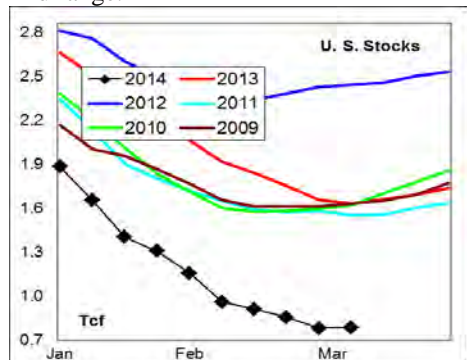
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

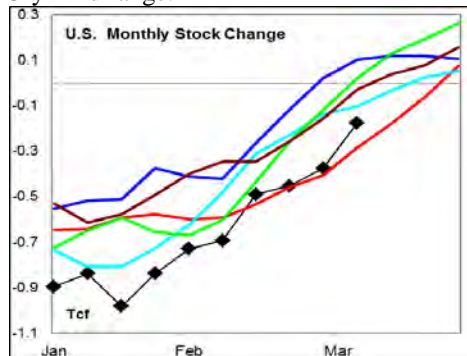
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Tuesday, April 15, 2014



Summary¹ The stock build of +4 Bcf last week was only slightly less than the 3-yr mid range.



The latest 4-wk stock change was a draw of -174 Bcf, a draw slightly larger than the 3-yr mid range.



In the East Region stocks decreased -5 Bcf for the week, equal to the 3-yr mid range. Stocks were unchanged in the West Region, compared to builds of +2 to +4 Bcf in prior years. Stocks increased +9 Bcf on the week in the Producing region, a build above the 3-yr mid range.

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

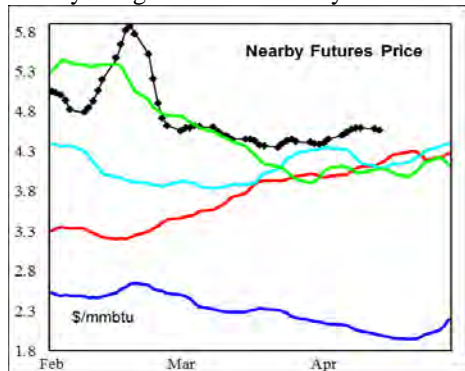
Heating degree days were near normal East of the Rockies for the week ending 11Apr14.

The 6-10 day NWS forecast for the week ending 24Apr14 is for slightly above normal heating degree days in the eastern 1/3rd of the country and much below normal in the west.

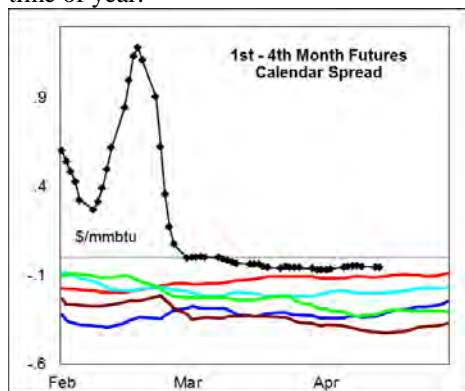
The 8-14 day NWS forecast for the

week ending 28Apr14 is for near normal heating degree days across the eastern 1/2 of the country and below normal in the west.

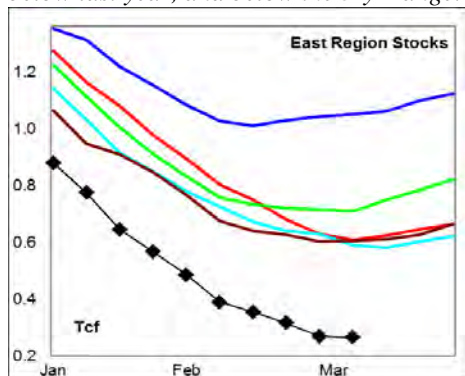
Prices: Nearby gas futures increased +\$0.03/mmbtu for the week ending 15Apr14. The -50% draw down in stocks below a year ago and continued colder than normal temperatures in the eastern 1/2 of the country is supporting prices above the 5-yr range for this time of year.



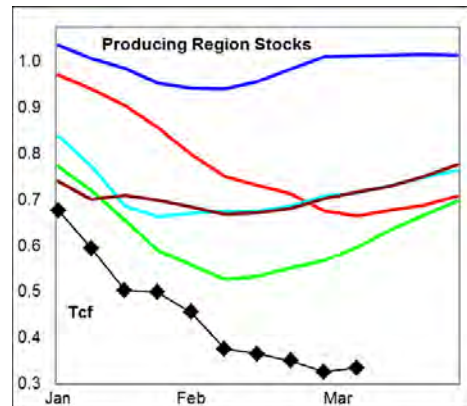
The 1st - 4th month forward price curve traded sideways last week, ending in a small carry; still a record low carry for this time of year.



East Region stocks decreased -5 Bcf for the week, a draw equal to the 3-yr mid range. The current stock level is -53% below last year, and below the 5-yr range.

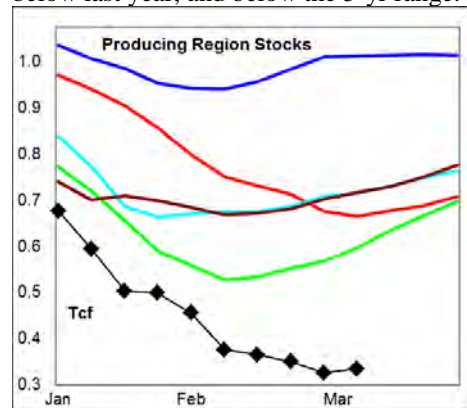


Heating degree days were near normal in the week just ended, with a forecast to be slightly above normal for the next 10-days.



West Region stocks were unchanged last week, compared to small builds of less than +5 Bcf in prior years. Stock levels ended the week -52% below last year, and well below the 5-yr range. Temperatures are forecast to be much above normal for the next 10-days, increasing gas demand for electric power.

Producing Region stocks increased +9 Bcf for the week, a build above the 3-yr mid range. 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. Moderate temperatures are forecast through month end which should lead to meaningful stock builds for the balance of April. 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: April 15, 2014

For the week ending: 4-Apr-14

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

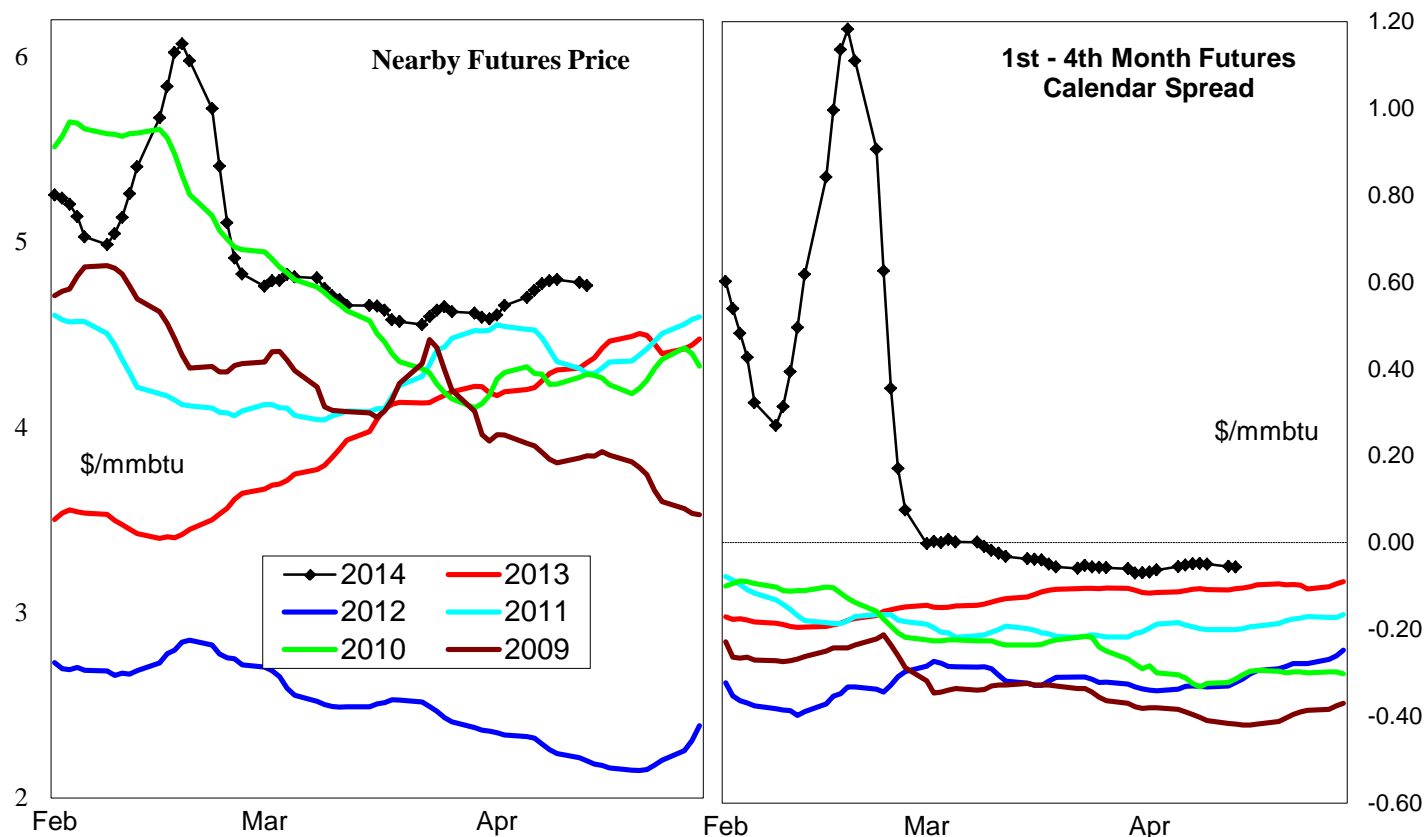
Week ending:	4-Apr-14			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
		Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
	Bcf	Week Bcf	Year (%)						
U.S. Total	826	4	-50.7	-14	-45%	-2	-33%	-3	-77%
East	305	-5	-52.9	-17	-39%	-2	-18%	-4	-74%
West	160	0	-52.4	-12	-58%	-2	-55%	-5	-78%
Producing	361	9	-47.8	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

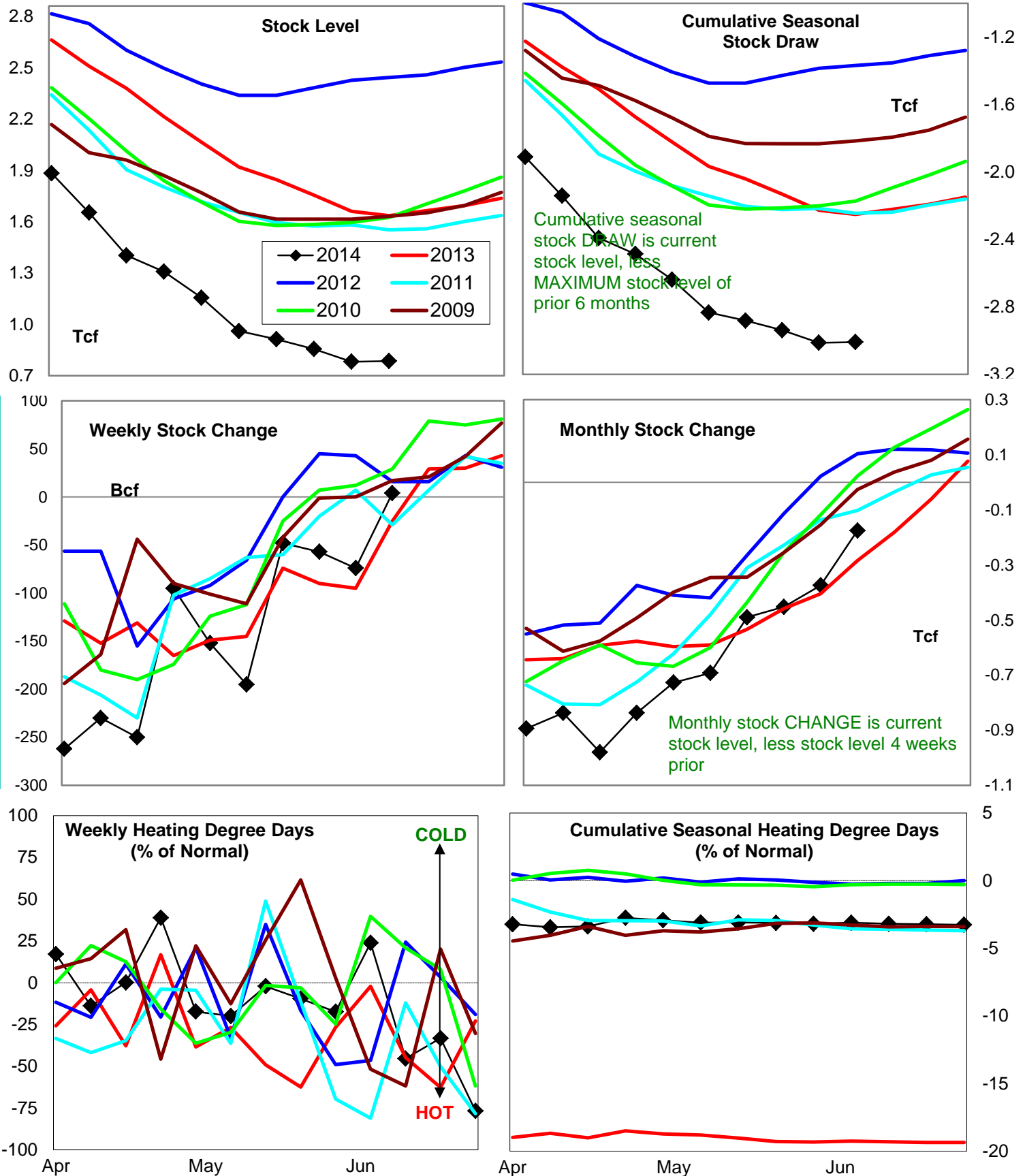
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-3,008	-757	25.2	6	-3.2	4	-3.2	1	-3.3
East	-1,679	-232	13.8	6	-2.9	4	-2.9	1	-2.9
West	-395	-180	45.6	10	-4.6	8	-4.7	3	-4.9
Producing	-936	-340	36.3	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	4.57	-0.02	0.08	0.41
% change	xxxxx	-0.5	1.8	9.9



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

-849

29

109

-757

Percent Change (%)

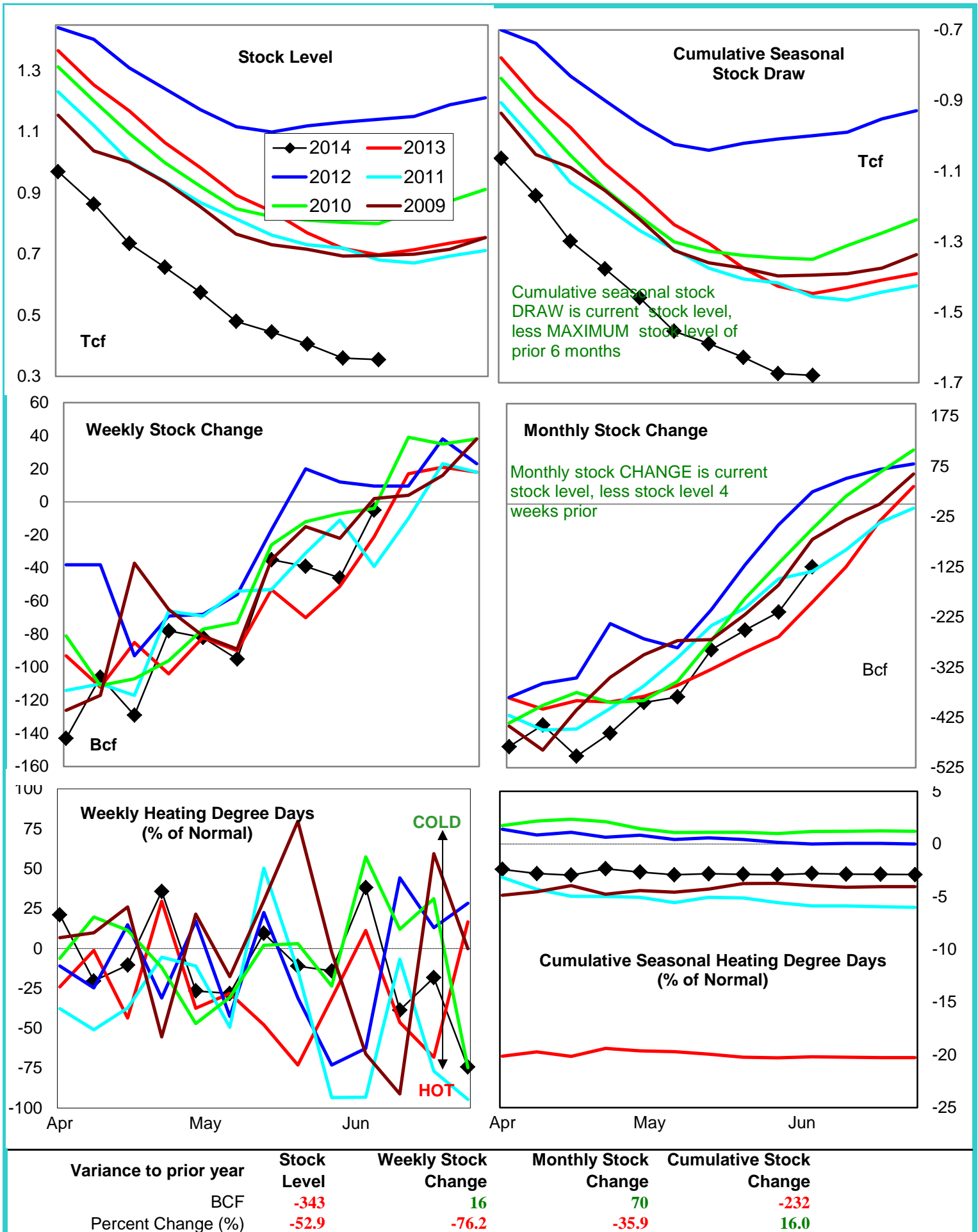
-50.7

-116.0

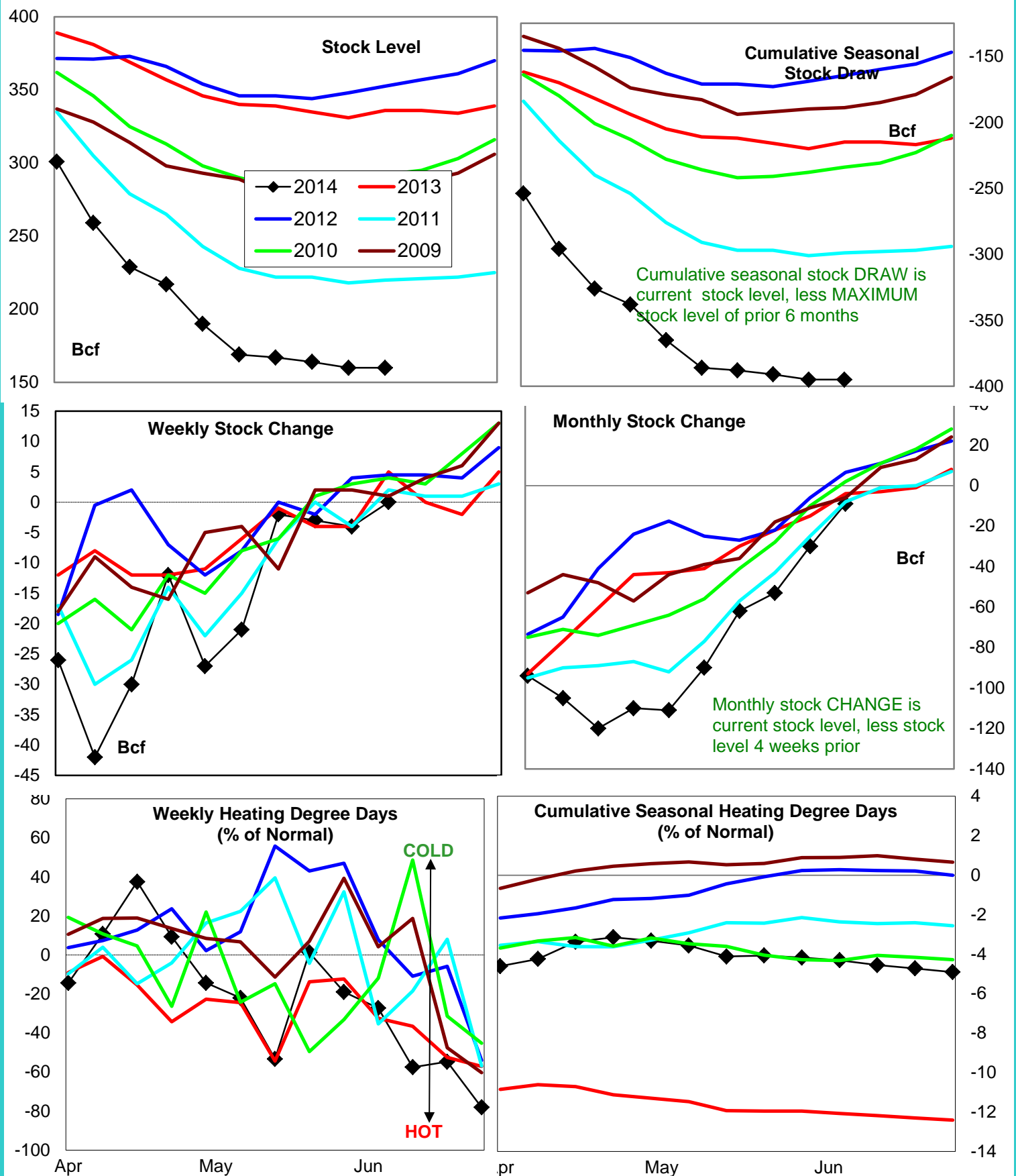
-38.4

33.6

Natural Gas East Region Stock and Weather Trends



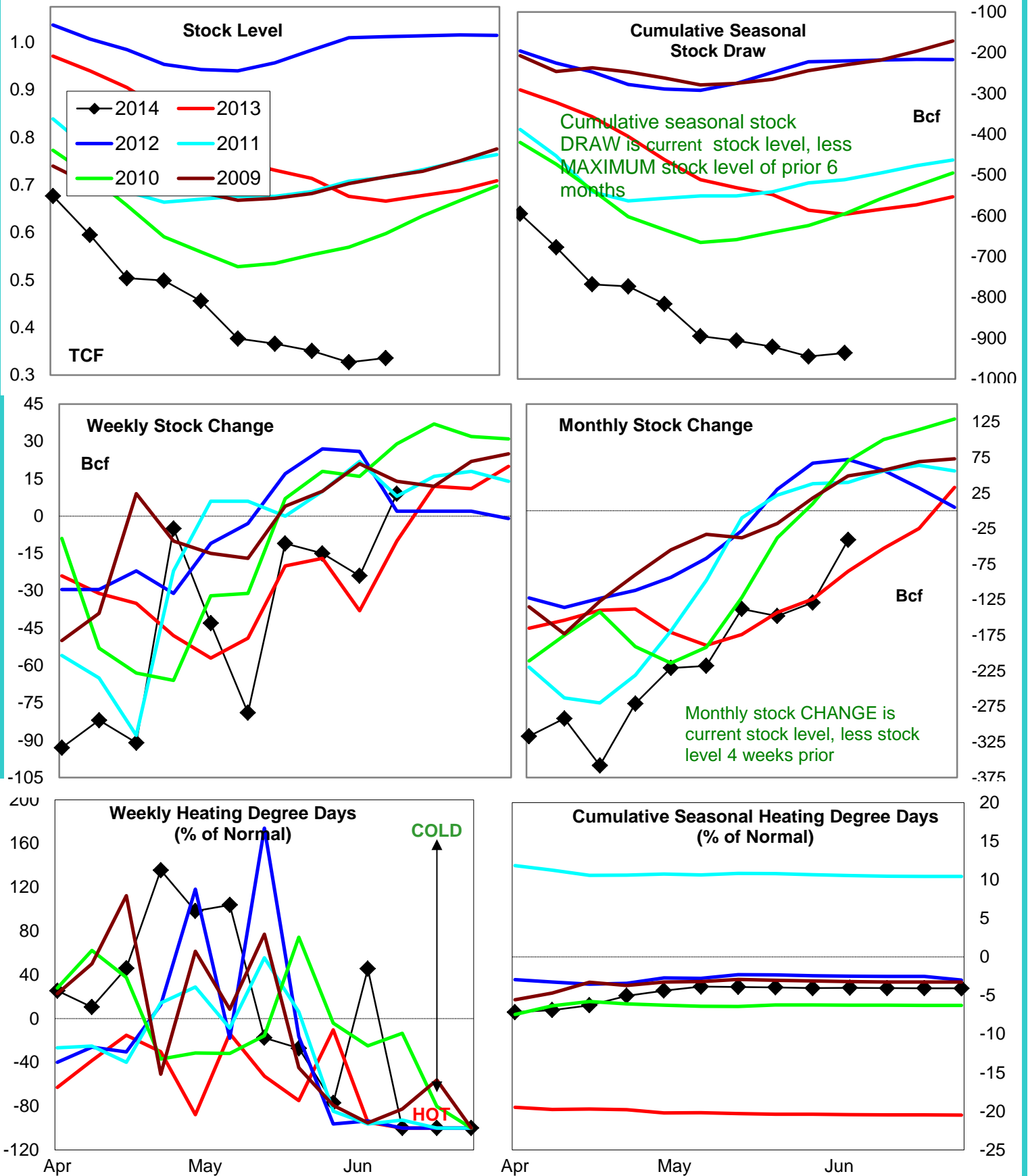
Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-176
-52.4-5
-100.0-5
125.0-180
83.7

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

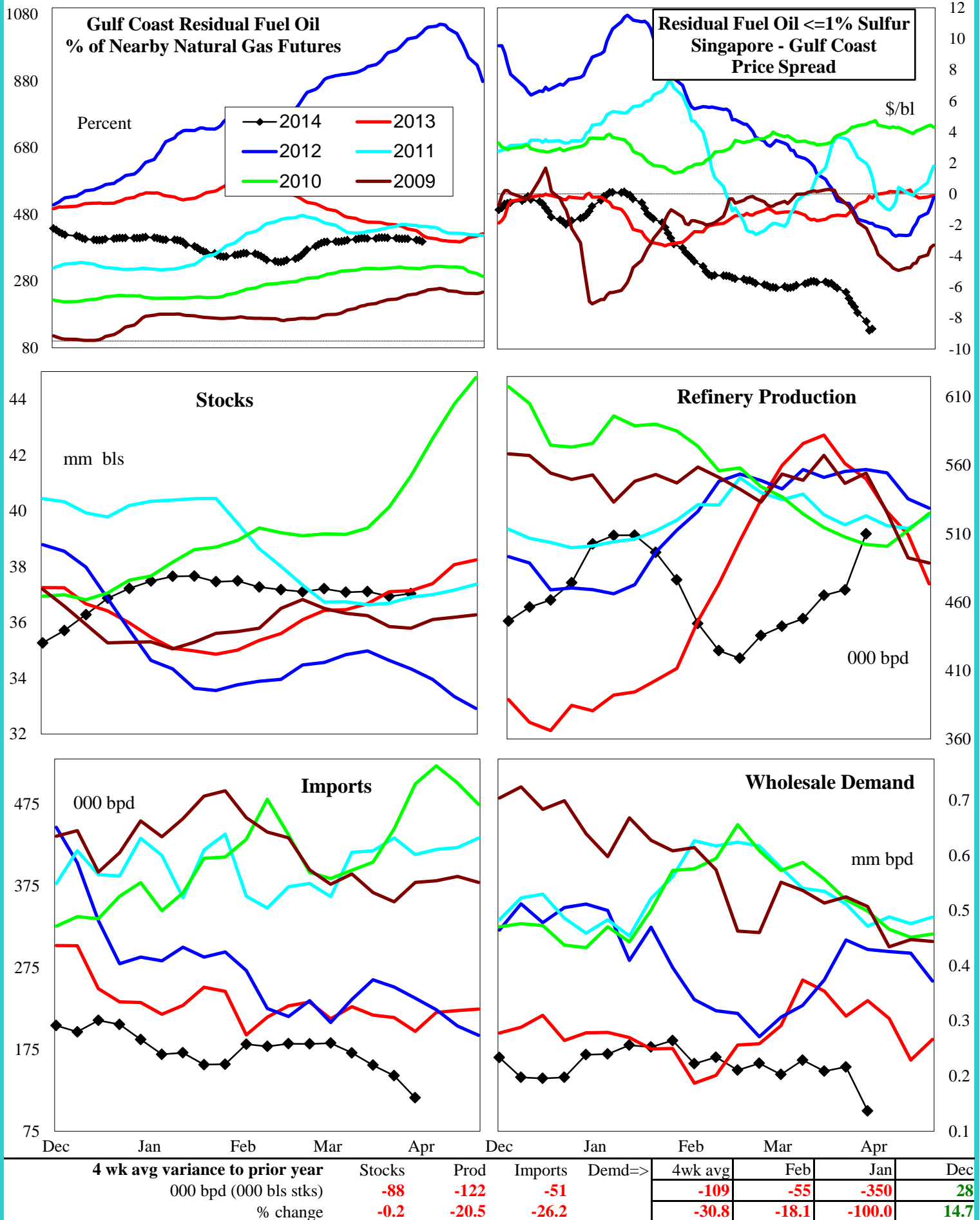
Weekly Stock Change

Monthly Stock Change

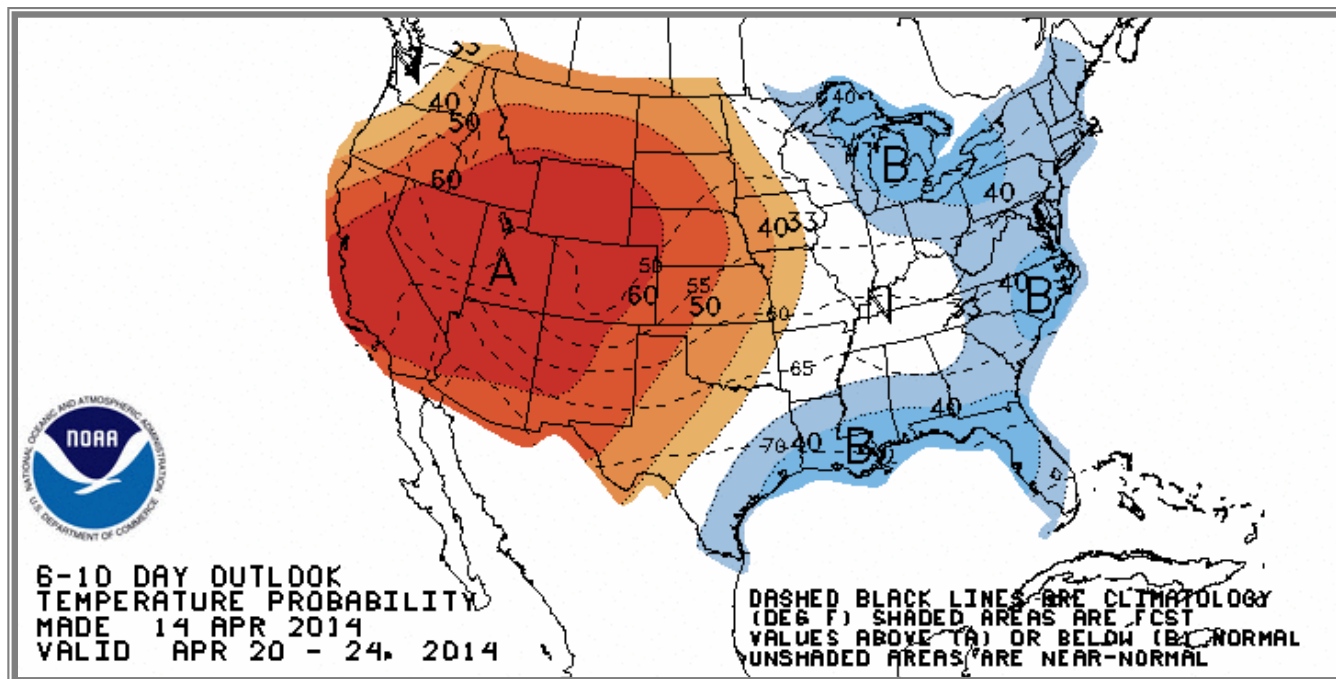
Cumulative Stock Change

BCF
Percent Change (%)-330
-47.819
-190.044
-51.8-340
57.0

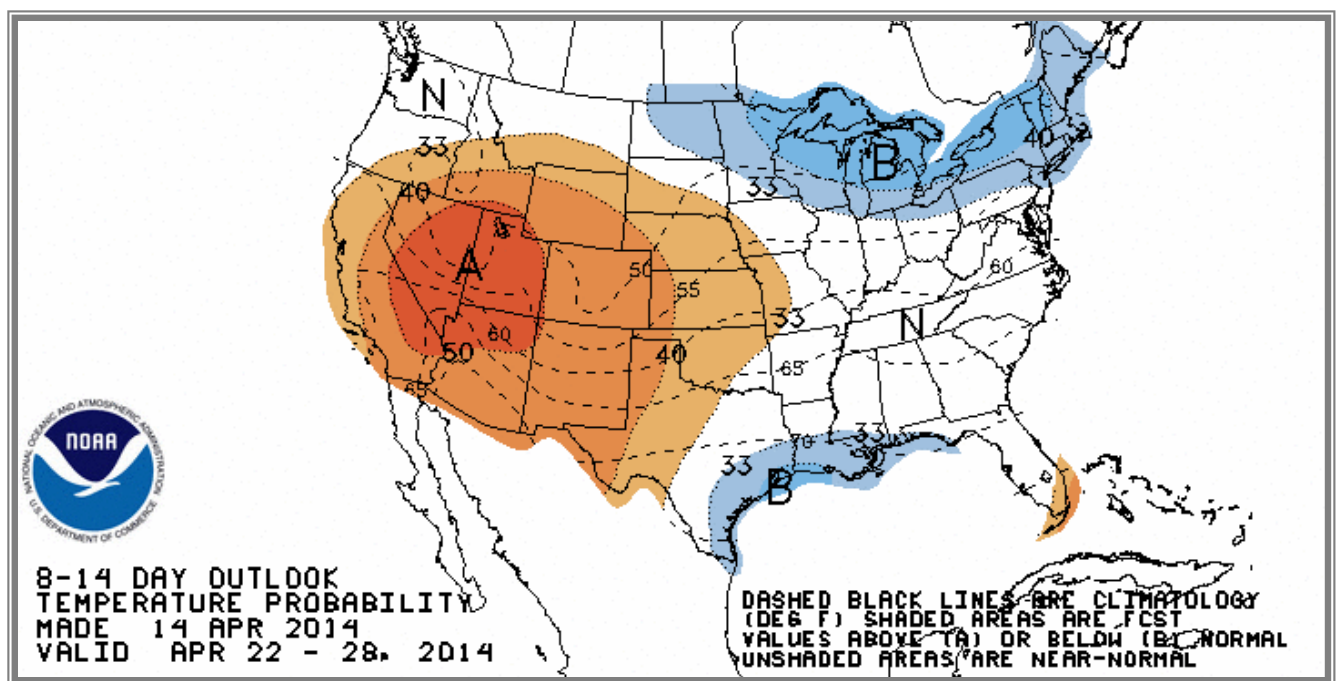
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

