

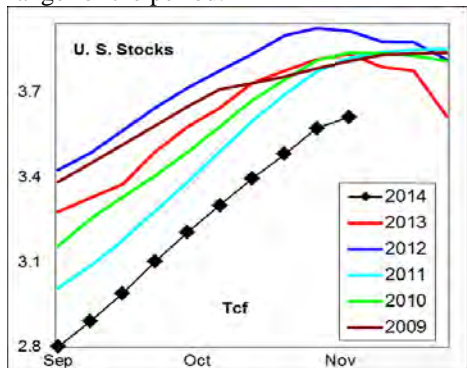
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

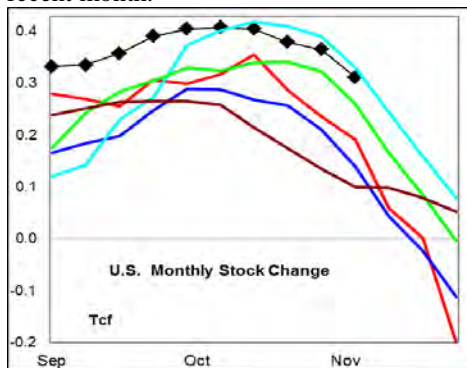
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Tuesday, November 18, 2014



Summary ¹ The stock build of +40 Bcf last week was well above the 3-yr mid range for the period.



The latest 4-wk stock change was a build of +245 Bcf, near the 5-yr record build for the period. The rate of stock build has exceeded a year ago by +63% for the most recent month.



In the East Region stocks increased +8 Bcf for the week, a level equal to the 3-yr mid range. Stocks increased +4 Bcf last week in the West Region, a level that matched the 3-yr mid range. Stocks increased +28 Bcf on the week in the Producing region, a record high for the period.

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

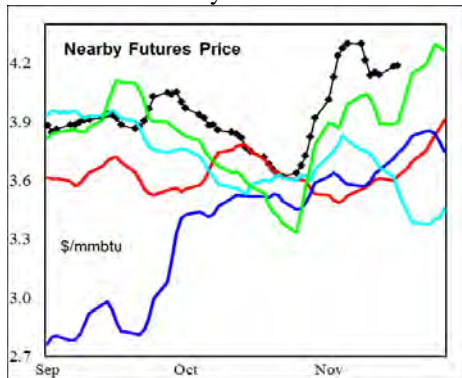
Temperatures were well below normal across the entire country for the week ending 07Nov14.

The 6-10 day NWS forecast for the week ending 27Nov14 is for well above normal temperatures in the eastern 1/4th of the country and on the west coast, with

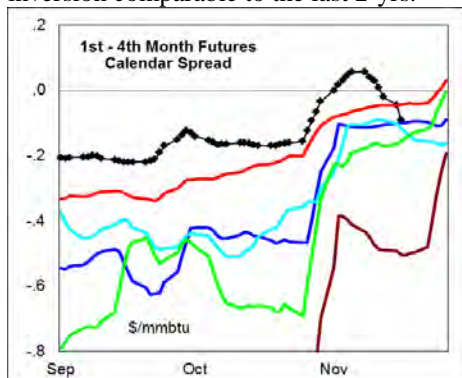
below normal temperature's in the central 3/4th of the country.

The 8-14 day NWS forecast for the week ending 01Dec14 is for above normal temperatures on the West Coast and below normal temperature's elsewhere.

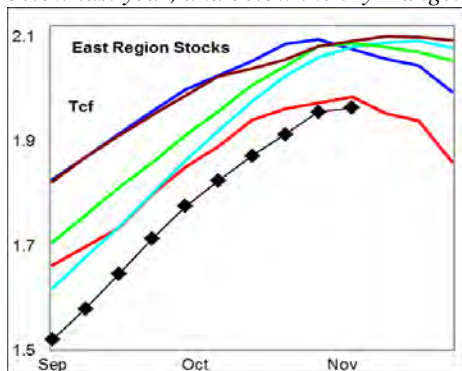
Prices: Nearby gas futures decreased - \$0.06/mmbtu for the week ending 18Nov14. Prices ended the week at a level above the 4-yr range for the period; driven by below normal temperatures across much of the country.



The 1st - 4th month forward price curve trended lower last week, ending in an inversion comparable to the last 2-yrs.

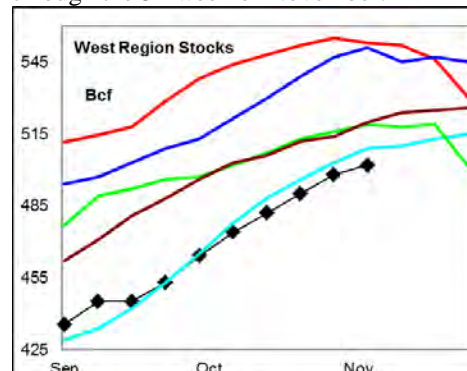


East Region stocks increased +8 Bcf for the week, a build equal to the 3-yr mid range. The current stock level is -1% below last year, and below the 5-yr range.



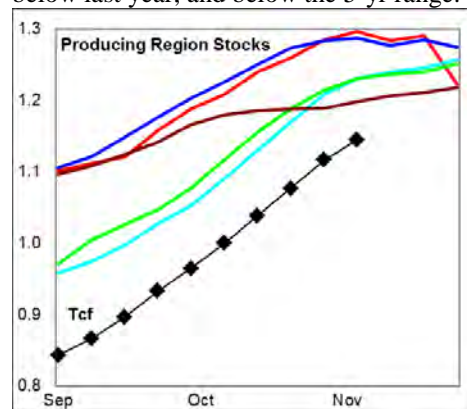
Temperatures were well below normal for the week just ended, with below normal temperatures this week, followed by a

forecast of below normal temperatures through the 3rd week of November.



West Region stocks increased +4 Bcf last week, a build equal to the 3-yr mid range. Stock levels ended the week -9% below last year, and just below the 5-yr range. Temperatures are forecast to be well above normal through late November in this region.

Producing Region stocks increased +28 Bcf for the week, a record build for the period. Stock levels ended the week -12% below last year, and below the 5-yr range.



Temperatures are forecast to be below above normal through late November.

Residual Fuel Oil Switching: The price spread between fuel oil and natural gas favors natural gas use.

Outlook: Temperatures are forecast to be below normal during the next 2-wks in the central 3/4th of the country and above normal on the East and West Coasts.

With the East Coast of the country having a meaningful impact on gas demand, look for near normal stock builds and risk of price weakness in the near term.

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 18, 2014

For the week ending: 7-Nov-14

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

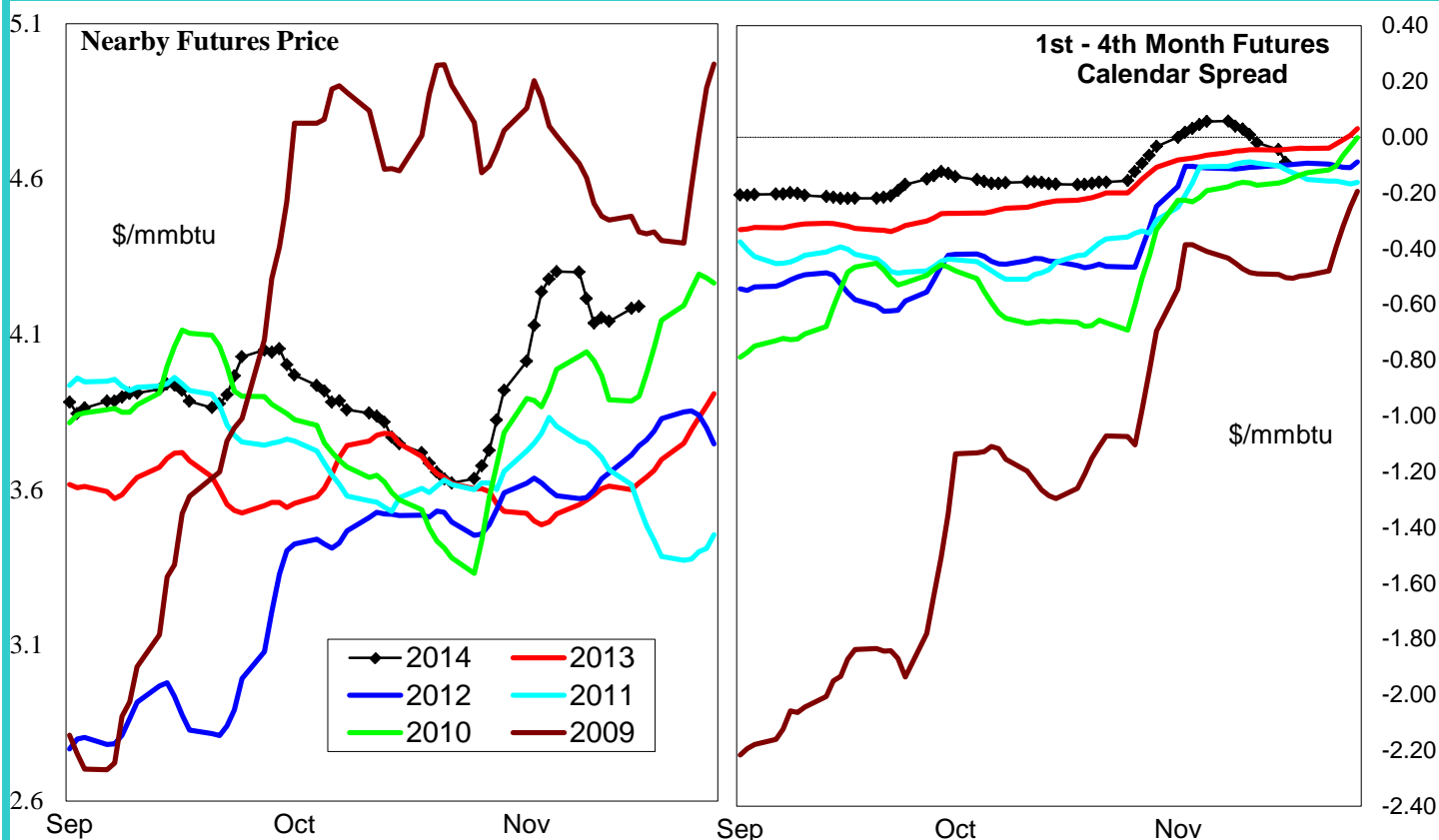
Week ending:	7-Nov-14			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,611	40	-5.8	-14	-45%	-2	-33%	-3	-77%
East	1,964	8	-1.0	-17	-39%	-2	-18%	-4	-74%
West	502	4	-9.2	-12	-58%	-2	-55%	-5	-78%
Producing	1,145	28	-11.7	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

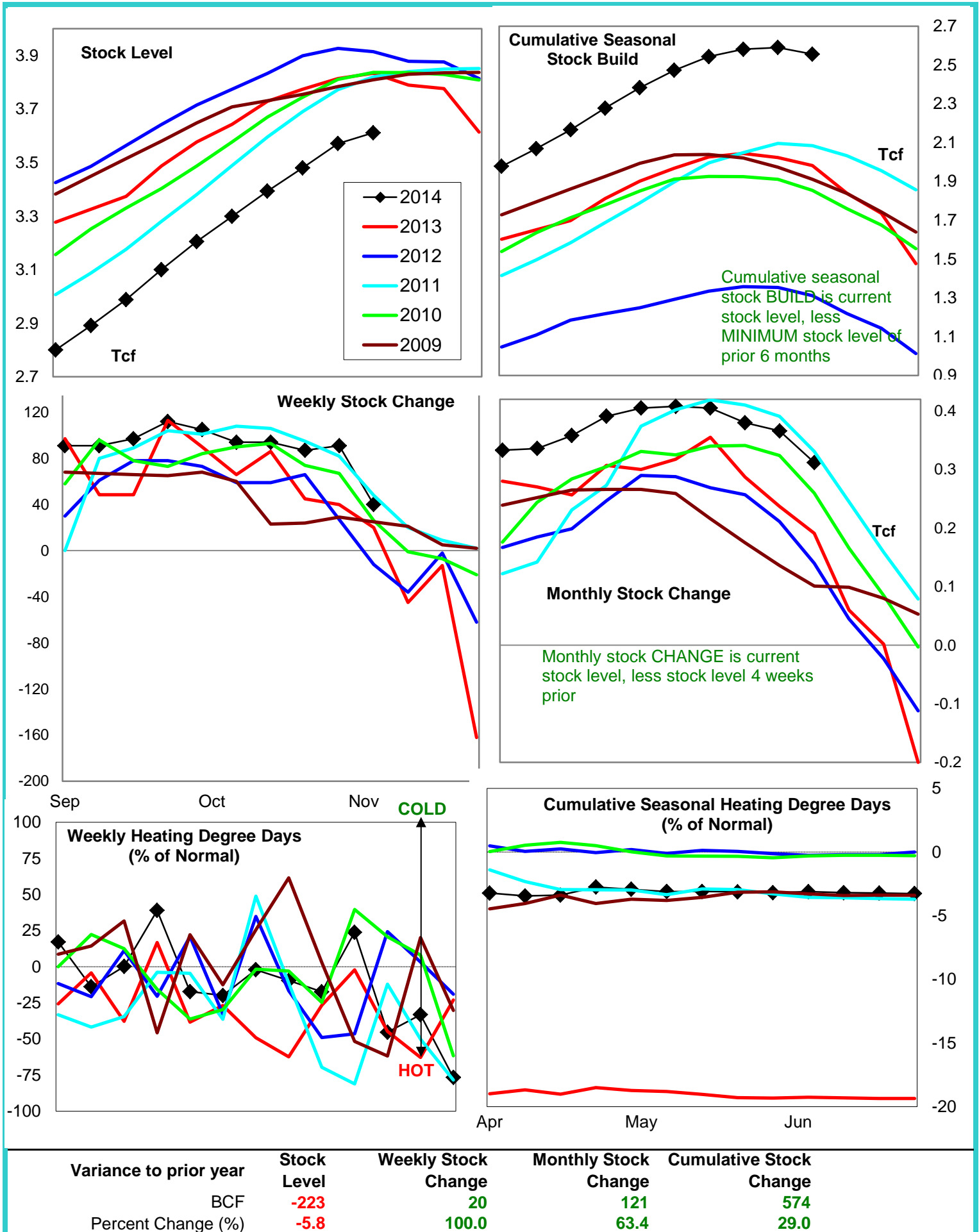
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	2,556	574	22.5	6	-3.2	4	-3.2	1	-3.3
East	1,567	332	21.2	6	-2.9	4	-2.9	1	-2.9
West	299	89	29.8	10	-4.6	8	-4.7	3	-4.9
Producing	690	154	22.3	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

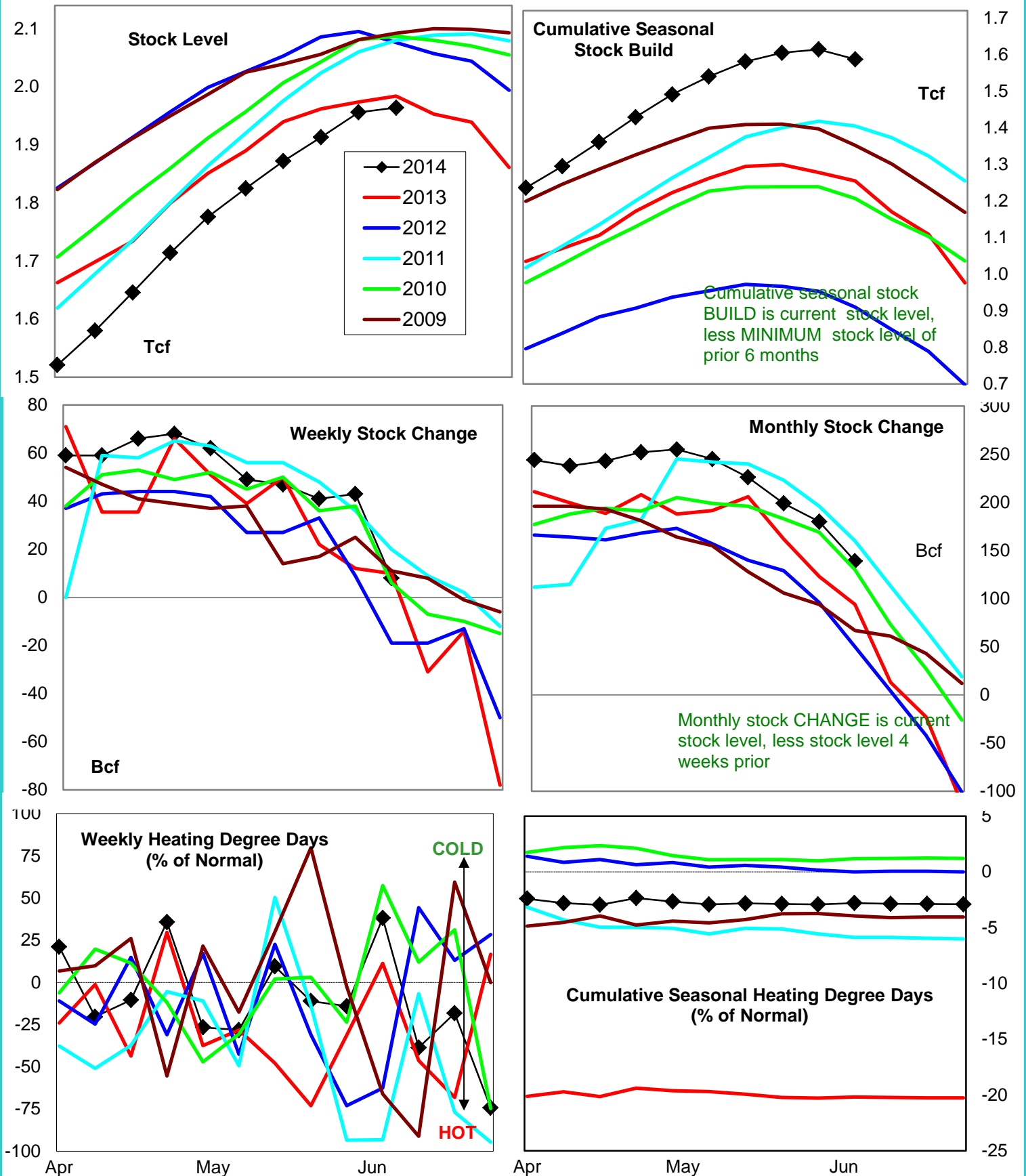
Date:	18-Nov-14	Change vs prior week, month, year		
		12-Nov-14	22-Oct-14	27-Nov-13
1st month Futures	4.19	0.01	0.53	0.20
% change	xxxxx	0.1	14.5	5.1



United States Natural Gas Stock and Weather Trends



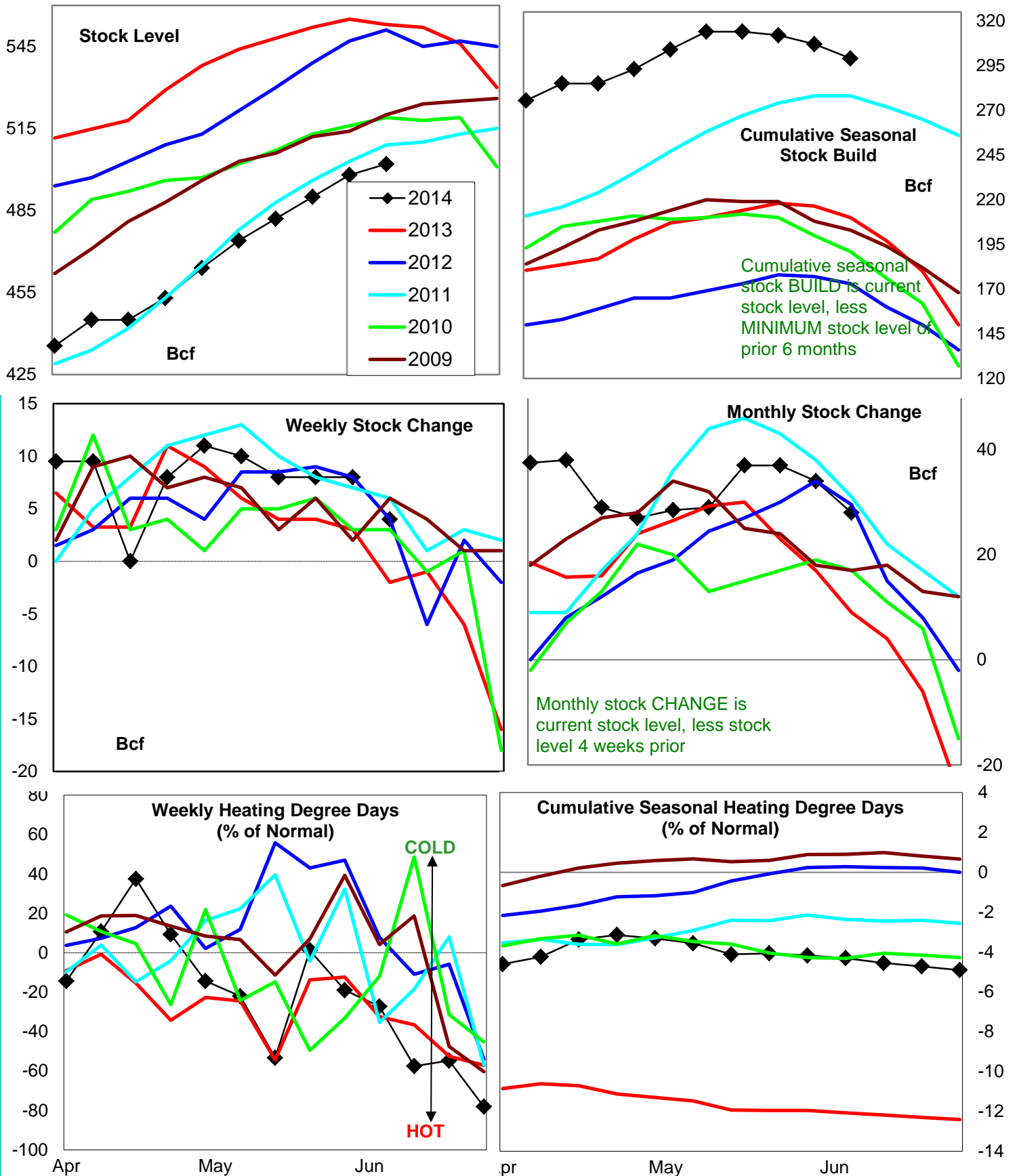
Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-20
-1.0-2
-20.045
47.9332
26.9

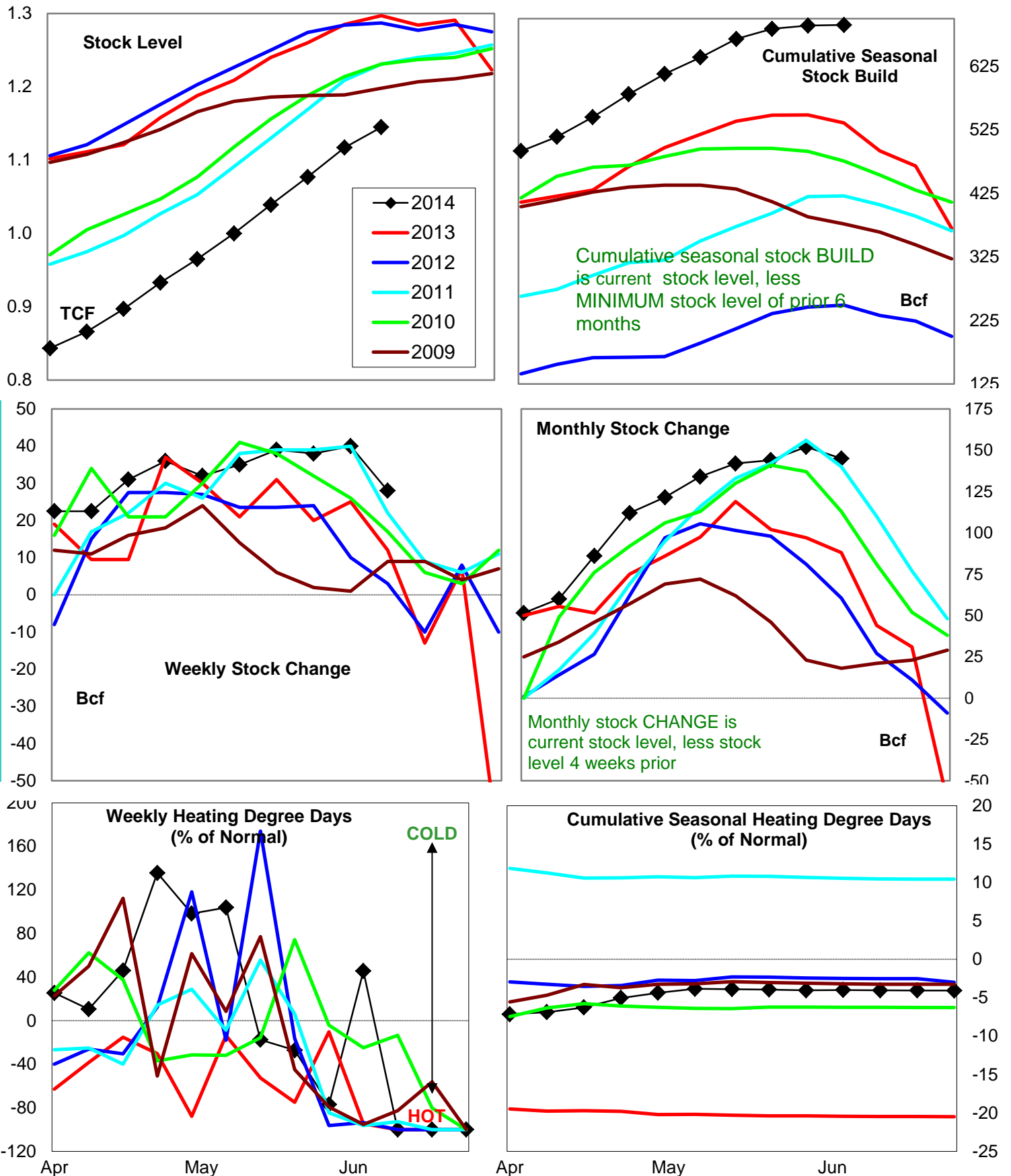
Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-51
-9.26
-300.019
211.189
42.4

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

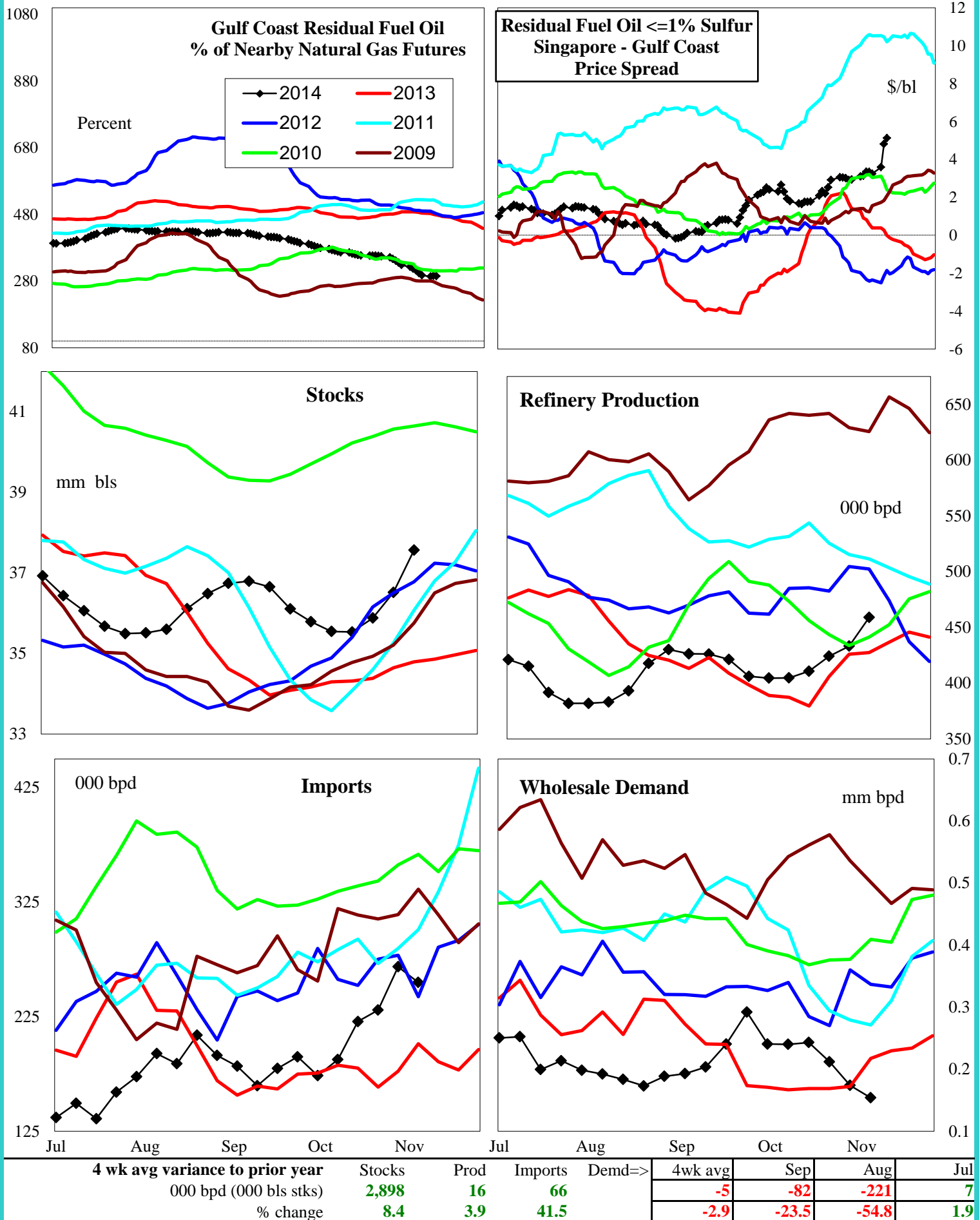
Weekly Stock Change

Monthly Stock Change

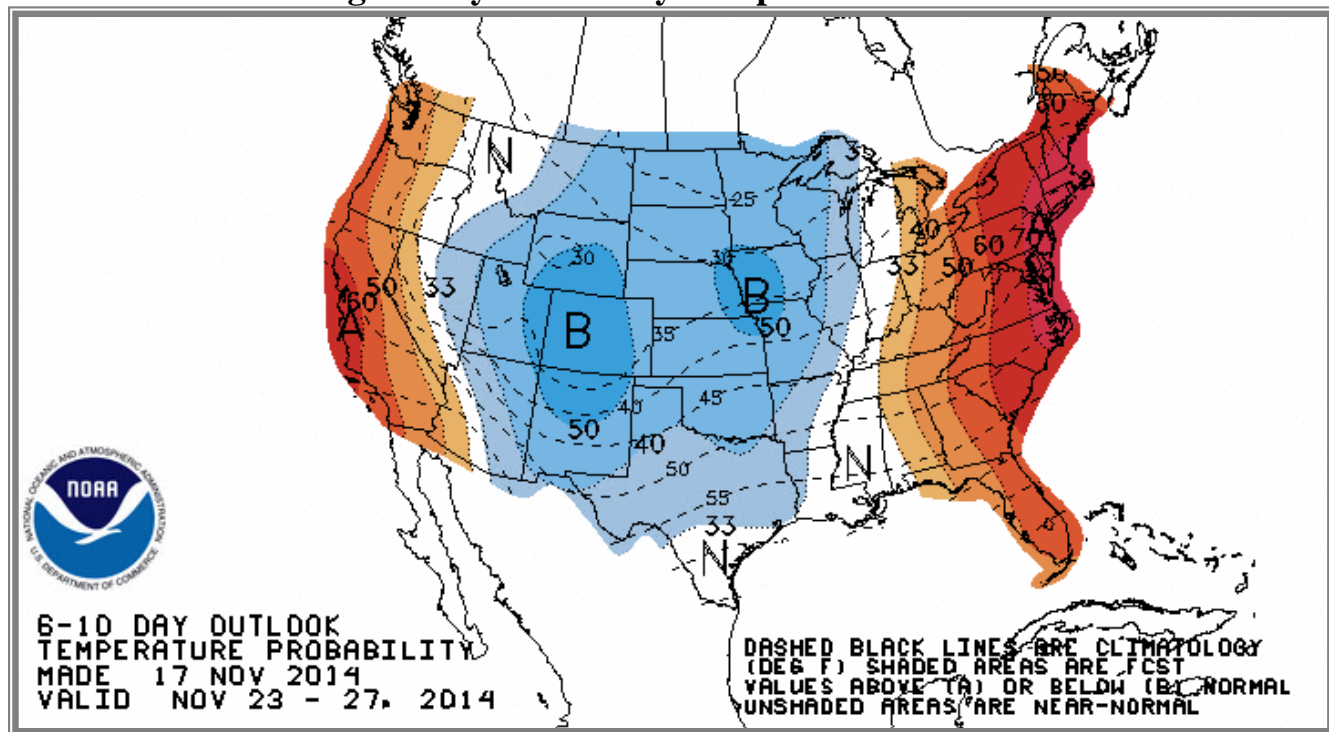
Cumulative Stock Change

BCF
Percent Change (%)-152
-11.716
133.357
64.8154
28.7

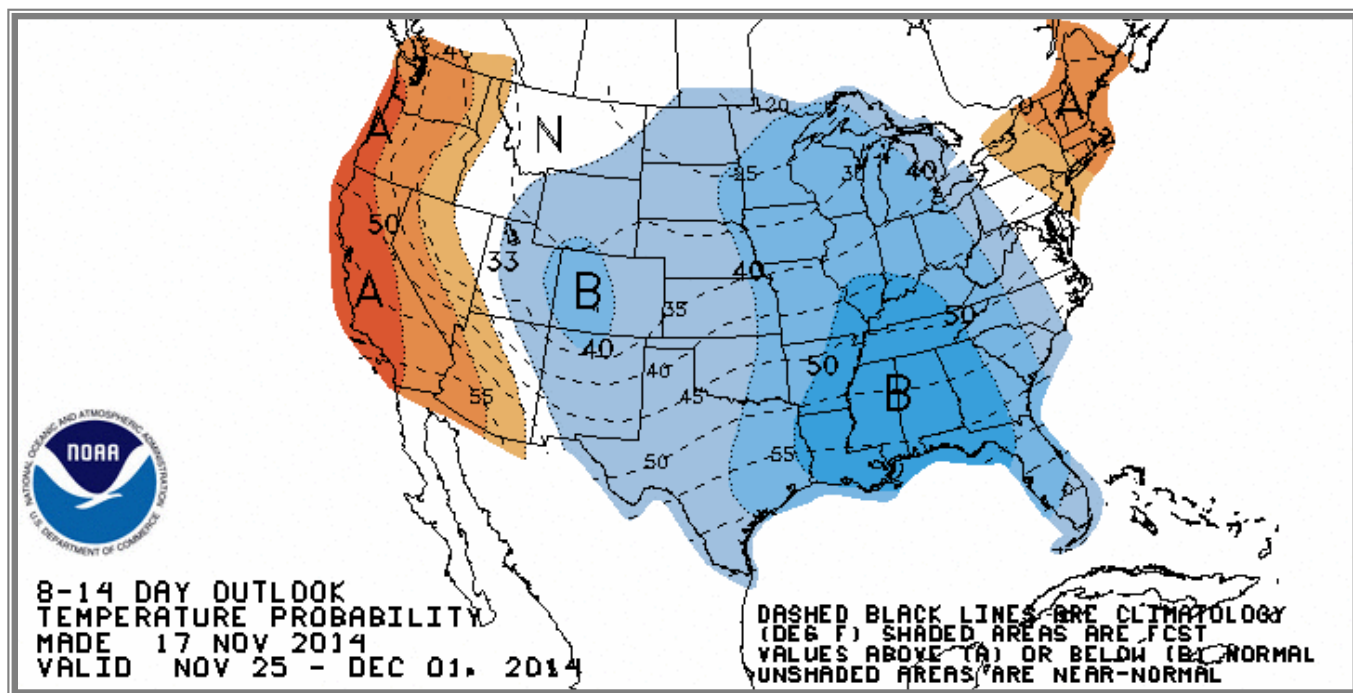
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

