

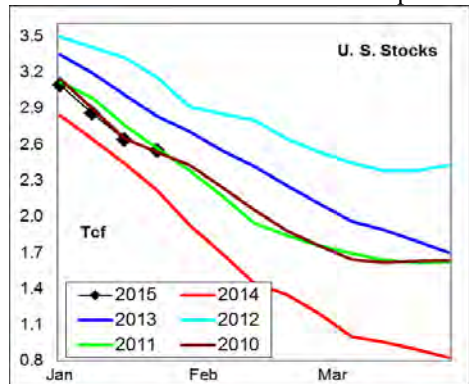
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

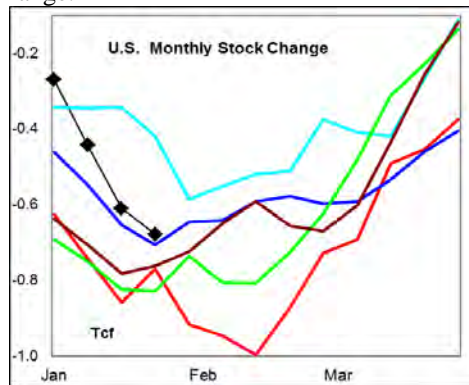
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Friday, January 30, 2015



Summary¹ The stock draw of -94 Bcf last week was a record low draw for the period.



The latest 4-wk stock change was a draw of -677 Bcf, less than the 3-yr mid range. The cumulative stock draw for the winter season was -34% less than last year, resulting in a stock level that is now +15% above last year and equal to the 5-yr mid range.



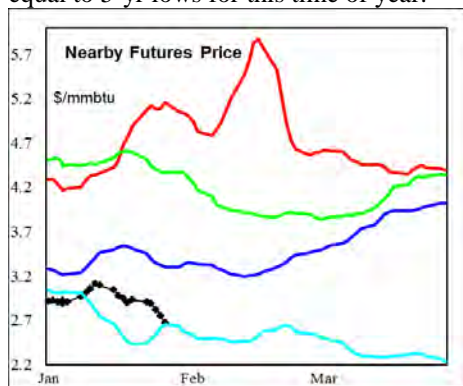
In the East Region stocks decreased -69 Bcf for the week, a record low draw for the period. Stocks declined -9 Bcf for the week in the West Region, also a record low draw for the period. Stocks saw an -16 Bcf draw in the Producing region last week, a draw equal to the lowest draw of the 1st 5-yrs for the period.

Temperatures were above normal across the country for the week ending 16Jan15, and below normal for the week ending 23Jan15.

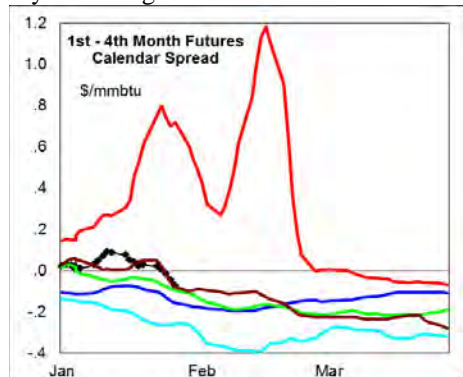
The 6-10 day NWS forecast for the week ending 08Feb15 is for well below normal temperatures in the eastern 1/2 of

the country, and much above normal in the west. The 8-14 day NWS forecast for the week ending 12Feb15 is for below normal temperatures eastern 1/3rd of the country and above normal temperatures in the west.

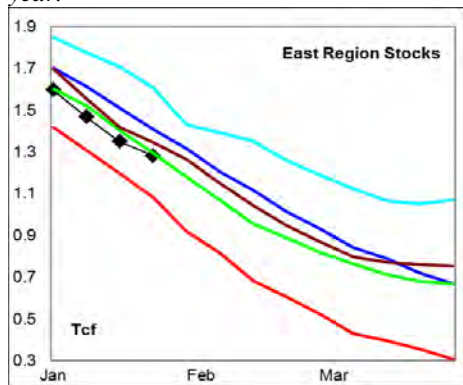
Prices: Nearby gas futures prices fell - \$0.32/mmbtu for the week ending 30Jan15. Prices ended the week at a level equal to 5-yr lows for this time of year.



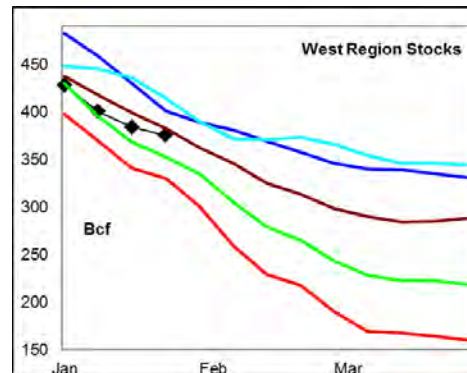
The 1st - 4th month forward price curve trended lower last week at a level near the 5-yr mid range.



East Region stocks declined -69 Bcf for the week, a record low draw for the period. The current stock level is +18% above last year.

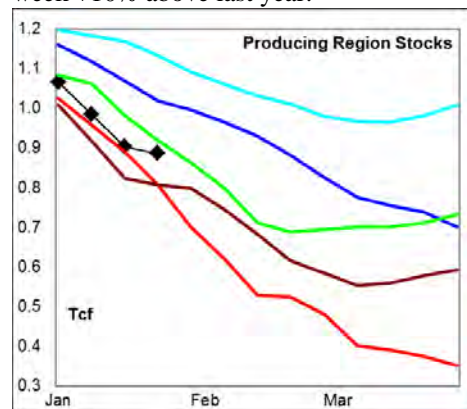


Temperatures were above normal for the week just ended, and are forecast to be well below normal for the next 10-days.



West Region stocks decreased -9 Bcf for the week, a record low draw for the period. Stock levels ended the week +14% above last year. Temperatures are forecast to be well above normal for the next 2-wks.

Producing Region stocks decreased -16 Bcf for the week, equal to the lowest draw of the last 5-yrs. Stock levels ended the week +10% above last year.



Temperatures are forecast to be below normal during the next 2-wks.

Residual Fuel Oil Switching: The price spread between fuel oil and natural gas has dropped to near a 5-yr low on declines in petroleum prices.

Outlook: Temperatures are forecast to be below normal over the next 10-days across the eastern 1/2 of the country.

Look for a below average stock draw for the week just ended, followed by above average draws for the following 2-wks.

Ample stock levels and record production has led to a decline in prices at the start of peak heating demand. (This trend has also occurred in three of the last 4-yrs). Look for price weakness for the balance of the winter heating season.

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: January 30, 2015

For the week ending: 23-Jan-15

Weekly Trends in Stocks

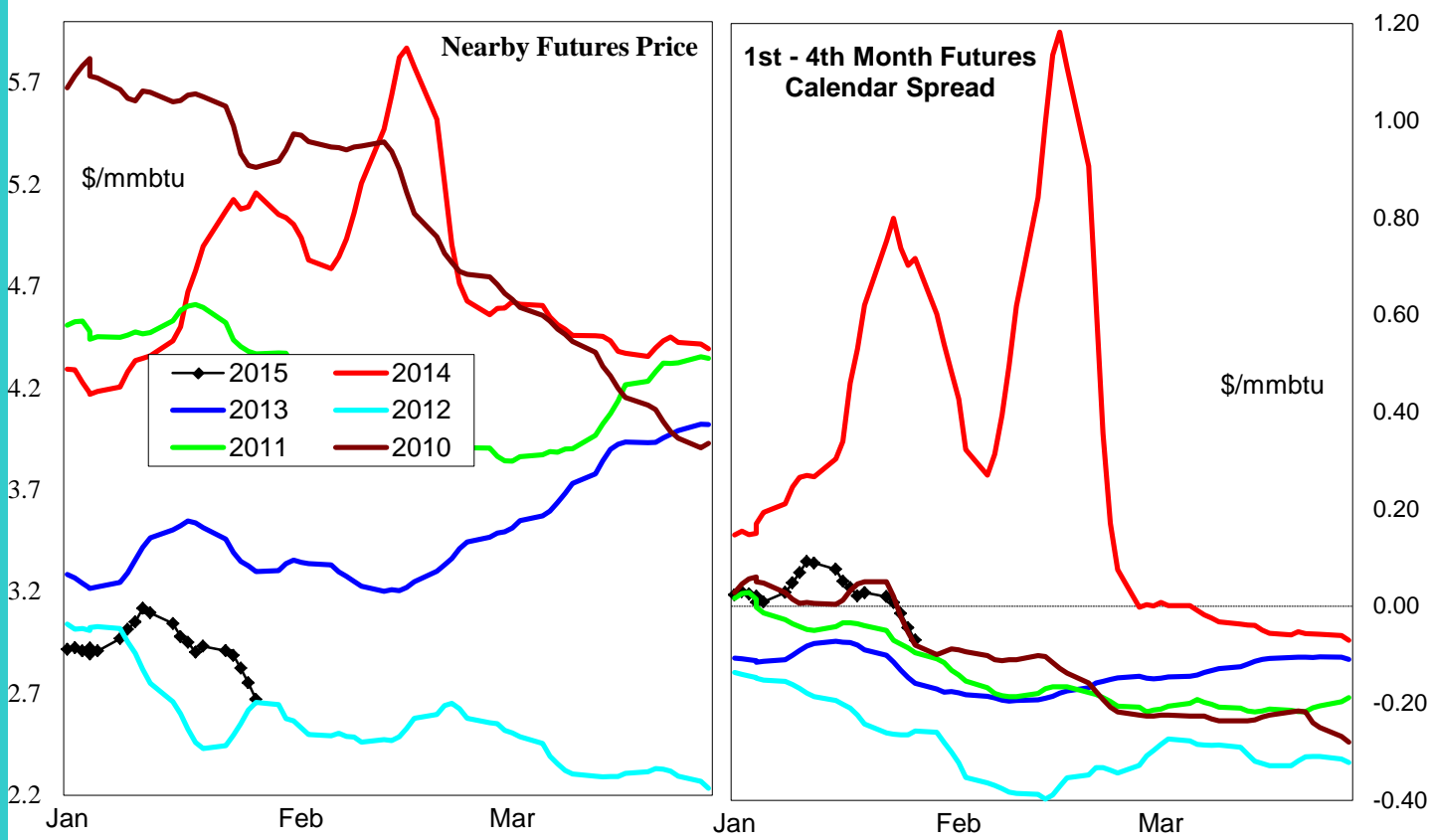
Week ending:	23-Jan-15							
Region	Weekly Stocks							
	Change vs prior:							
	Bcf	Week Bcf	Year (%)					
U.S. Total	2,543	-94	14.6					
East	1,281	-69	18.5					
West	375	-9	13.6					
Producing	887	-16	9.8					

Seasonal Trends in Stocks

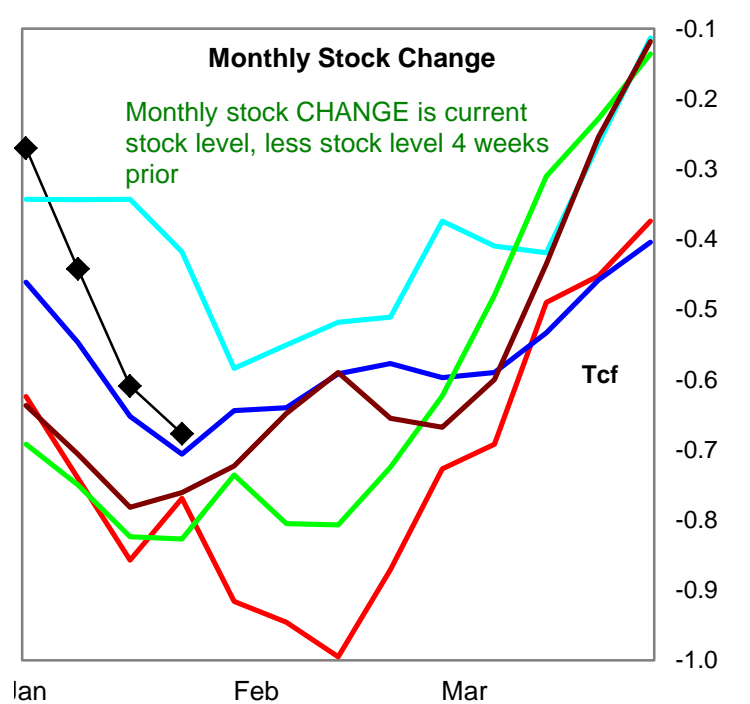
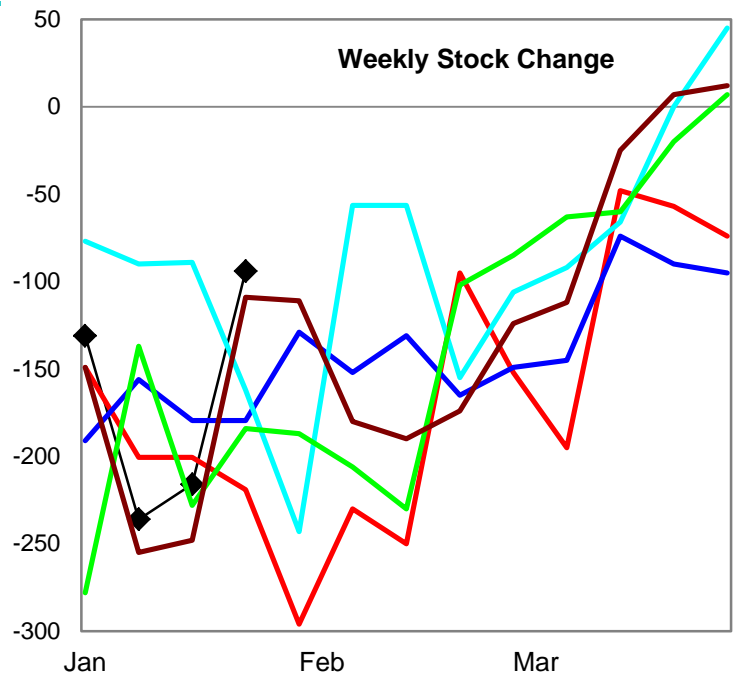
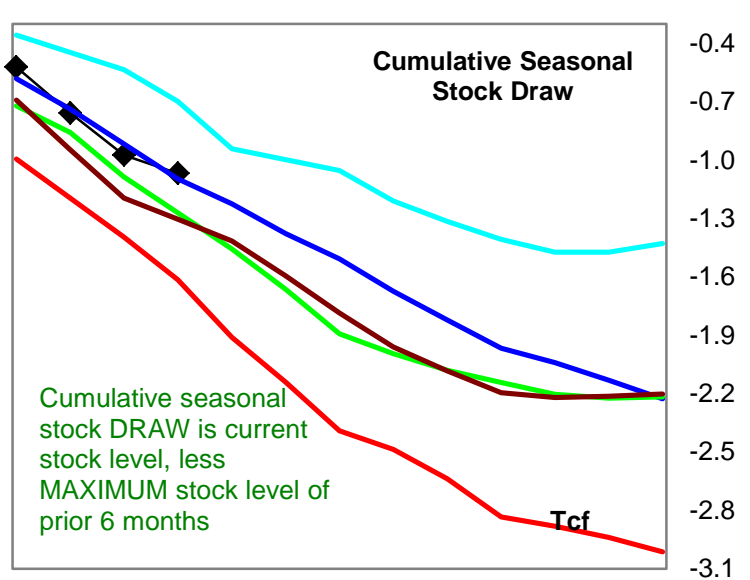
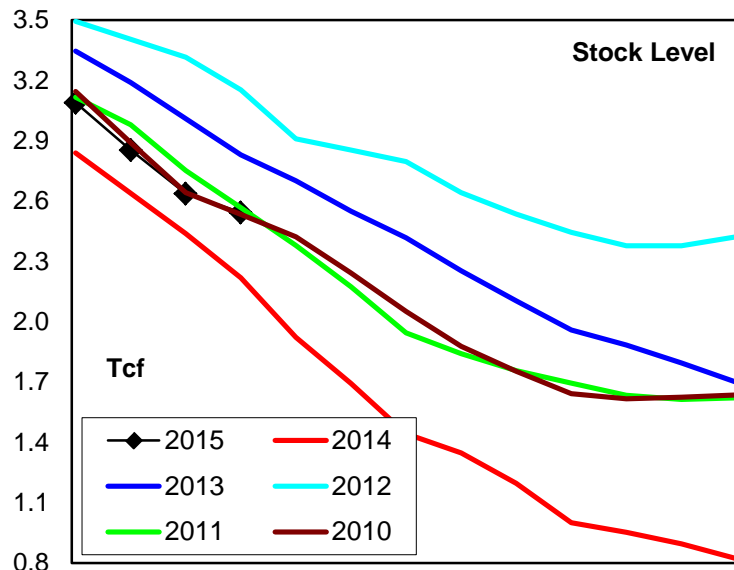
	Cumulative Stock Change							
	Change vs prior year							
	Bcf	Bcf	%					
U.S. Total	-1,068	547	-51.2					
East	-683	220	-32.2					
West	-127	98	-77.2					
Producing	-259	230	-88.8					

Futures Market Price Trends

Date:	30-Jan-15	Change vs prior week, month, year		
		26-Jan-15	5-Jan-15	11-Feb-14
1st month Futures	-0.32	-3.18	-3.24	-5.87
% change	xxxxx	-111.0	-110.8	-105.7



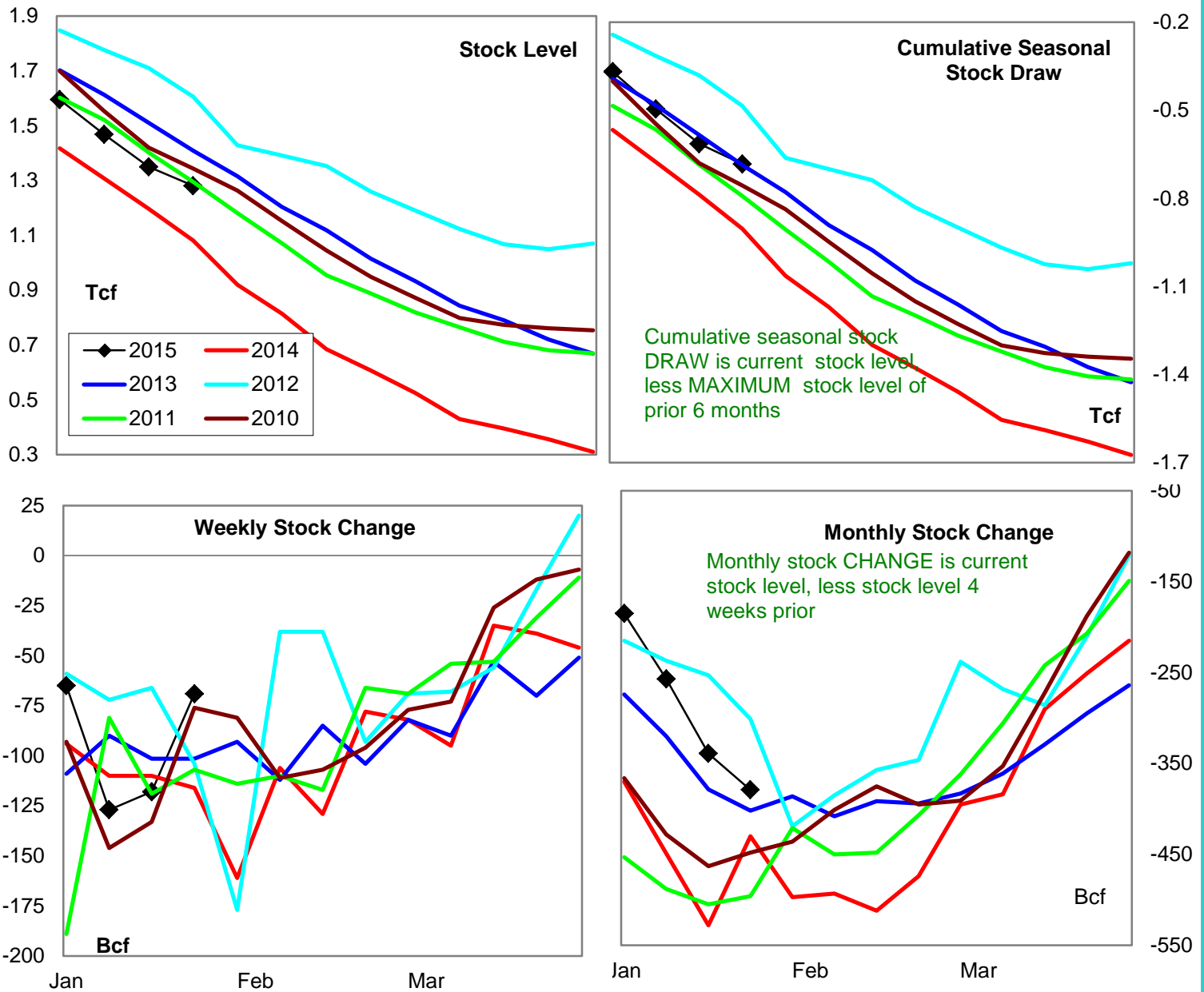
United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)324
14.6125
-57.192
-12.0547
-33.9

Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

200

47

51

220

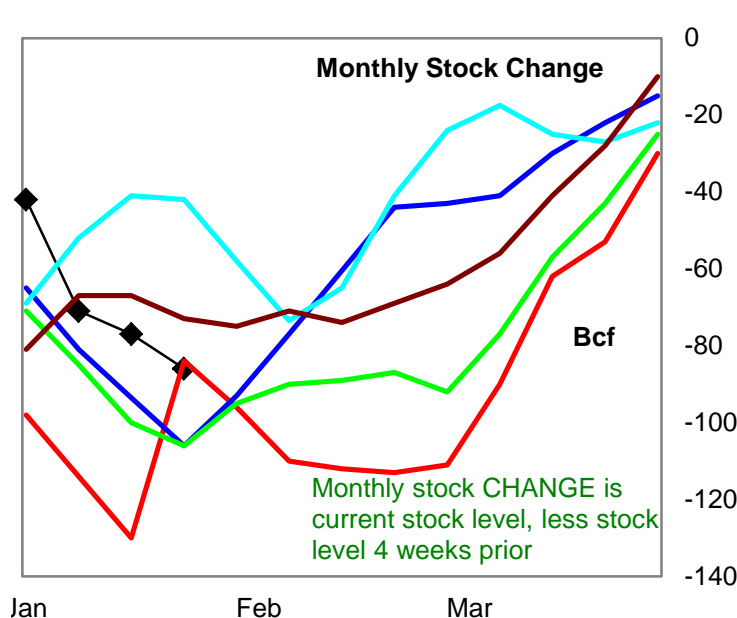
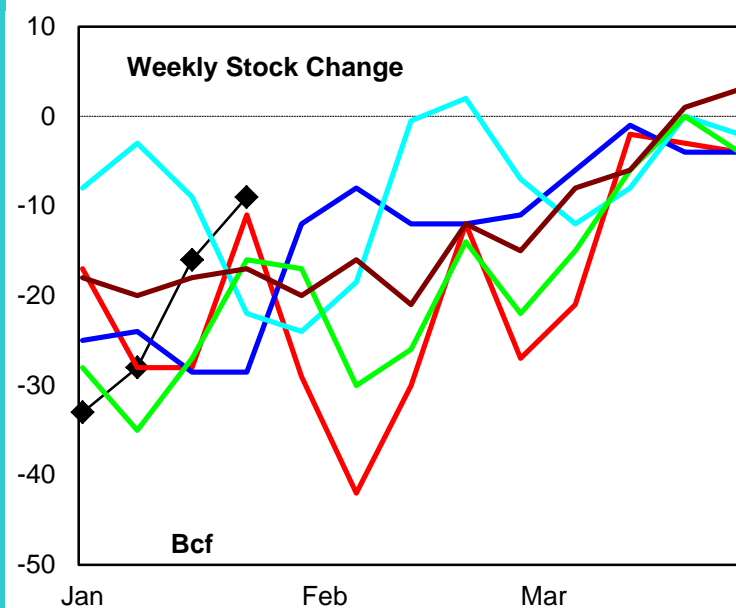
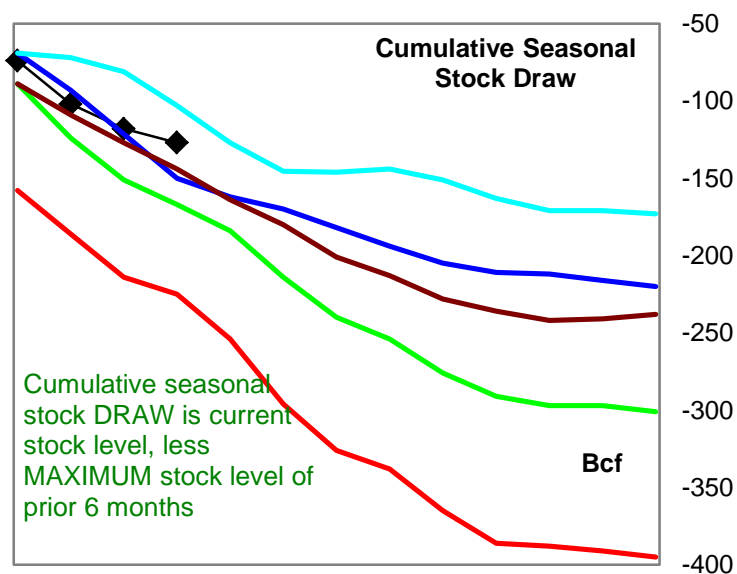
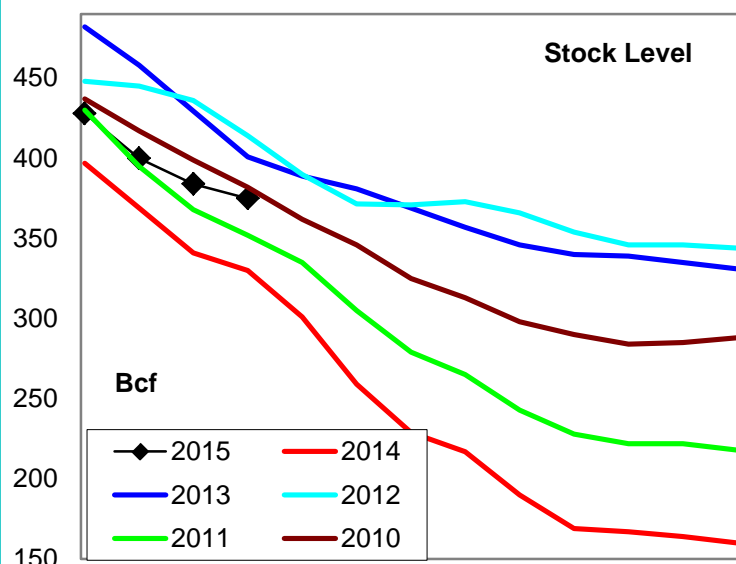
Percent Change (%)

18.5

-40.5

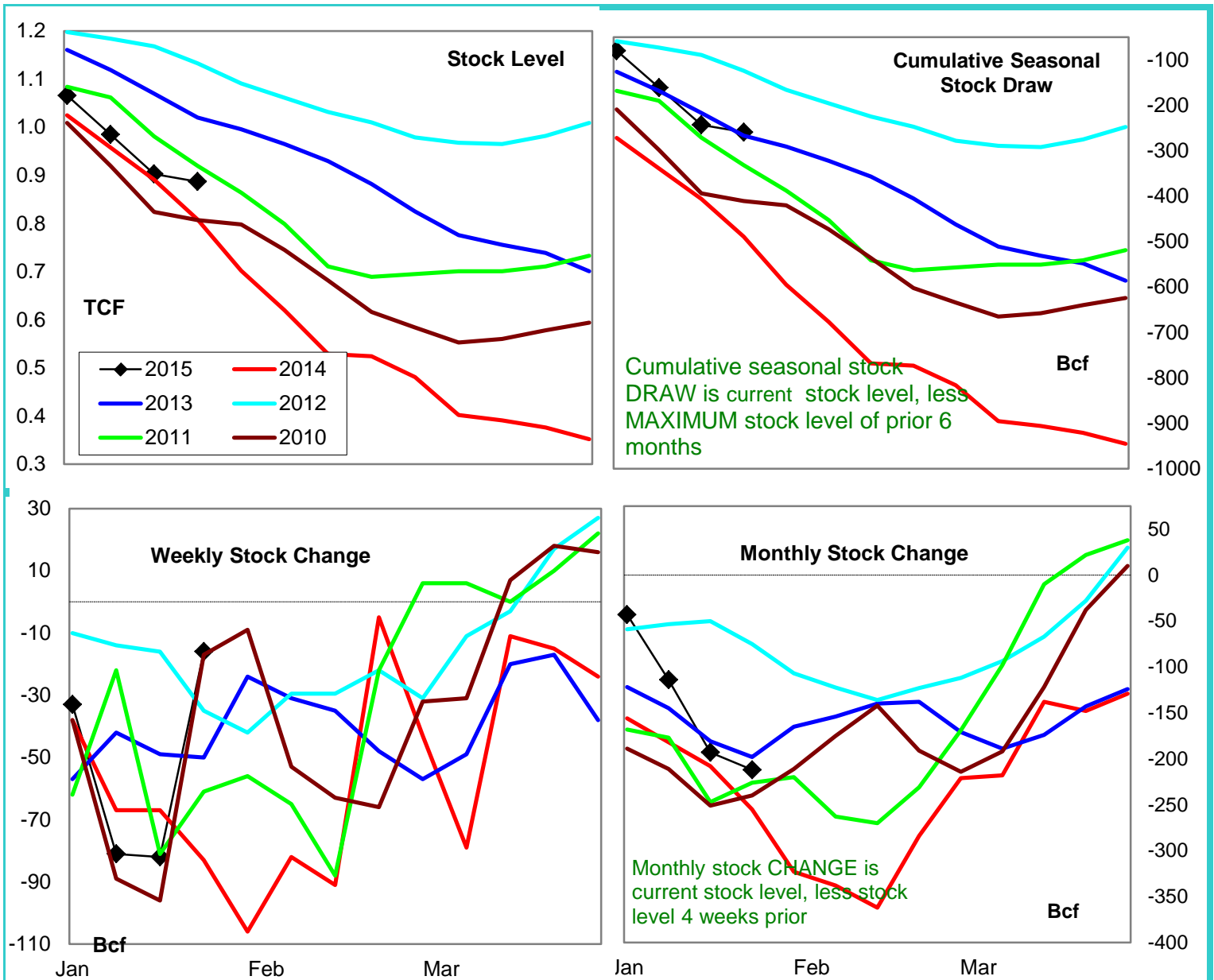
-11.9

-24.4



Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	45	2	-2	98
Percent Change (%)	13.6	-18.2	2.4	-43.6

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

79

67

43

230

Percent Change (%)

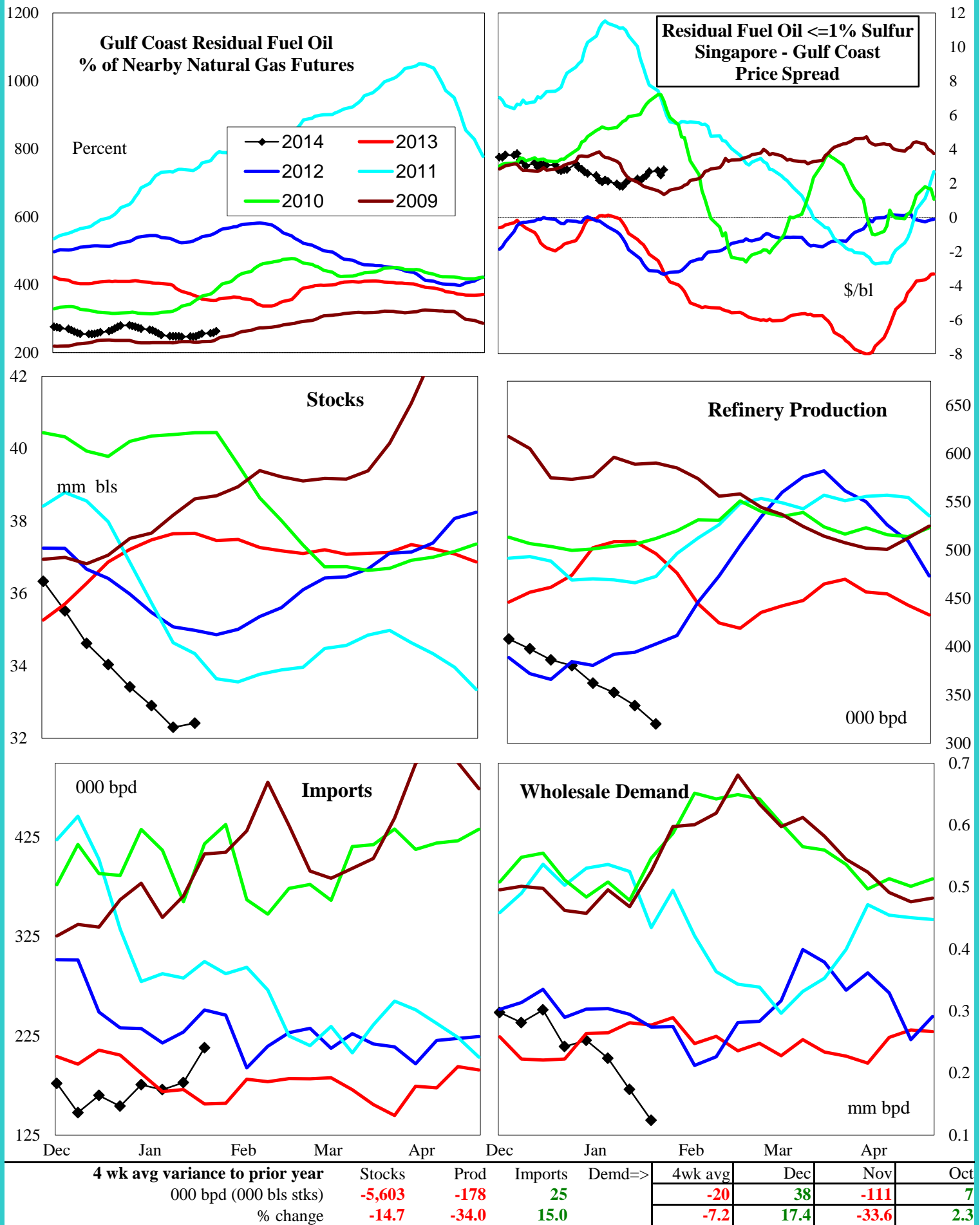
9.8

-80.7

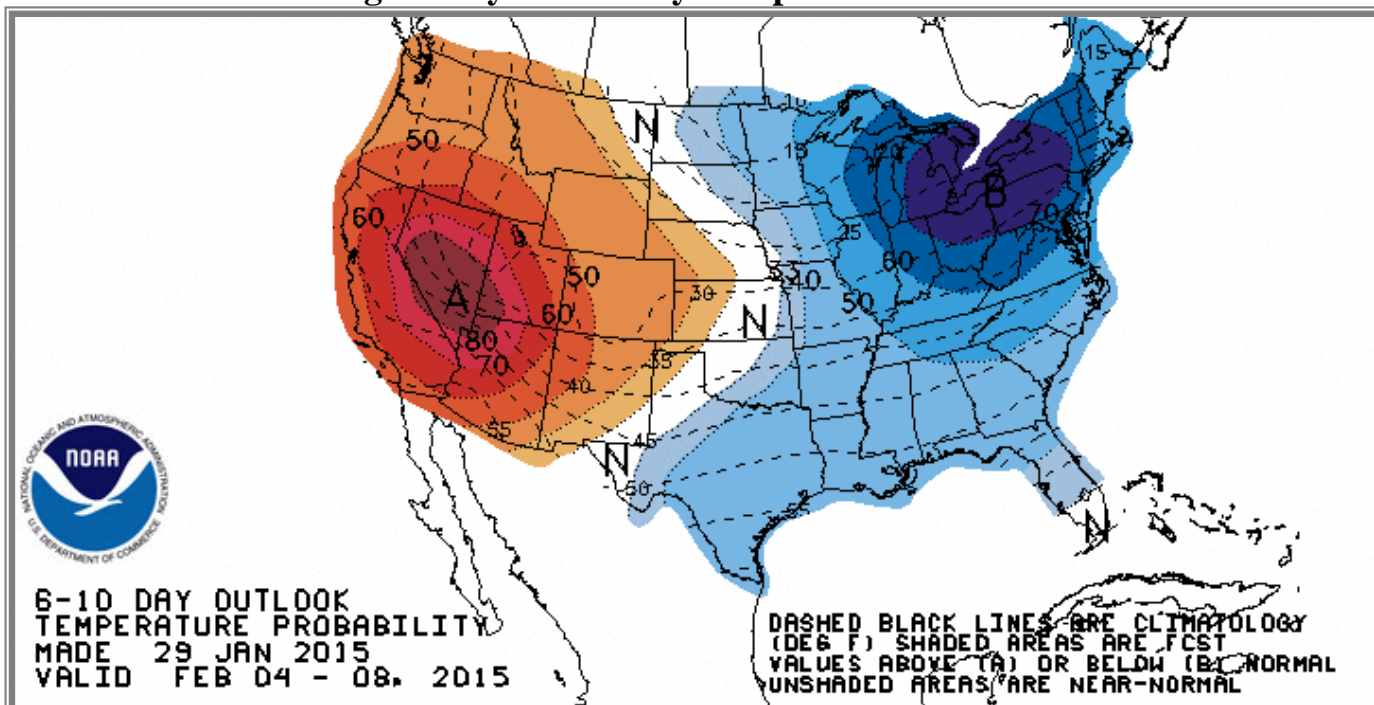
-16.9

-47.0

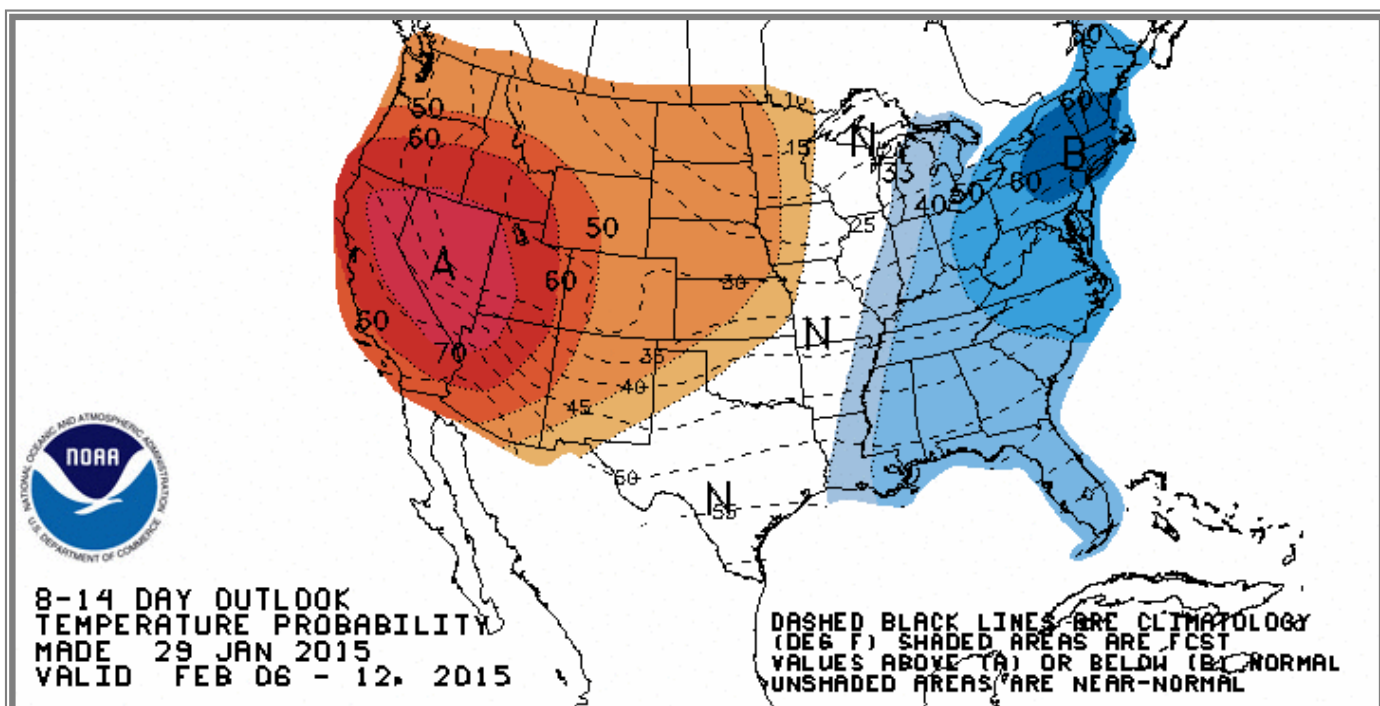
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

