

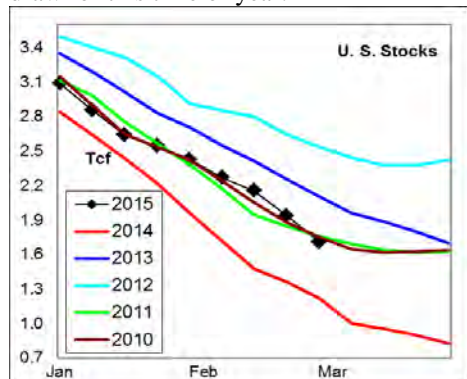
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

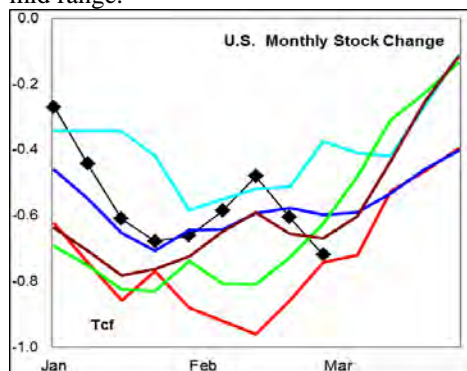
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Friday, March 06, 2015



Summary¹ The stock draw of -228 Bcf last week was the 2nd consecutive record draw for this time of year.



The latest 4-wk stock change was a draw of -718 Bcf, a level comparable to last year's record draw for the period. The cumulative stock draw for the winter season was -27% less than last year, resulting in a stock level that is now +40% above last year and comparable to the 5-yr mid range.



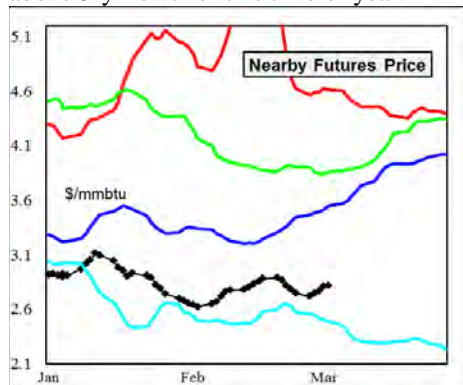
In the East Region stocks decreased -121 Bcf for the week, a record draw for the period. Stocks decreased -16 Bcf for the week in the West Region, equal to the 5-yr mid range for the period. Stocks saw a -91 Bcf draw in the Producing region last week, a record draw for the winter quarter.

Temperatures were sharply below normal across the eastern ½ of the country for the week ending 27Feb15, and below normal for the week ending 06Mar15.

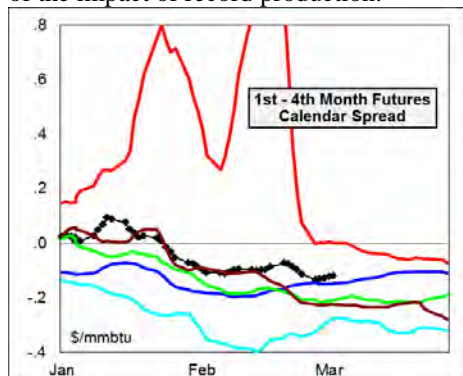
The 6-10 day NWS forecast for the week ending 15Mar15 is for sharply above

normal temperatures in all heating markets. The 8-14 day NWS forecast for the week ending 19Mar15 is for well above normal temperatures in all heating markets.

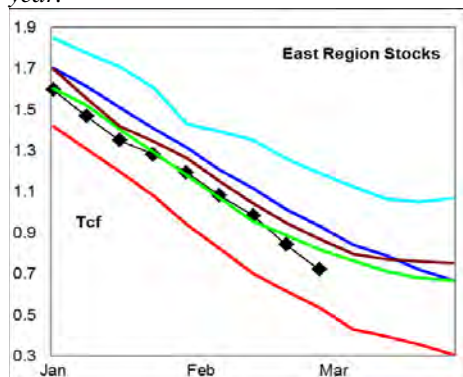
Prices: Nearby gas futures prices increased +\$.09/mmbtu for the week ending 06Mar15. Prices ended the week at a level above 5-yr lows for this time of year.



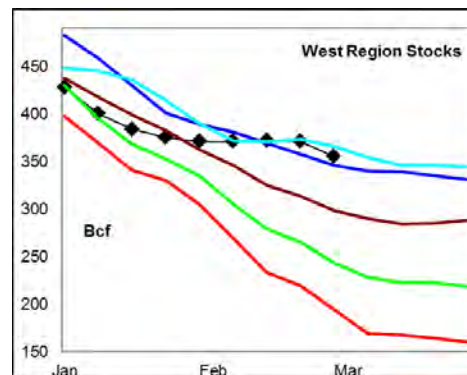
The 1st - 4th month forward price curve traded sideways last week at a level near the 2-yr mid range. The market continues to trade in a 'carry', even with extreme cold in the major heating market; evidence of the impact of record production.



East Region stocks declined -121 Bcf for the week, a record draw for the period. The current stock level is +35% above last year.

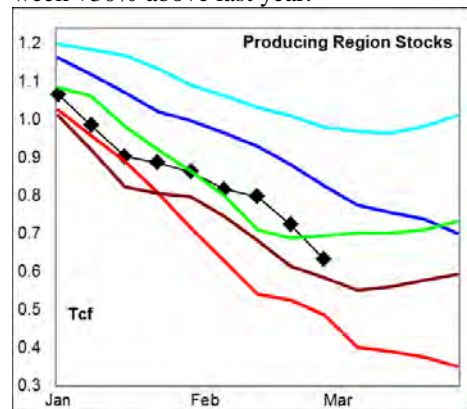


Temperatures were sharply below normal for the week just ended, and are forecast to be well above normal for the next 10-days.



West Region stocks decreased -16 Bcf for the week, equal to the 5-yr mid range. Stock levels ended the week +83% above last year and near 5-yr highs. Temperatures are forecast to be above normal for the next 2-wks.

Producing Region stocks decreased -91 Bcf for the week, a record draw for the winter quarter. Stock levels ended the week +30% above last year.



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

Residual Fuel Oil Switching: The price spread between fuel oil and natural gas ended the week near 3-yr lows in favor of gas.

Outlook: Extremely cold temperatures across major heating markets are forecast to give way to much above normal temperatures before mid month.

An end to peak winter heating use, ample stock levels and very high production points to risk of a price pull back to precious lows during the month.

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 6, 2015

For the week ending: 27-Feb-15

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

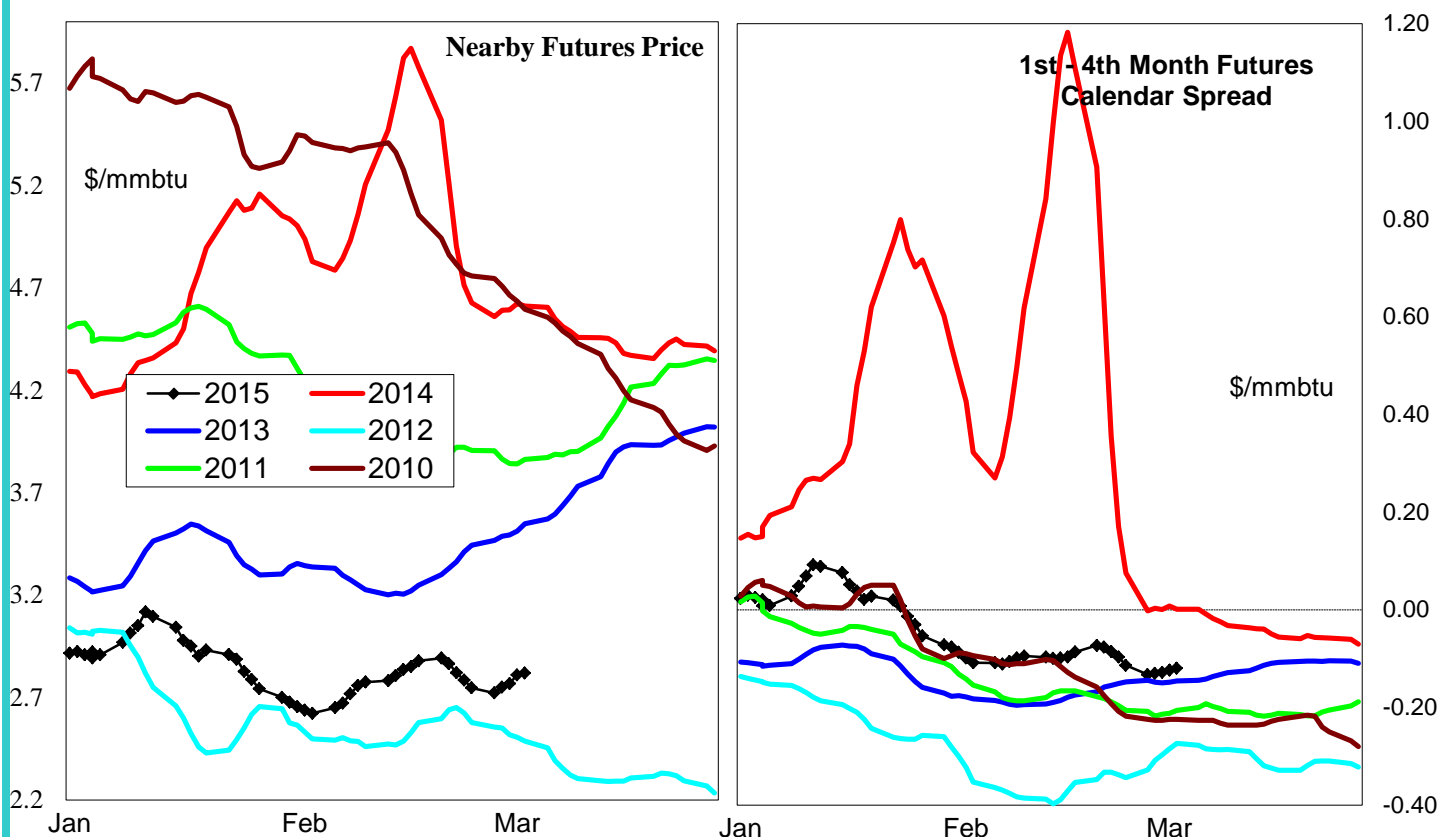
Week ending:	27-Feb-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,710	-228	40.4	-14	-45%	-2	-33%	-3	-77%
East	722	-121	34.5	-17	-39%	-2	-18%	-4	-74%
West	355	-16	83.0	-12	-58%	-2	-55%	-5	-78%
Producing	633	-91	30.0	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

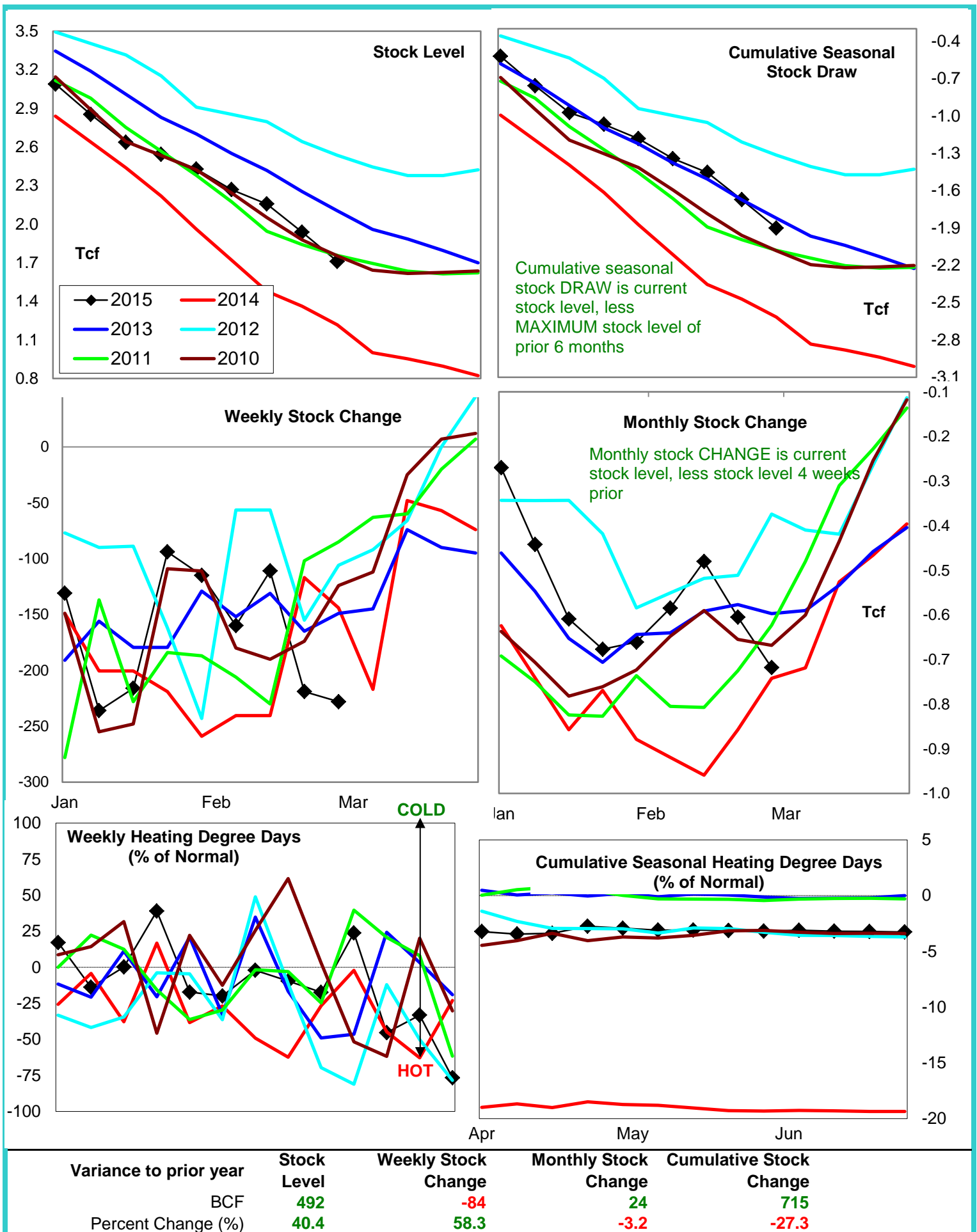
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-1,901	715	-37.6	6	-3.2	4	-3.2	1	-3.3
East	-1,242	205	-16.5	6	-2.9	4	-2.9	1	-2.9
West	-147	214	-145.6	10	-4.6	8	-4.7	3	-4.9
Producing	-513	297	-57.9	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

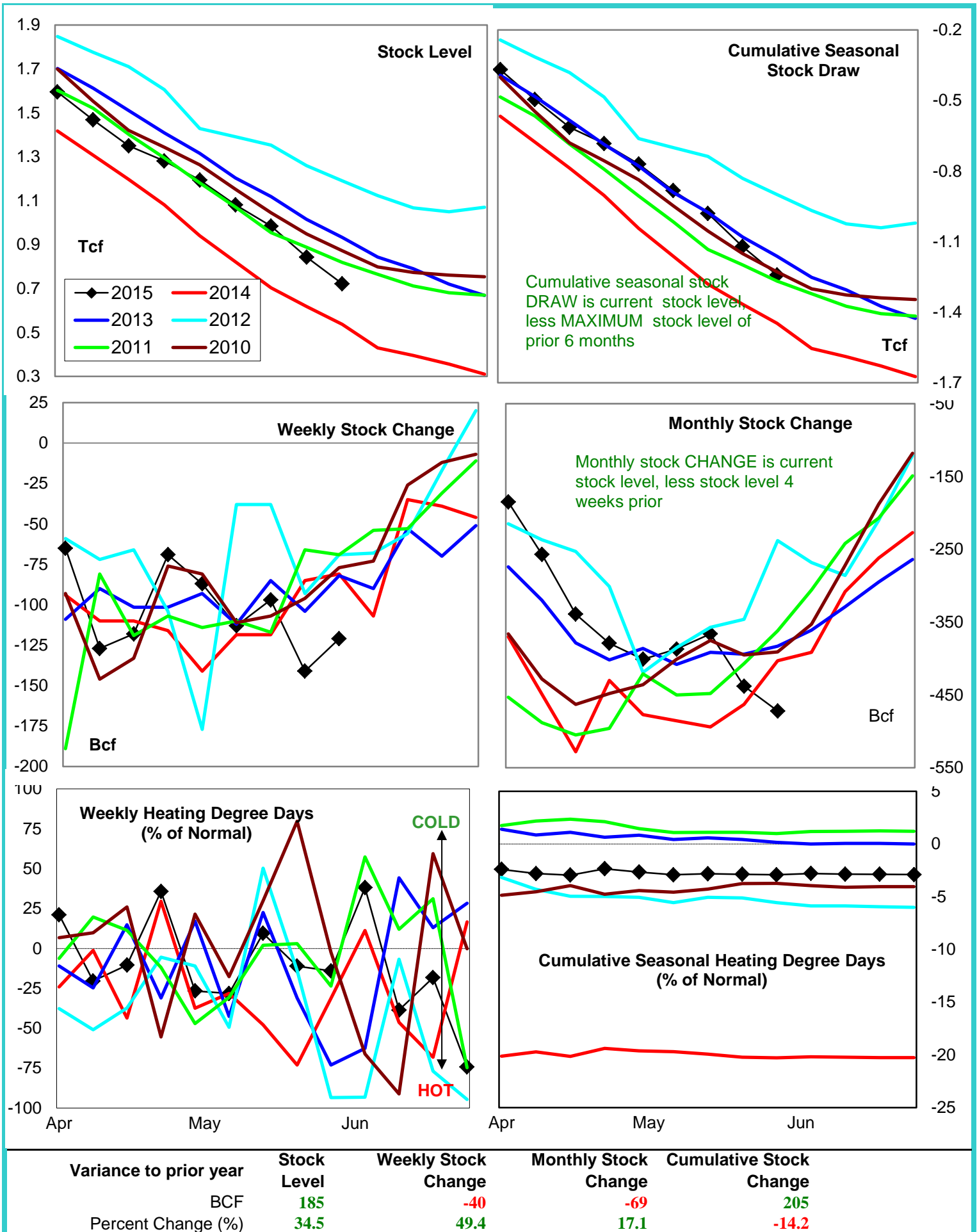
Date:	20-Feb-15	Change vs prior week, month, year		
		16-Feb-15	26-Jan-15	4-Mar-14
1st month Futures	2.82	0.12	0.22	-1.49
% change	xxxxx	4.5	8.6	-34.6



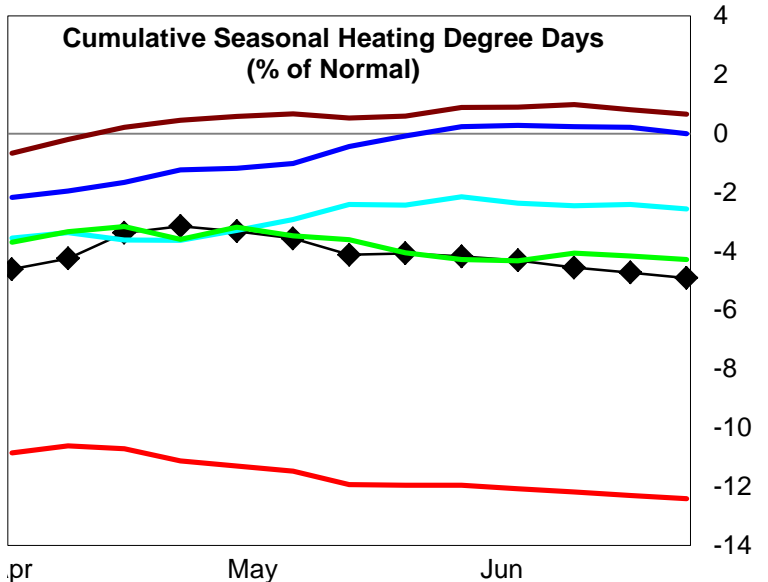
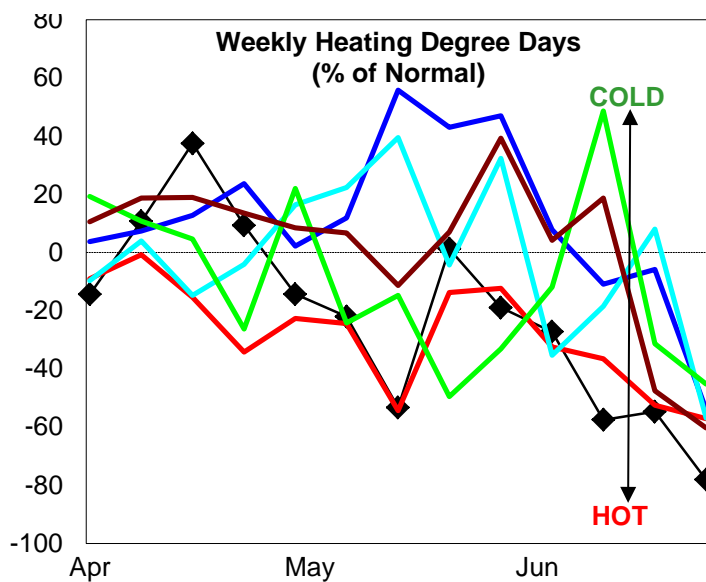
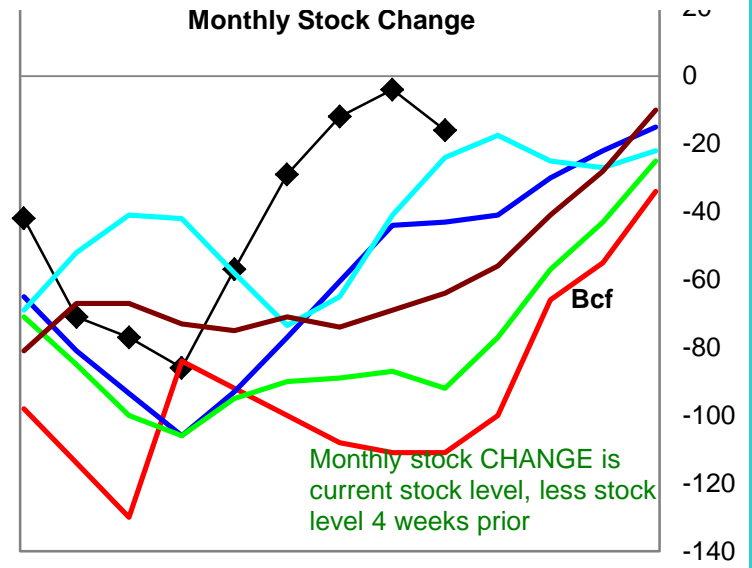
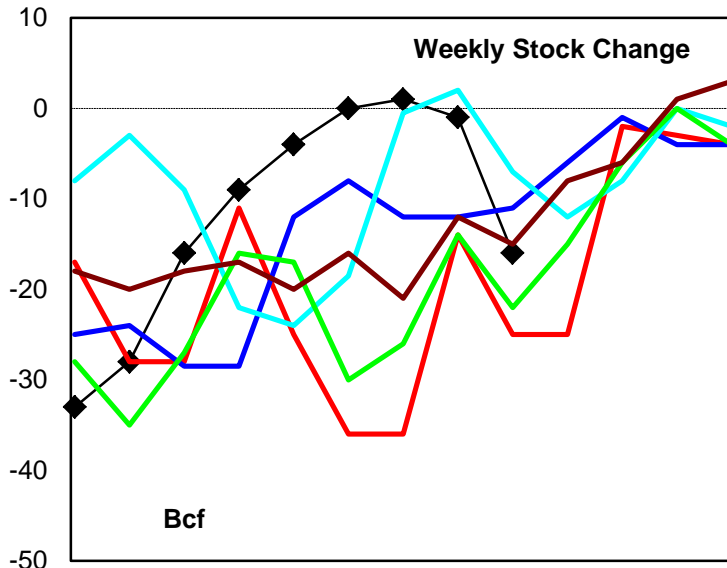
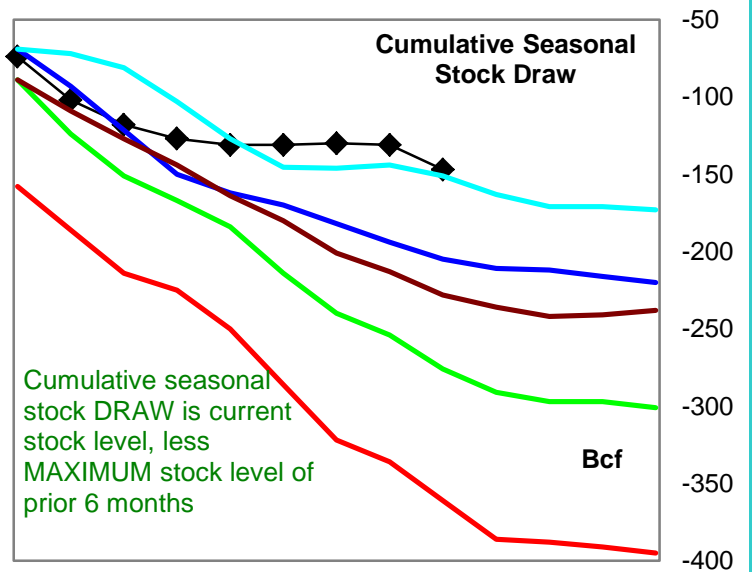
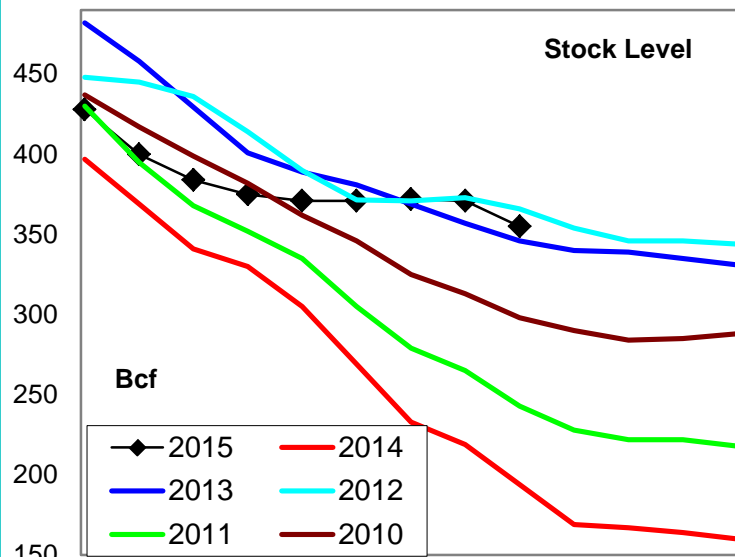
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



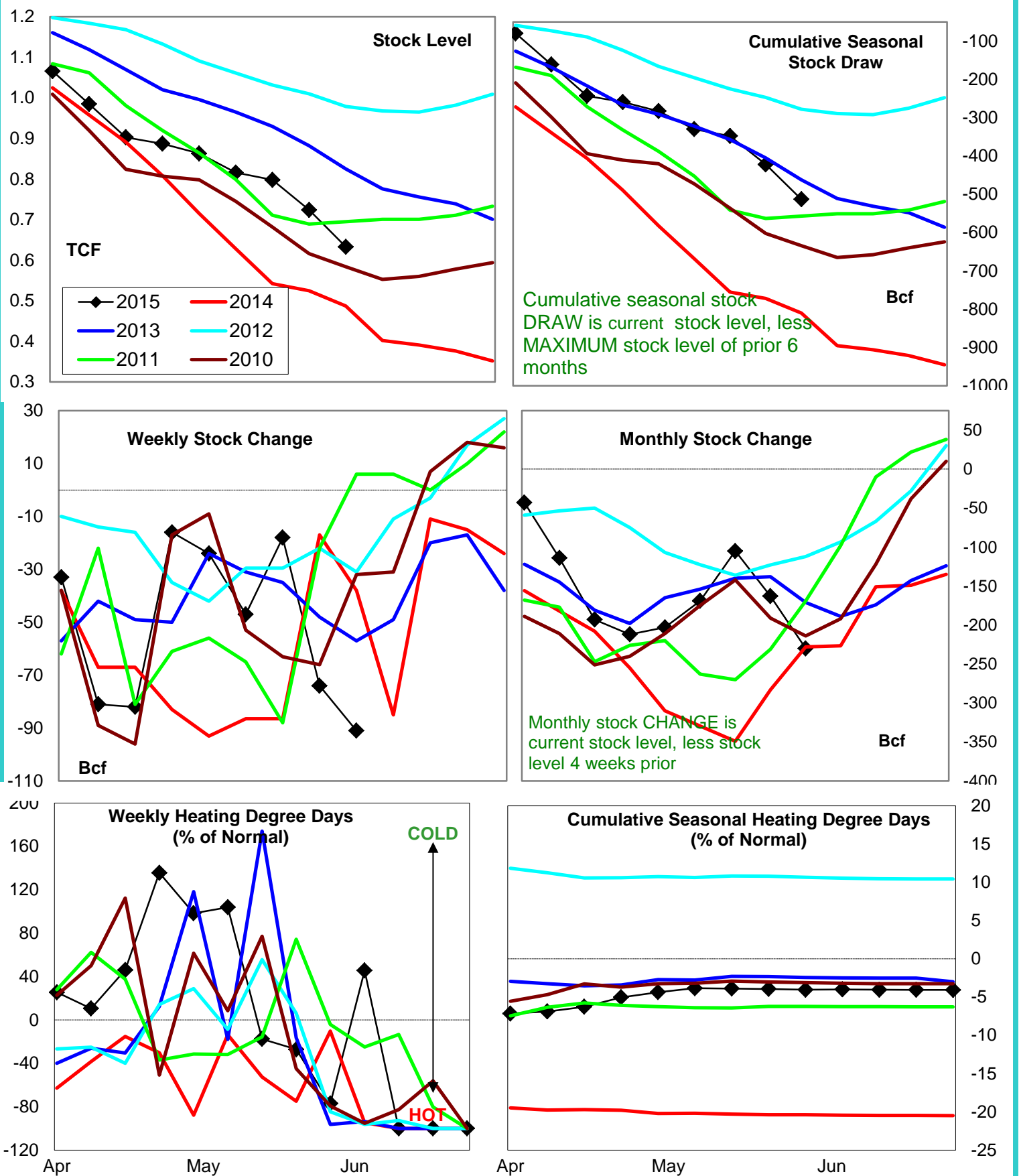
Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)161
83.09
-36.095
-85.6214
-59.3

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

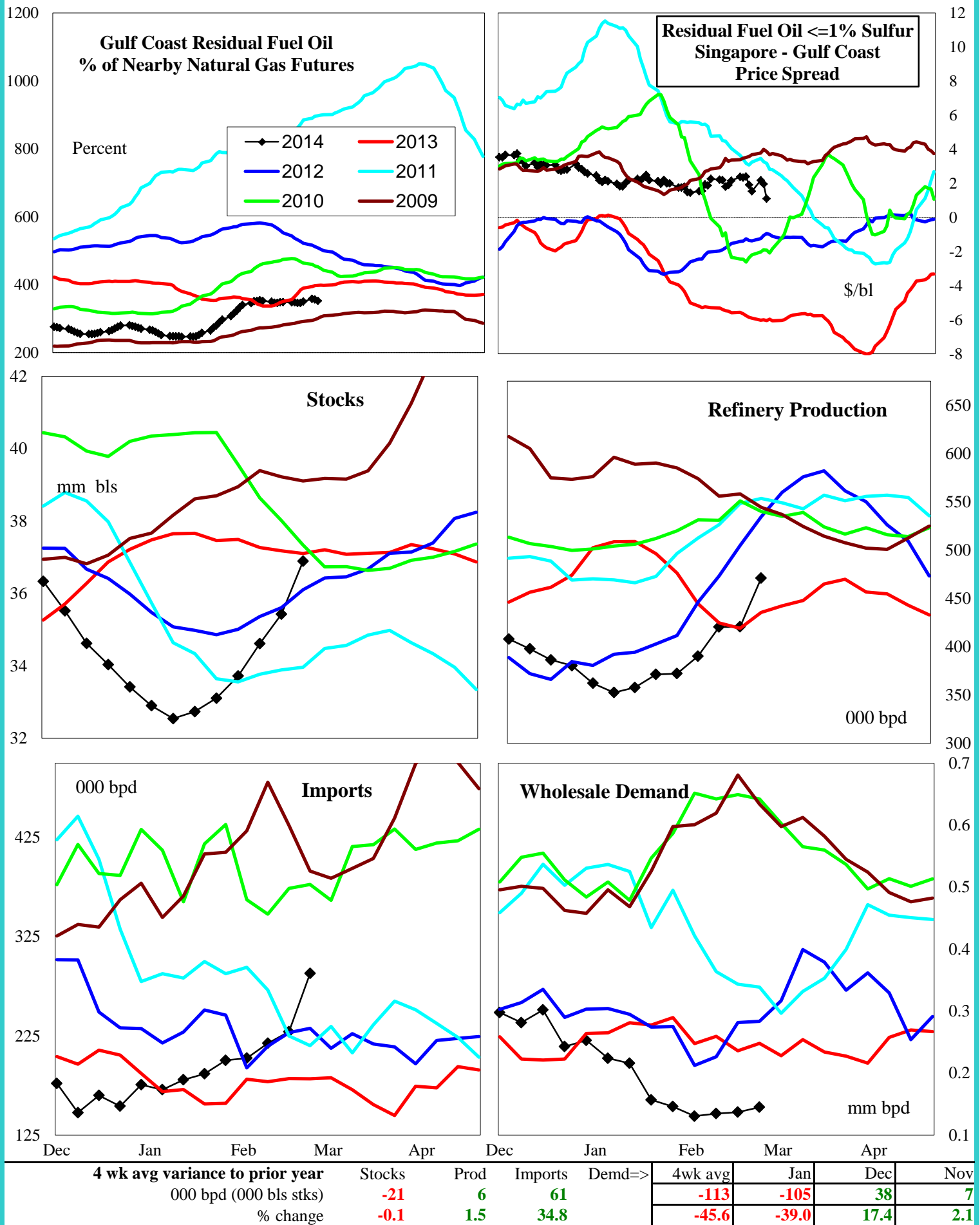
Weekly Stock Change

Monthly Stock Change

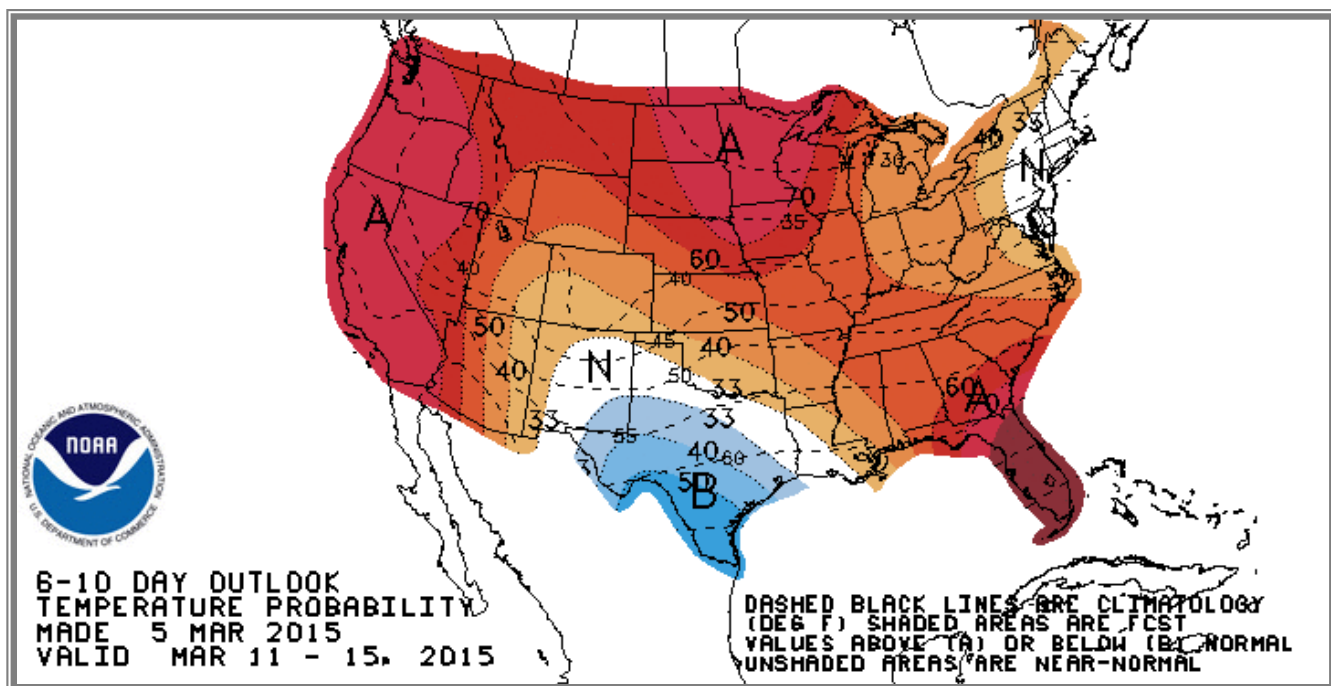
Cumulative Stock Change

BCF
Percent Change (%)146
30.0-53
139.5-2
0.9297
-36.7

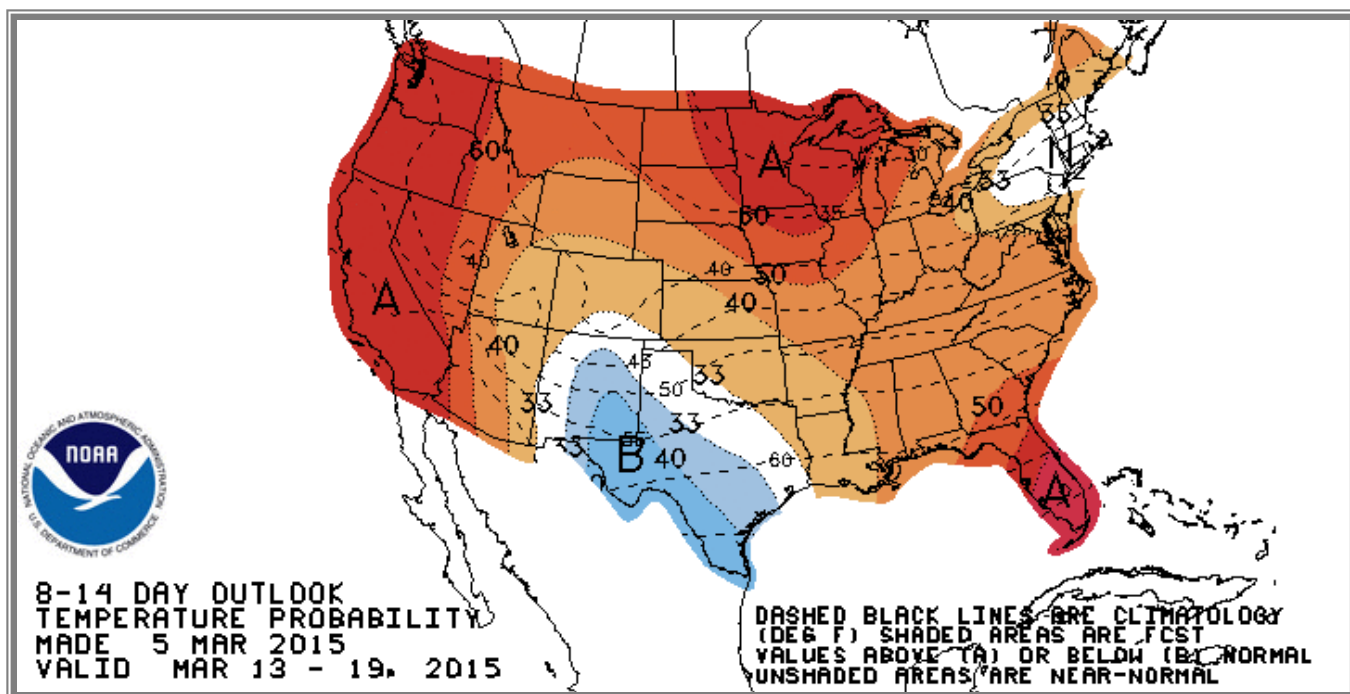
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

