



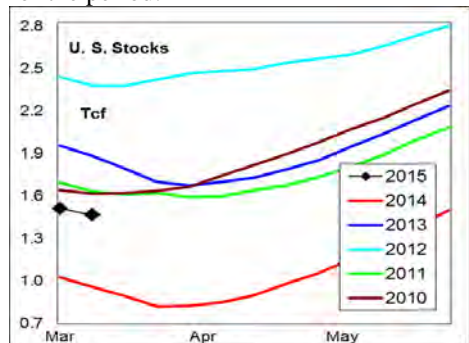
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

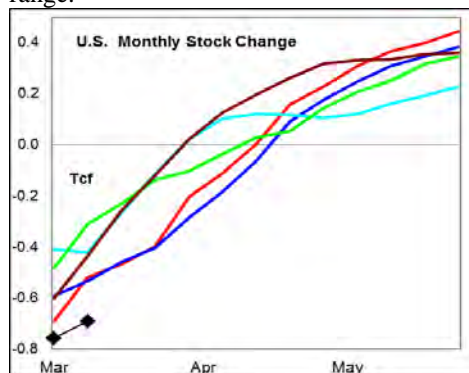
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Friday, March 20, 2015



Summary¹ The stock draw of -45 Bcf last week was less than each of the last 3-yrs for the period.



The latest 4-wk stock change was a draw of -690 Bcf, a record draw for this time of year. The cumulative stock draw for the winter season was -25% less than last year, resulting in a stock level that is now +53% above last year, but below the 5-yr mid range.



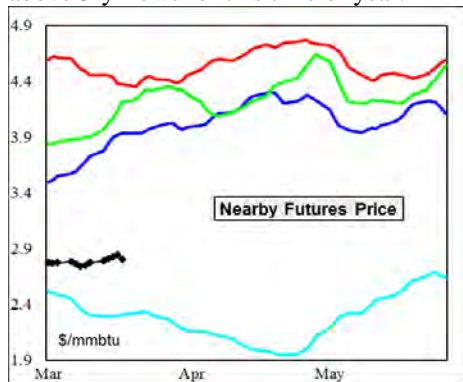
In the East Region stocks decreased -37 Bcf for the week, a draw less than each of the last 3-yrs. Stocks decreased -1 Bcf for the week in the West Region, less than the 5-yr range. Stocks saw a -7 Bcf draw in the Producing region last week, a draw less than each of the last 2-yrs.

Temperatures were above normal across nearly the entire country for the week ending 13Mar15, with a return to below normal temperatures in the eastern ½ of the country for the week ending 20Mar15..

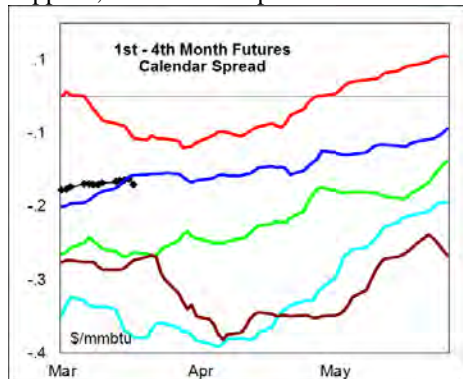
The 6-10 day NWS forecast for the week ending 29Mar15 is for below normal temperatures in the eastern 2/3rds of the

country and above normal temperatures in the west. The 8-14 day NWS forecast for the week ending -02Apr15 is for below normal temperatures in the eastern ½ half of the country and above normal in the west.

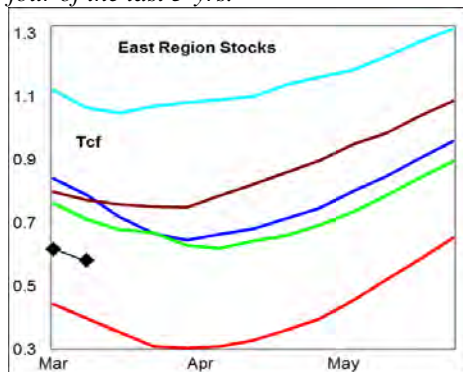
Prices: Nearby gas futures prices increased +\$0.07/mmbtu for the week ending 20Mar15. Prices ended the week at a level above 5-yr lows for this time of year.



The 1st – 4th month forward price curve traded sideways last week at a level lows of the last 2-yrs. The market is trading in a relatively small carry, pointing to expectations of continued very ample supplies, even at a low price level.

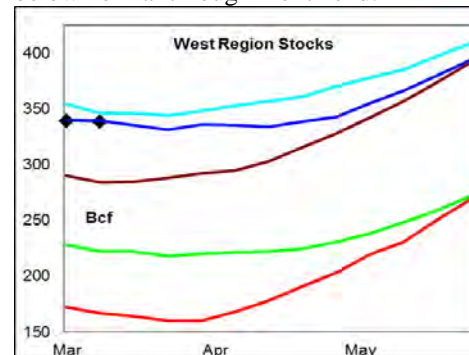


East Region stocks declined -37 Bcf for the week, a draw less than each of the last 3-yrs. *The current stock level is below four of the last 5-yrs.*



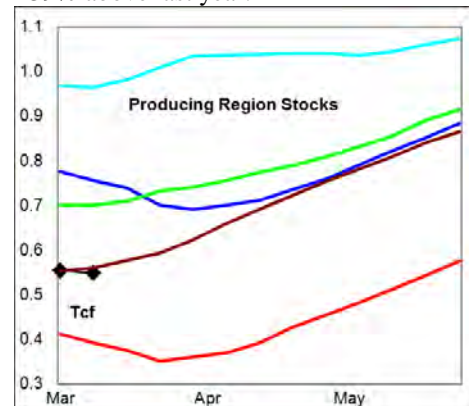
Temperatures were below normal for the week just ending, and are forecast to be

below normal through month end.



West Region stocks decreased -1 Bcf for the week, a draw less than the 5-yr range. Stock levels ended the week +2X last year and near 5-yr highs. Temperatures are forecast to be above normal through month end.

Producing Region stocks decreased -7 Bcf for the week, a draw less than each of the last 2-yrs. Stock levels ended the week +39% above last year.



Temperatures are forecast to be above normal through month end for the region.

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: Below normal temperatures are forecast for the eastern 2/3rds of the country through month end – supporting above average use of natural gas. Carry out stock levels are below the 5-yr mid range on the record high draws during the last month.

These fundamental trends should support prices above the recent mid range through month end.

Any revised forecast of temperatures returning to normal/above normal levels in the eastern ½ of the country will pressure spot prices lower during the spring shoulder 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: March 20, 2015

For the week ending: 13-Mar-15

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

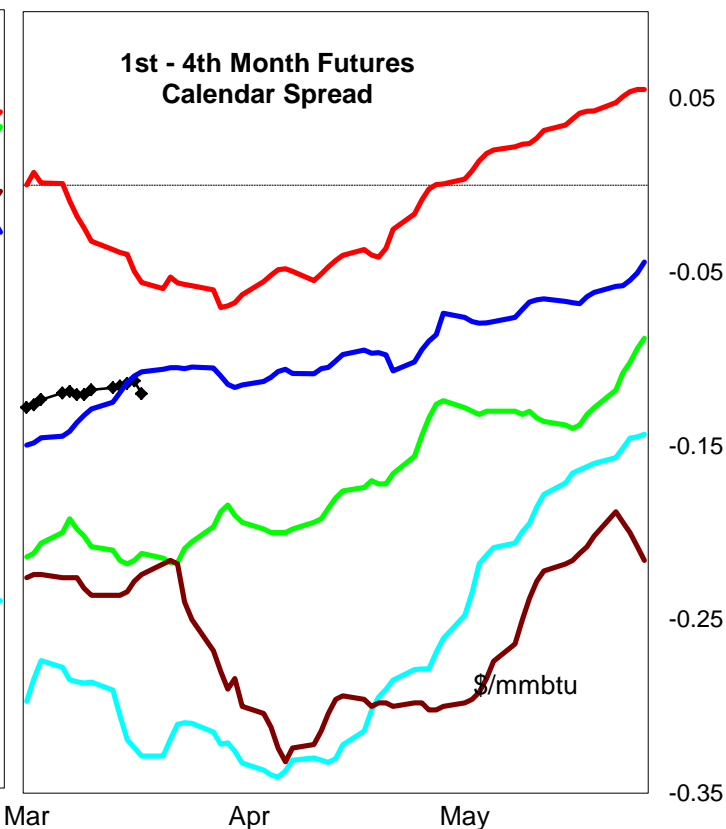
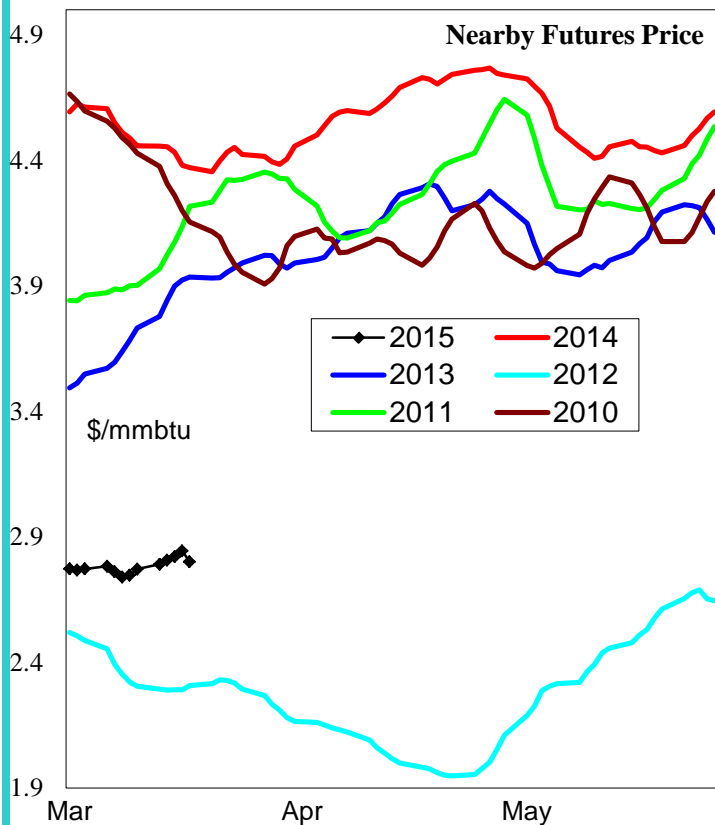
Week ending:	13-Mar-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
		Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
	Bcf	Week Bcf	Year (%)						
U.S. Total	1,467	-45	52.8	-14	-45%	-2	-33%	-3	-77%
East	581	-37	45.3	-17	-39%	-2	-18%	-4	-74%
West	338	-1	102.4	-12	-58%	-2	-55%	-5	-78%
Producing	548	-7	39.4	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

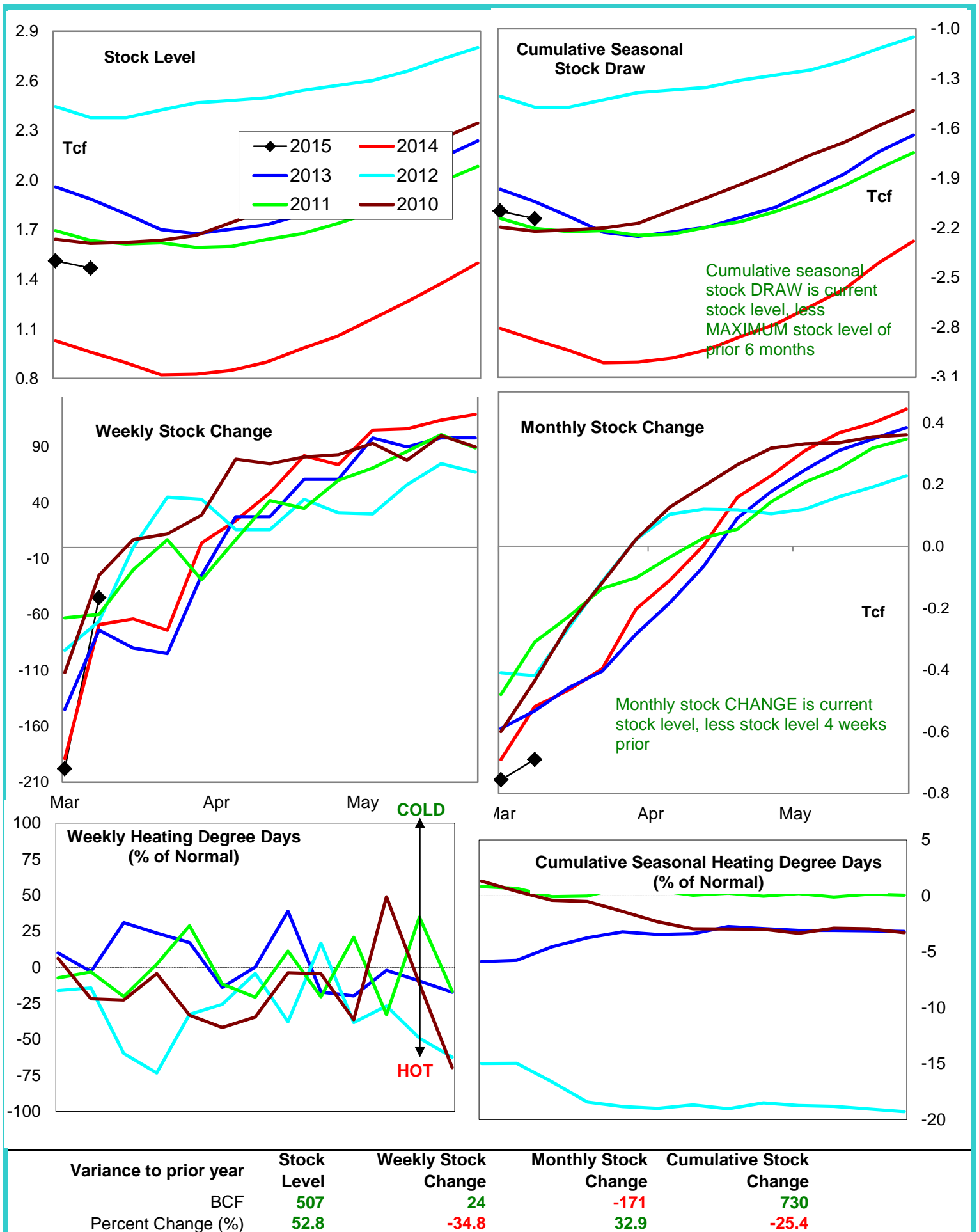
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-2,144	730	-34.0	6	-3.2	4	-3.2	1	-3.3
East	-1,383	201	-14.5	6	-2.9	4	-2.9	1	-2.9
West	-164	224	-136.6	10	-4.6	8	-4.7	3	-4.9
Producing	-598	306	-51.2	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

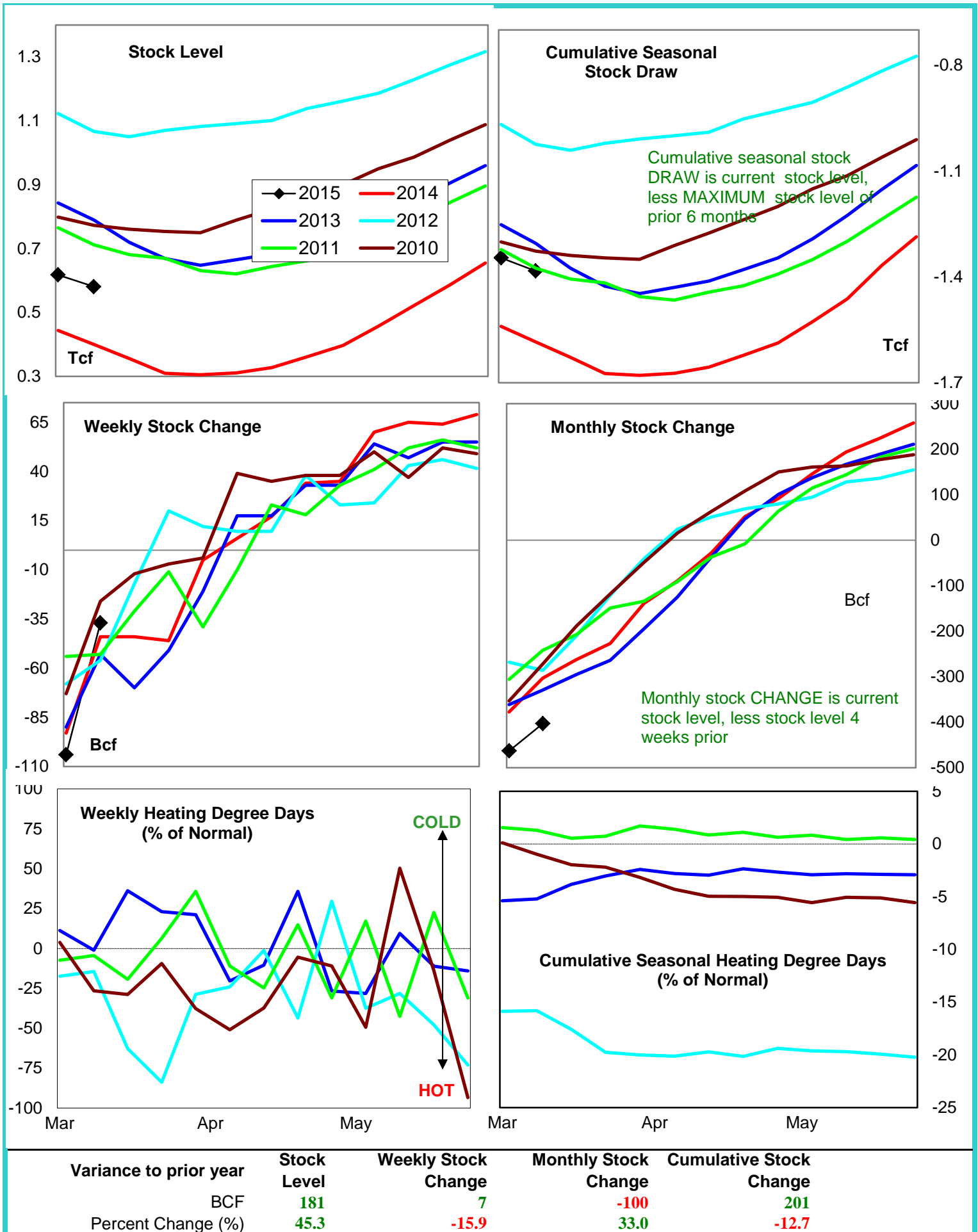
Date:	20-Mar-15	Change vs prior week, month, year		
		16-Mar-15	23-Feb-15	1-Apr-14
1st month Futures	2.80	0.08	-0.08	-1.64
% change	xxxxx	3.1	-2.7	-36.9



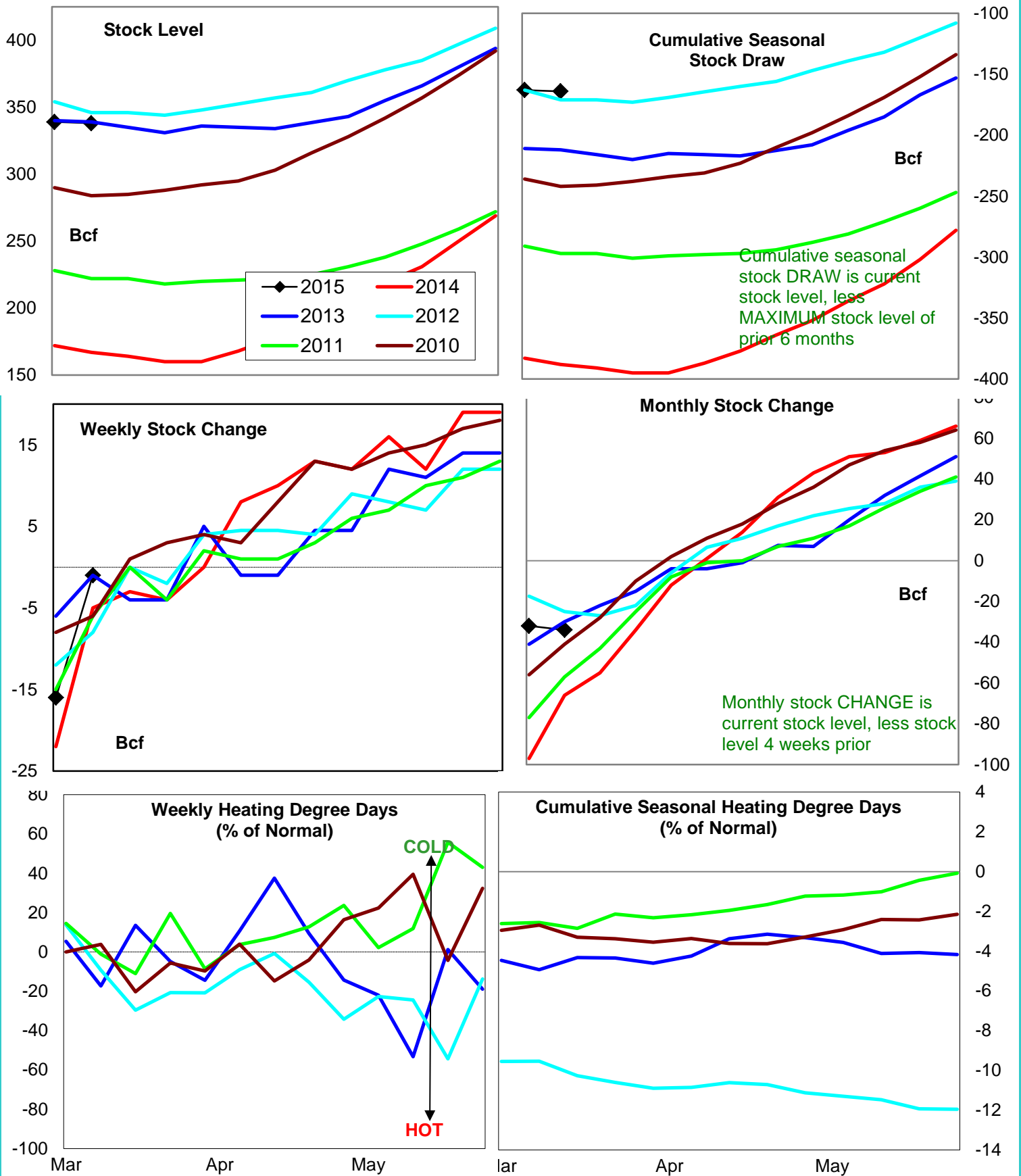
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

171

4

32

224

Percent Change (%)

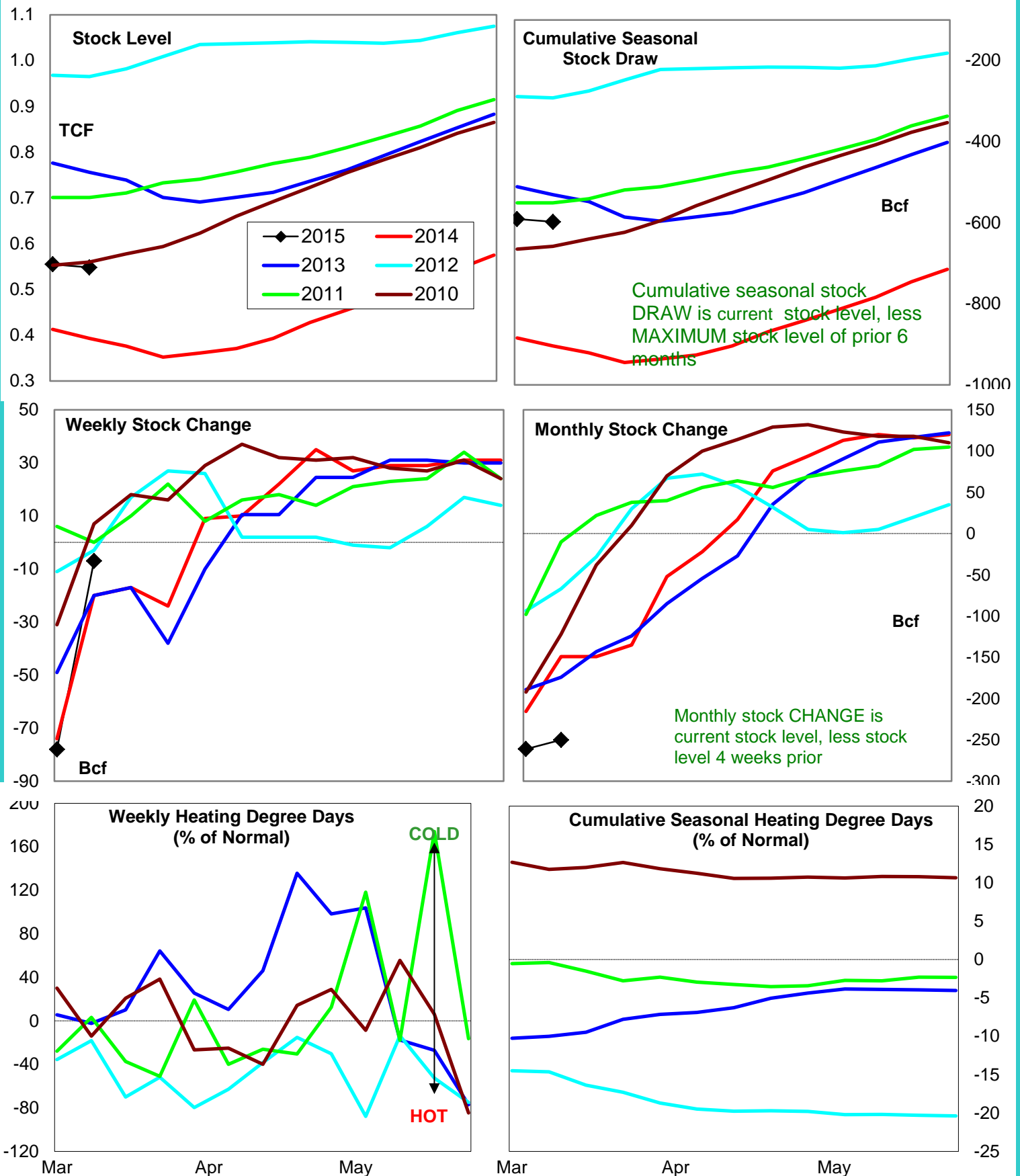
102.4

-80.0

-48.5

-57.7

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

155

13

-101

306

Percent Change (%)

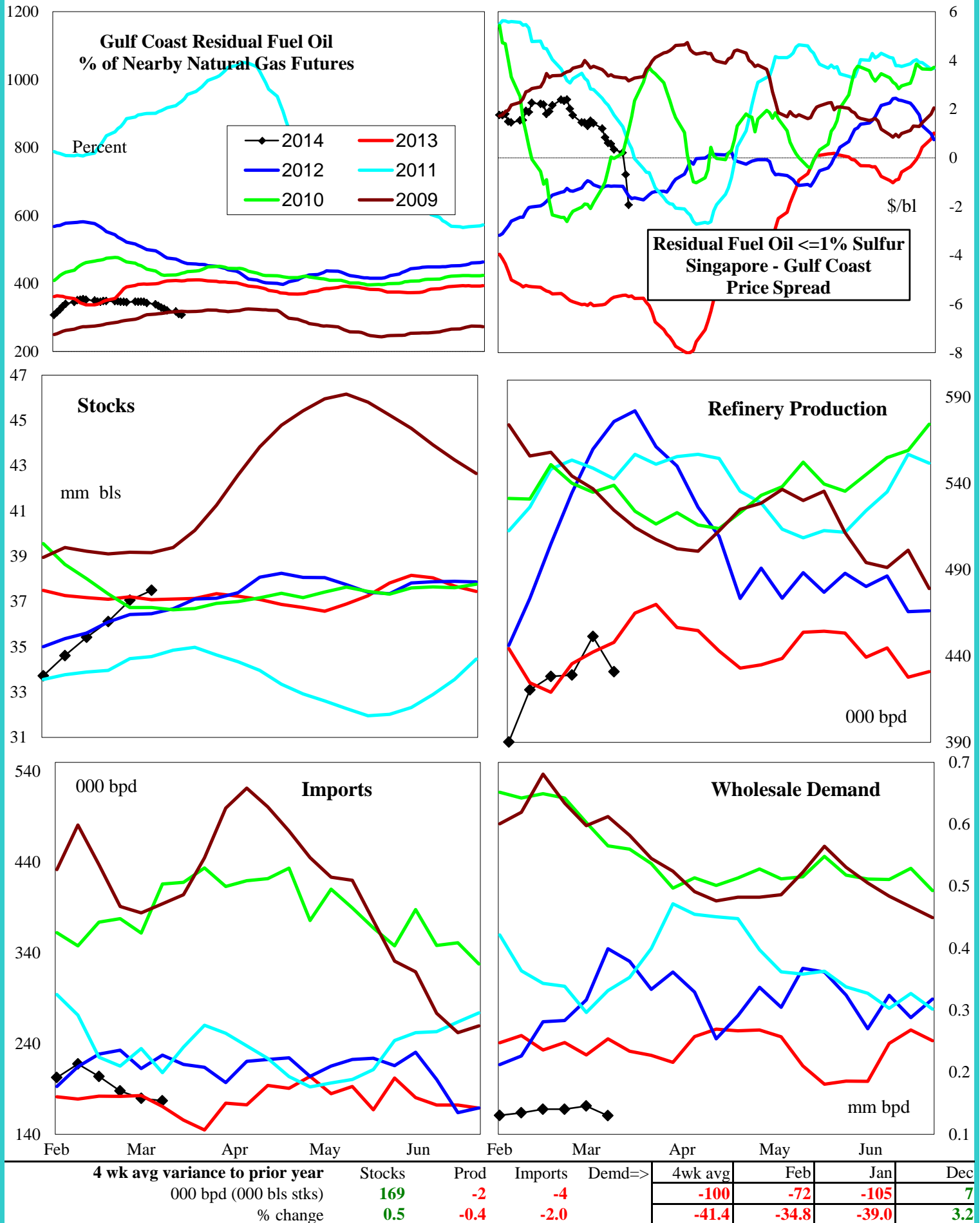
39.4

-65.0

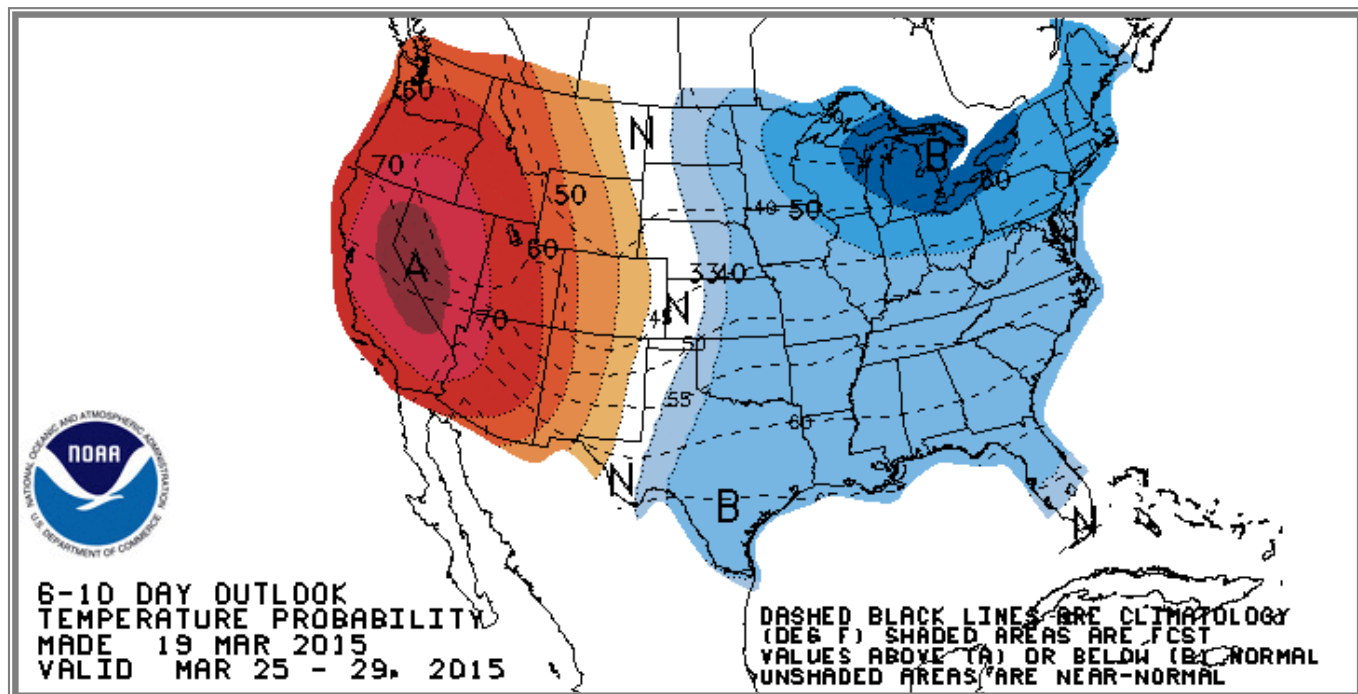
67.8

-33.8

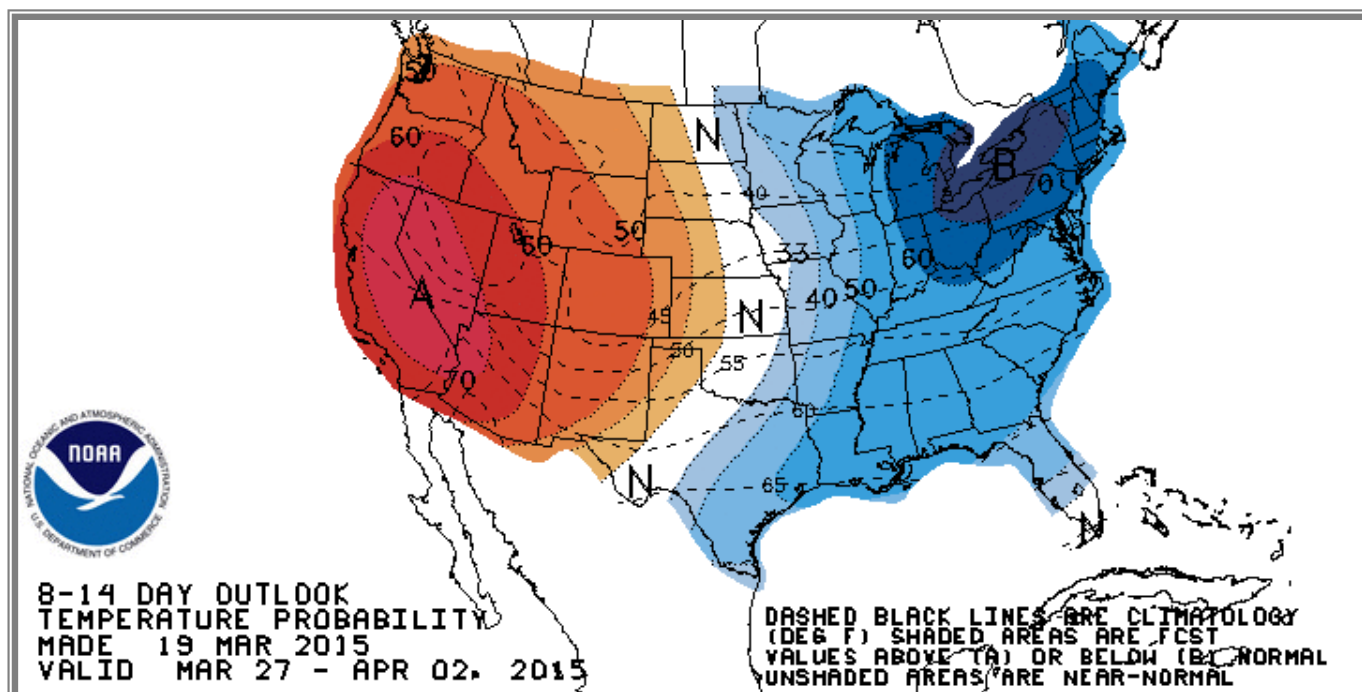
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

