



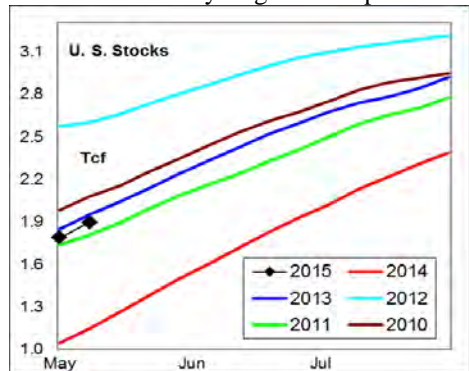
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

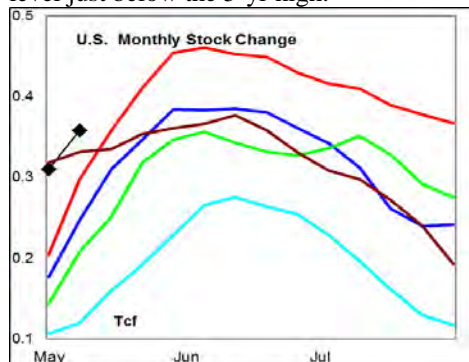
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, May 18, 2015



Summary¹ The stock build of +111 Bcf last week was a 5-yr high for the period.



The latest 4-wk stock change was a build of +358 Bcf, a record build rate for this time of year. The cumulative stock build for the spring quarter was +459 Bcf, a level just below the 5-yr high.



In the East Region stocks increased +15 Bcf for the week, a build that matched 5-yr highs for the week. Stocks increased +8 Bcf for the week in the West Region, a build at the low end of the historic range. Stocks saw a +44 Bcf build in the Producing region, which was the 5th consecutive weekly record build for the region.

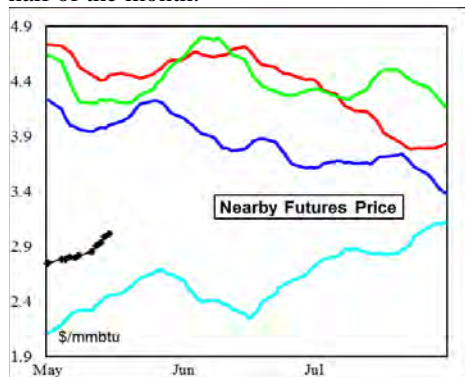
Temperatures were above normal across the eastern 1/2 of the country last week ending 08May15. Temperatures were above normal in the central region for the week ending 15May15.

The 6-10 day NWS forecast for the week ending 27May15 is for much above normal temperatures across the eastern 1/3rd of the country, and below normal in

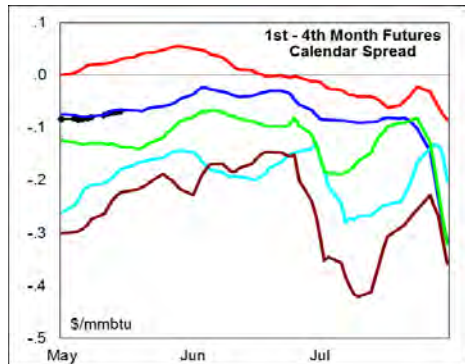
the Southwest.

The 8-14 day NWS forecast for the week ending 31May15 is for above normal temperatures across the eastern 1/2 of the country and near normal in the Mountain region.

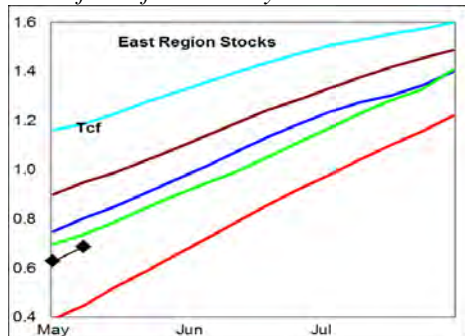
Prices: Nearby gas futures prices increased +\$0.14/mmbtu for the week ending 15May15. Prices ended the week at the highest level since late winter on expectations of much above normal demand of electric power during the 2nd half of the month.



The 1st - 4th month forward price curve trended higher last week at a level equal to the 3-yr mid range. A narrowing carry reflects risk that stock builds will be less than expected for the balance of the shoulder season.

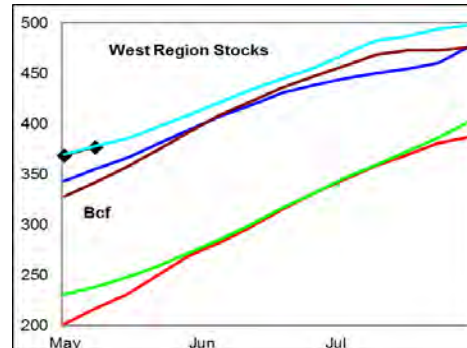


East Region stocks increased +15 Bcf for the week, a build that matched 5-yr highs for the period. *The current stock level is below four of the last 5-yrs.*



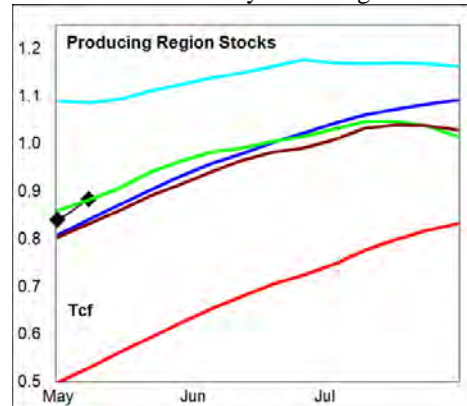
Temperatures were above normal for the

week just ending, and are forecast to be much above normal over the next 2-wks.



West Region stocks increased +8 Bcf for the week, a build at the low end of the historic range. Stock levels ended the week equal to the prior 5-yr high. Temperatures are forecast to be above normal during the next 2-wks.

Producing Region stocks increased +44 Bcf for the week, the 5th consecutive record weekly build. Stock levels ended the week above the 3-yr mid range.



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

Residual Fuel Oil Switching: The price spread between fuel oil and natural gas ended the week at a level below the last 3-yrs.

Outlook: Above normal temperatures are forecast for the eastern 1/2 of the country through month end, which should lead to increased electric power demand. Warmer than normal temperatures may limit the rate of stock build, providing continued support to gas prices during the 2nd half of May.

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: May 18, 2015

For the week ending: 8-May-15

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

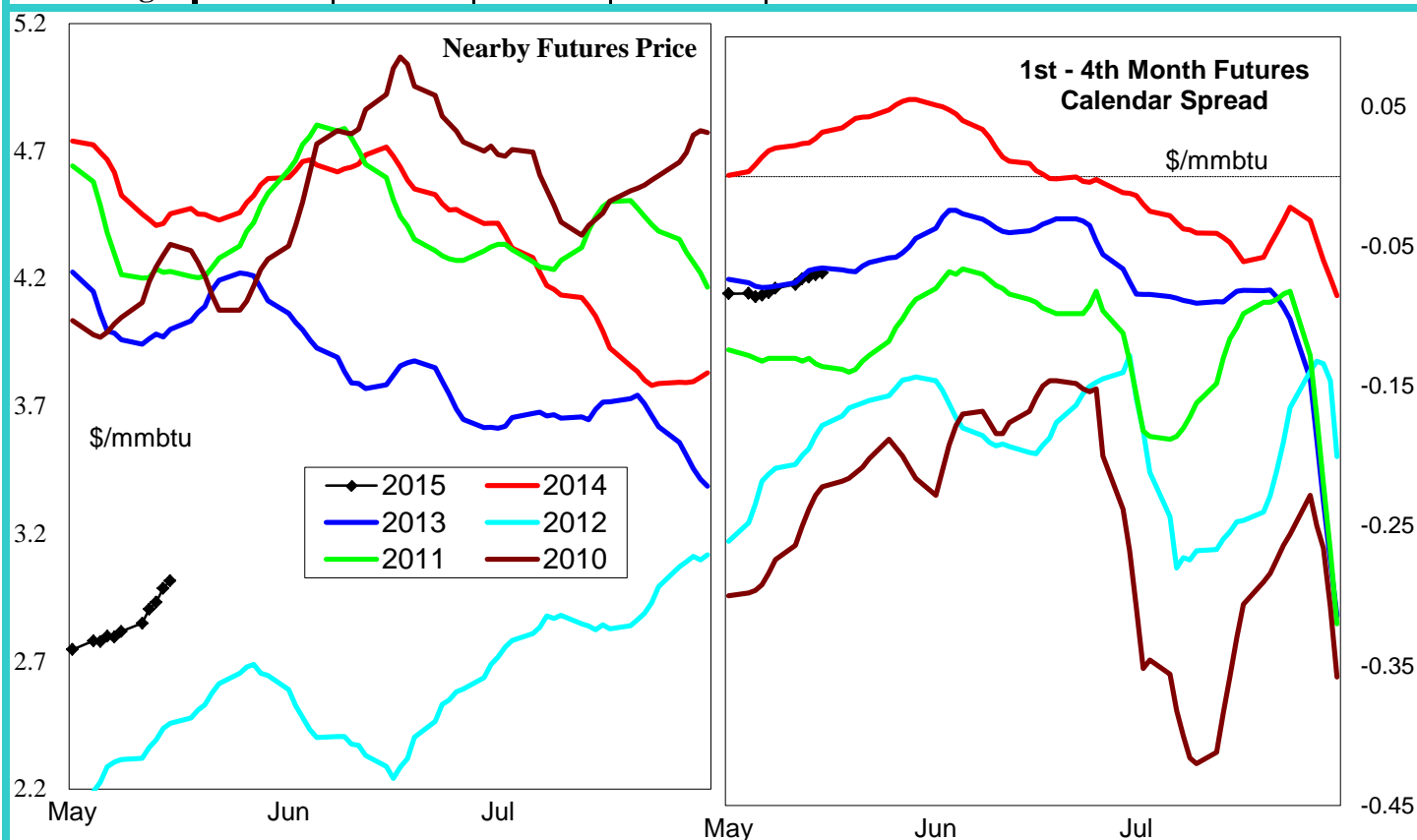
Week ending:	8-May-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,897	111	65.7	-14	-45%	-2	-33%	-3	-77%
East	687	15	53.3	-17	-39%	-2	-18%	-4	-74%
West	376	8	73.3	-12	-58%	-2	-55%	-5	-78%
Producing	834	44	73.8	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

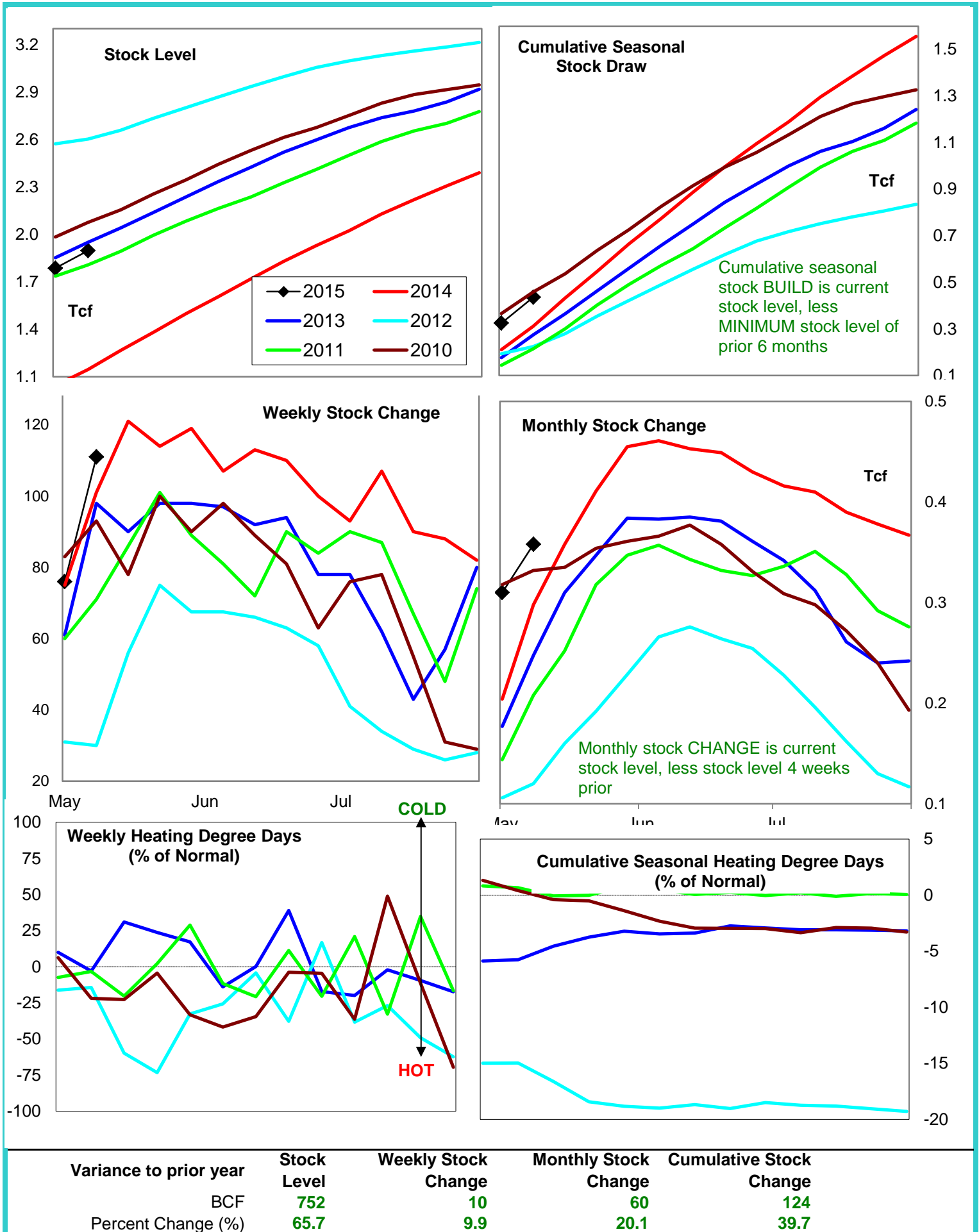
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	436	124	28.4	6	-3.2	4	-3.2	1	-3.3
East	183	45	24.6	6	-2.9	4	-2.9	1	-2.9
West	38	-18	-47.4	10	-4.6	8	-4.7	3	-4.9
Producing	286	161	56.3	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

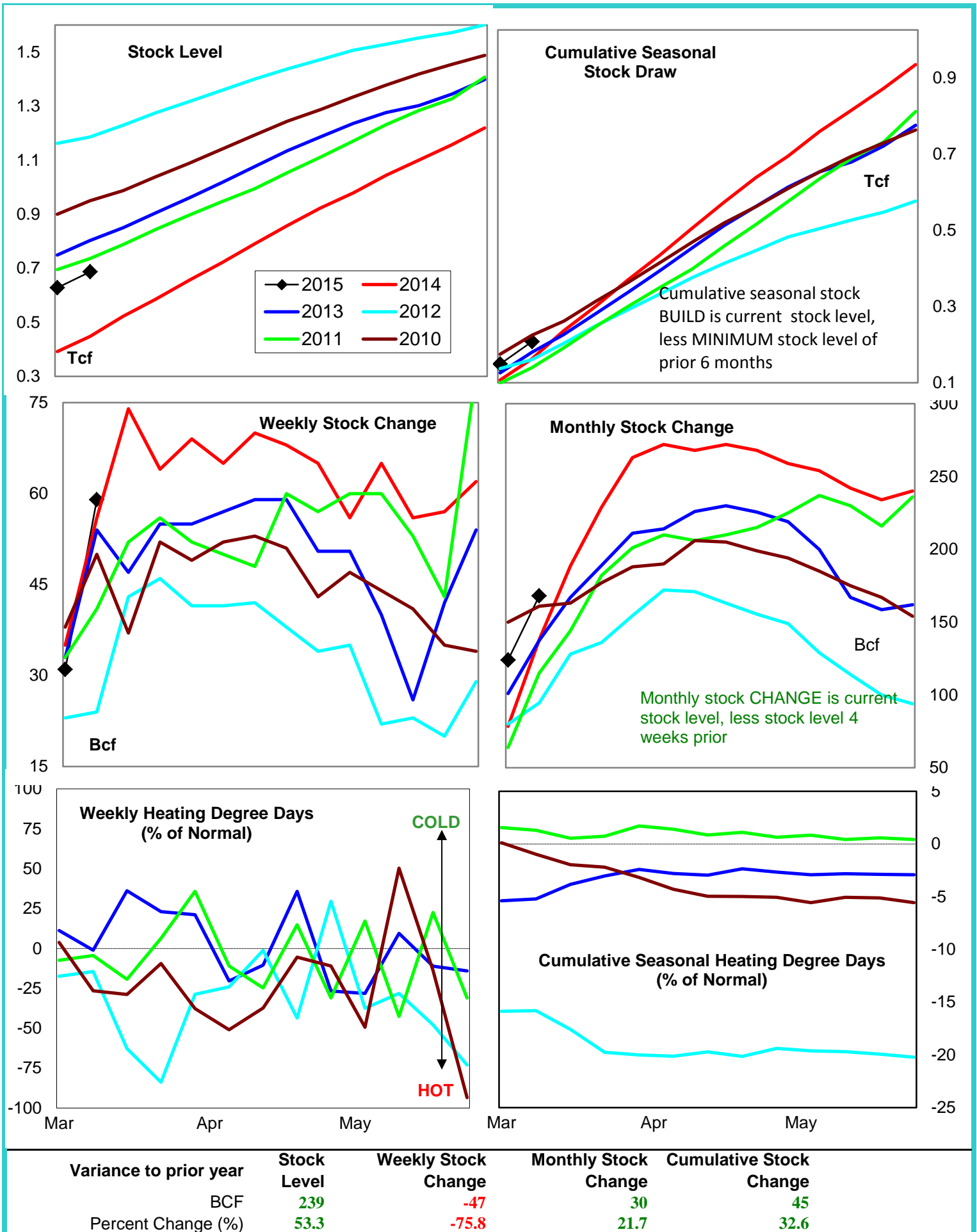
Date:	15-May-15	Change vs prior week, month, year		
		11-May-15	20-Apr-15	27-May-14
1st month Futures	3.02	0.21	0.48	-1.53
% change	xxxxx	7.6	18.9	-33.6



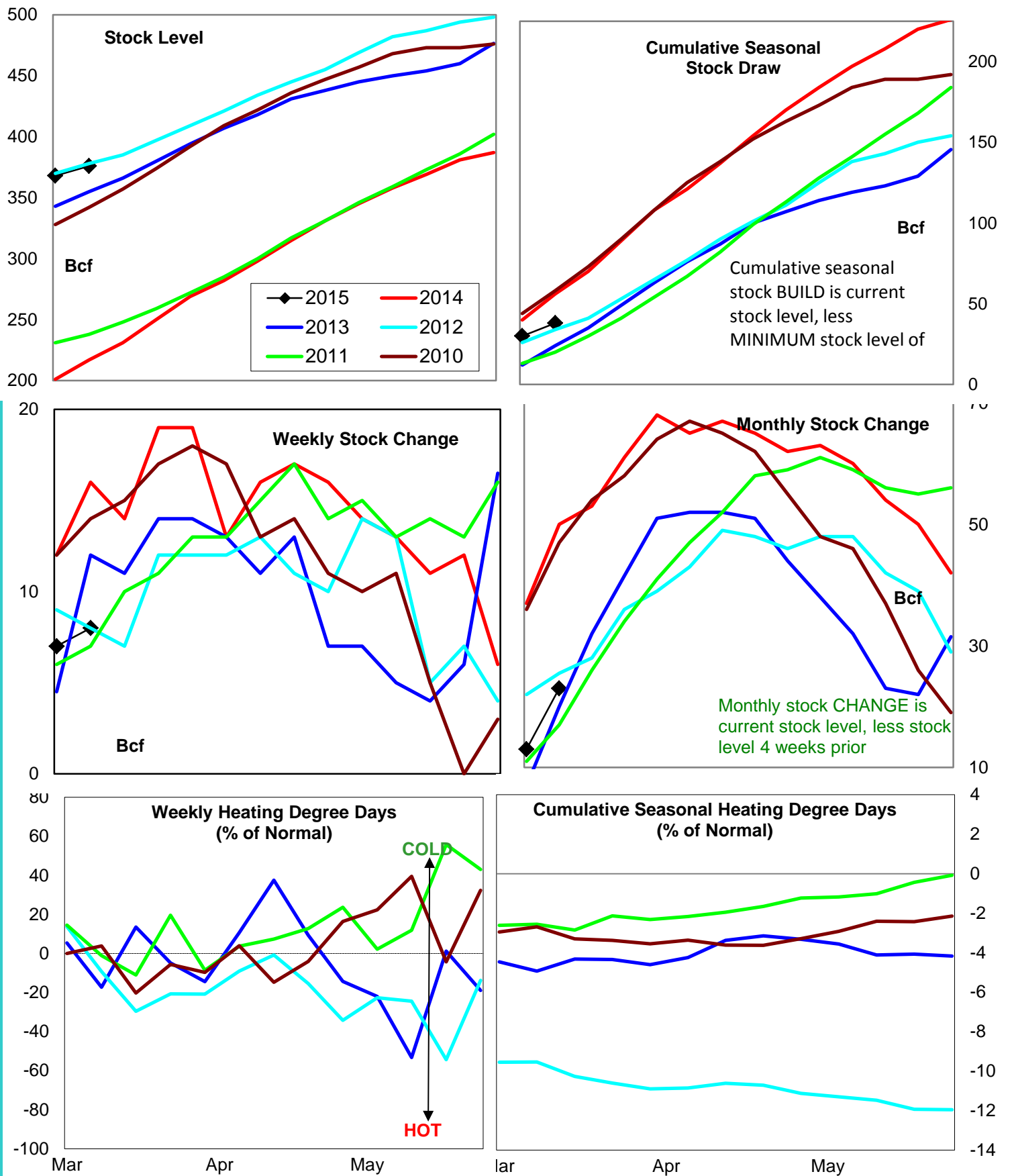
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

159

-8

-27

-18

Percent Change (%)

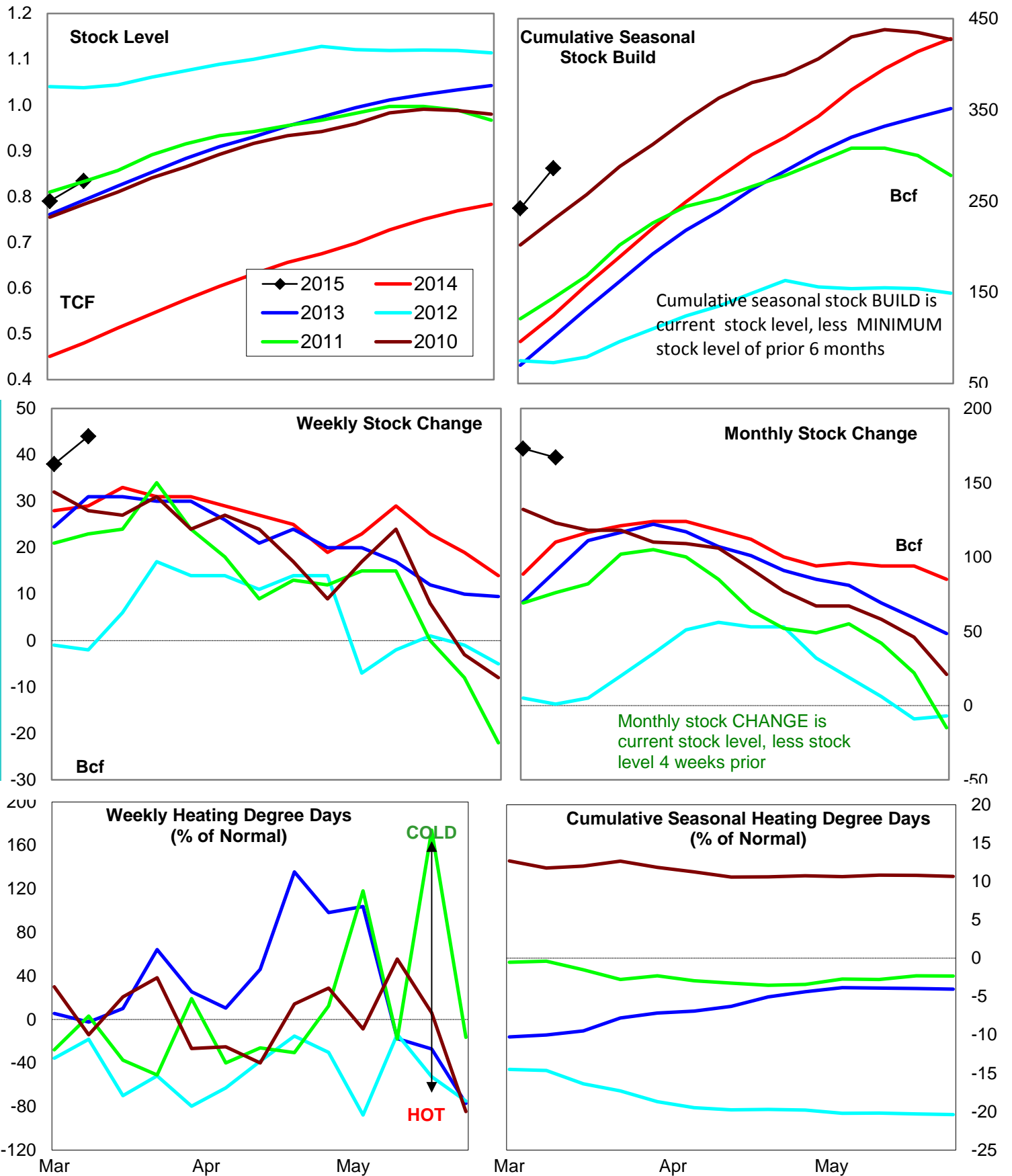
73.3

-50.0

-54.0

-32.1

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

354

15

57

161

Percent Change (%)

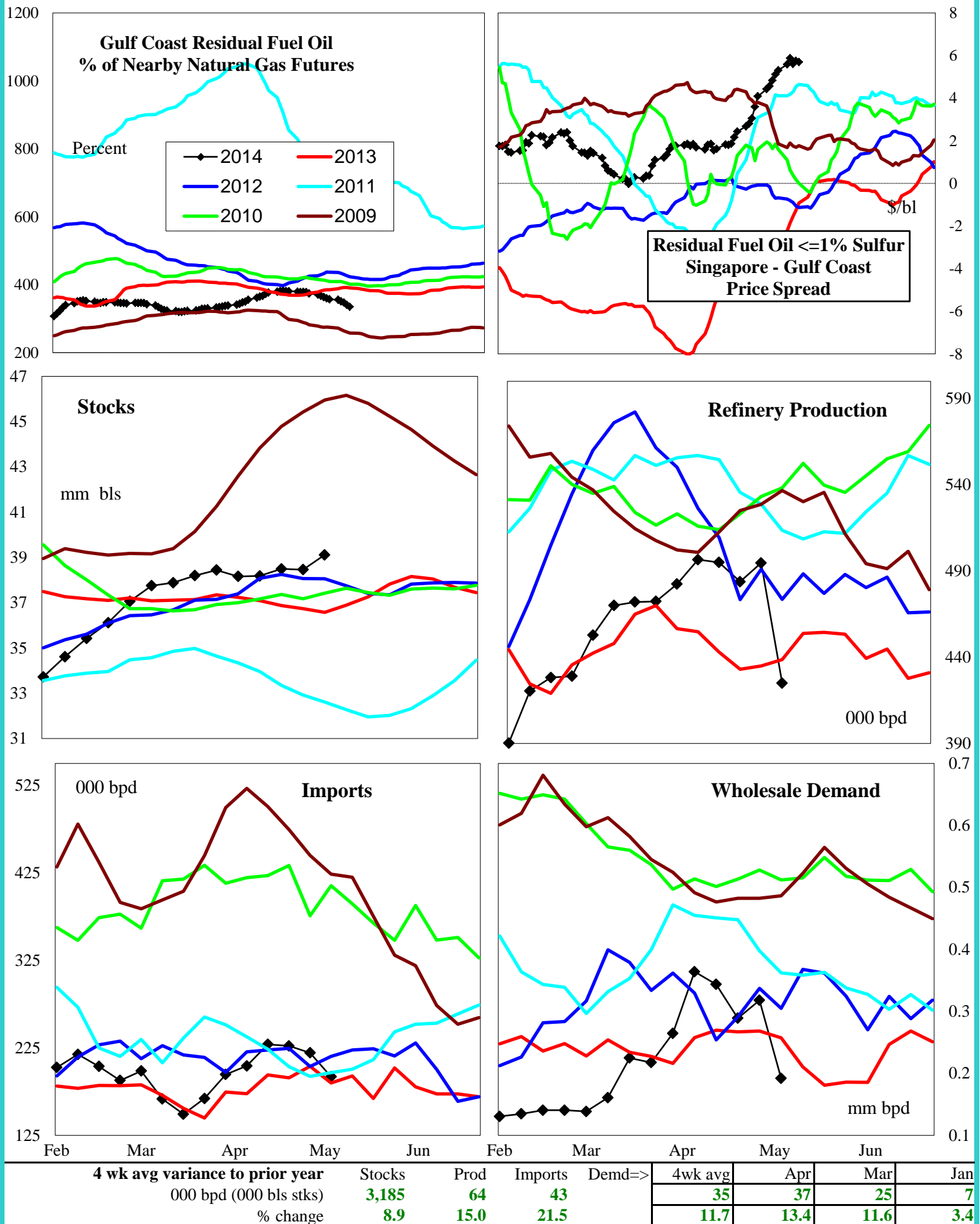
73.8

51.7

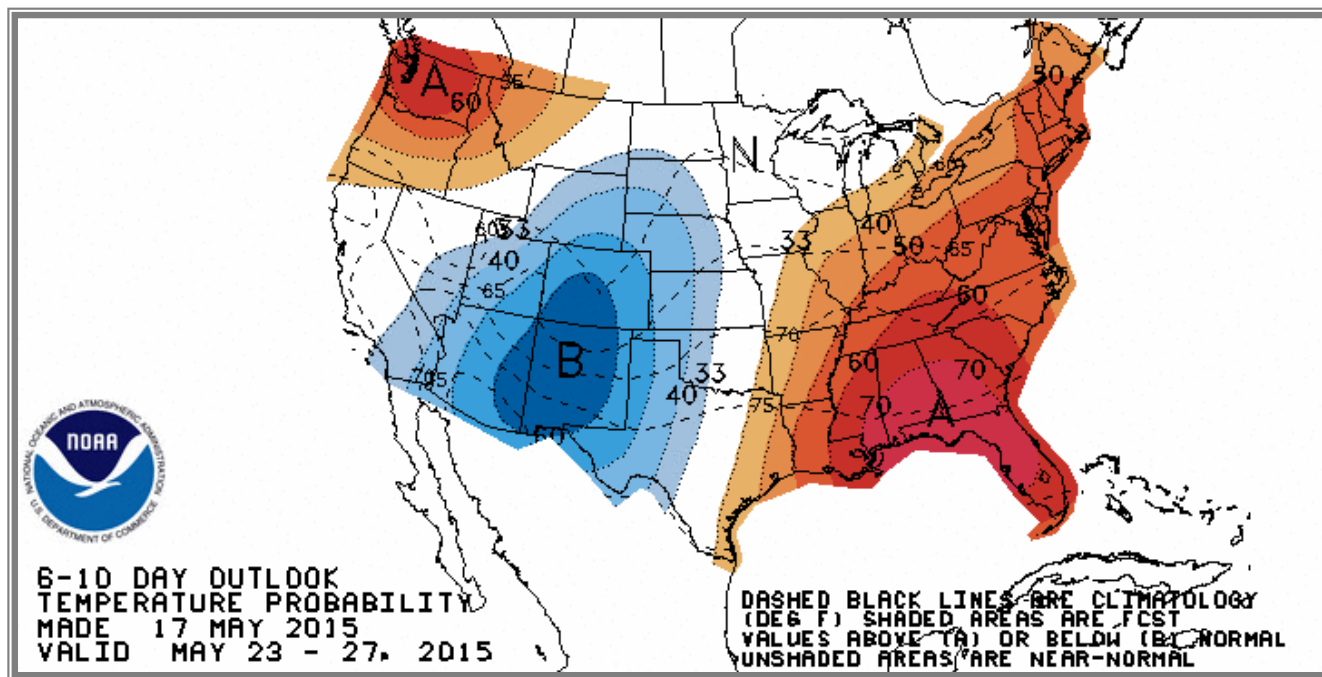
51.8

128.8

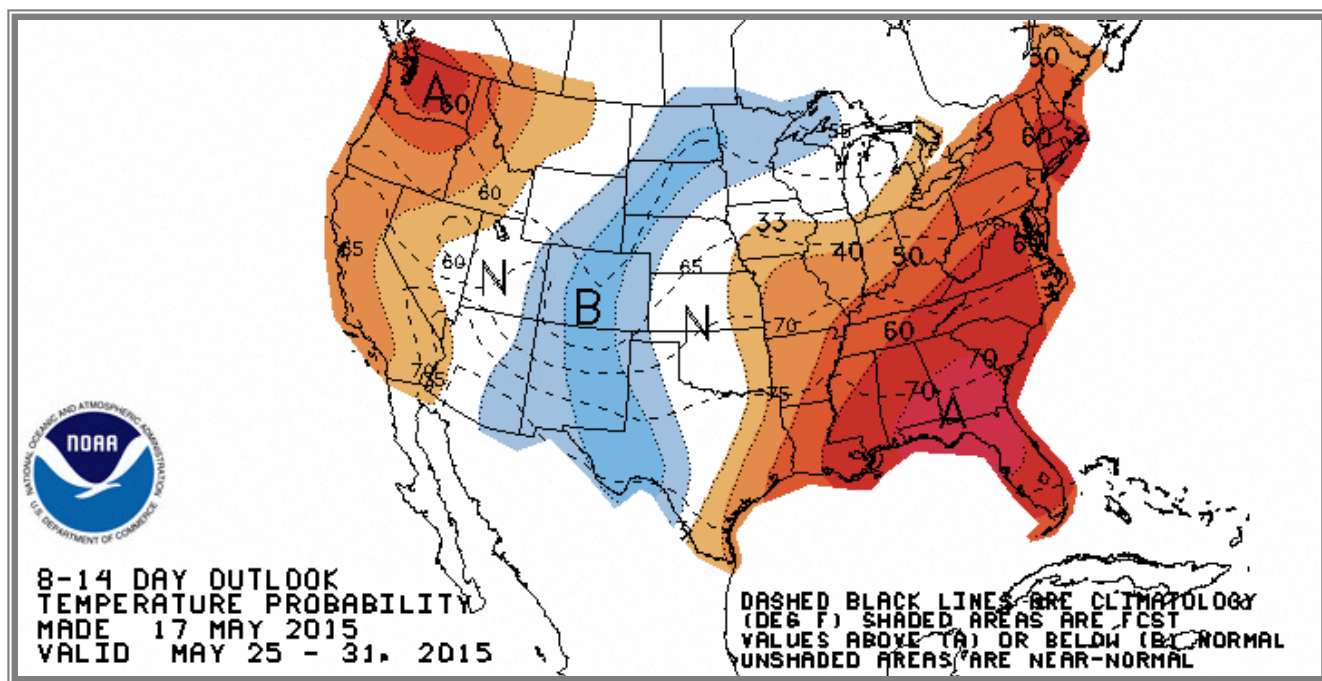
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

