

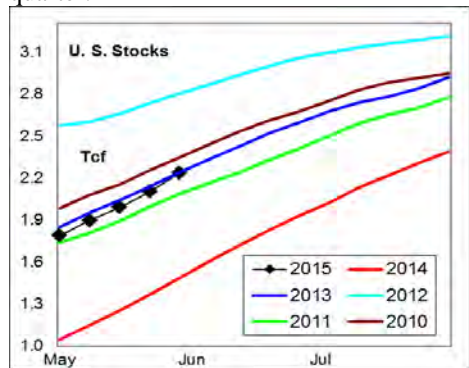
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

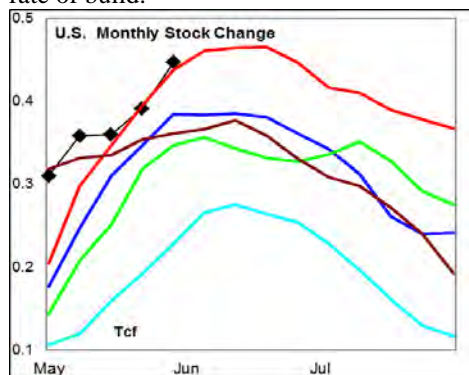
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, June 08, 2015



Summary¹ The stock build of +132 Bcf last week was a record build for the quarter.



The latest 4-wk stock change was a build of +447 Bcf, equal to the prior record set in 2014. The cumulative stock build for the spring quarter was +772 Bcf, a record rate of build.



In the East Region stocks increased +73 Bcf for the week, a record build for the period. Stocks increased +14 Bcf for the week in the West Region, a build near the 3-yr mid range. Stocks saw a +45 Bcf build in the Producing region, extending the weekly trend of record builds.

Temperatures were below normal across the eastern 1/2 of the country last week ending 29May15. Temperatures were above normal across much of the country for the week ending 06Jun15.

The 6-10 day NWS forecast for the week ending 17Jun15 is for above normal temperatures across much of the country except the central and southern plains which will be near normal.

¹ Related Web Sites:

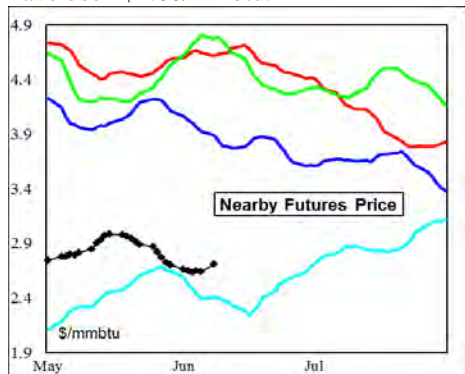
[Data Source is EIA Weekly Statistics](#)

[National Weather Service 6-10 Day](#)

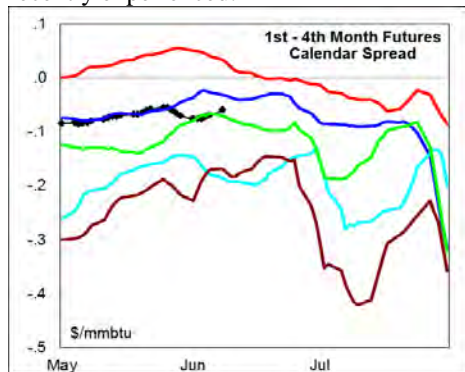
[National Weather Service 10-14 Day](#)

The 8-14 day NWS forecast for the week ending 21Jun15 is for above normal temperatures across the eastern ½ half of the country.

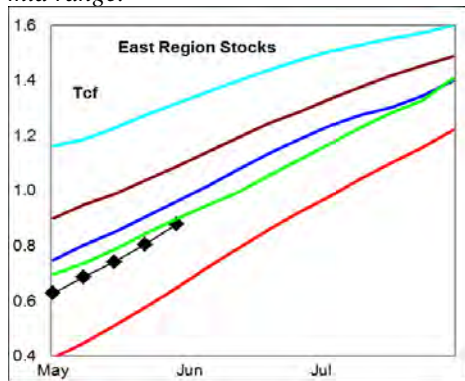
Prices: Nearby gas futures prices increased +\$0.06/mmbtu for the week ending 08Jun15. Lows for the last 2 & ½ months have been \$2.60/mmbtu.



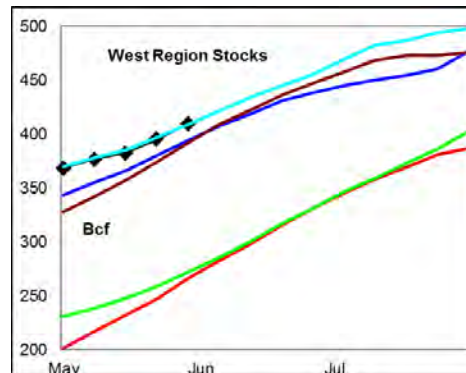
The 1st - 4th month forward price curve trended higher last week at a level below the 3-yr mid range. An expanding carry reflects the high rate of stock build recently experienced.



East Region stocks increased +73 Bcf for the week, a record build for the period. *The current stock level is below the 3-yr mid range.*

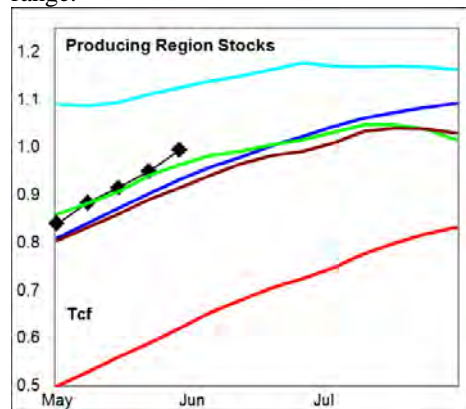


Temperatures above normal for the week just ending, and are forecast to be much above normal over the next 2-wks.



West Region stocks increased +14 Bcf for the week, a build near the 3-yr mid 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 +45 Bcf for the week, extending the trend of record stock builds in the region. 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 four of the last 5-yrs.

Outlook: Above normal temperatures are forecast for much of the country through the 3rd week of June, which should lead to increased electric power demand. Warmer than normal temperatures may limit the rate of stock build, providing renewed support to gas prices during the next 2-wks.

NATURAL GAS: Graph Link and Weekly Summary



Report prepared as of: June 8, 2015

For the week ending: 29-May-15

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

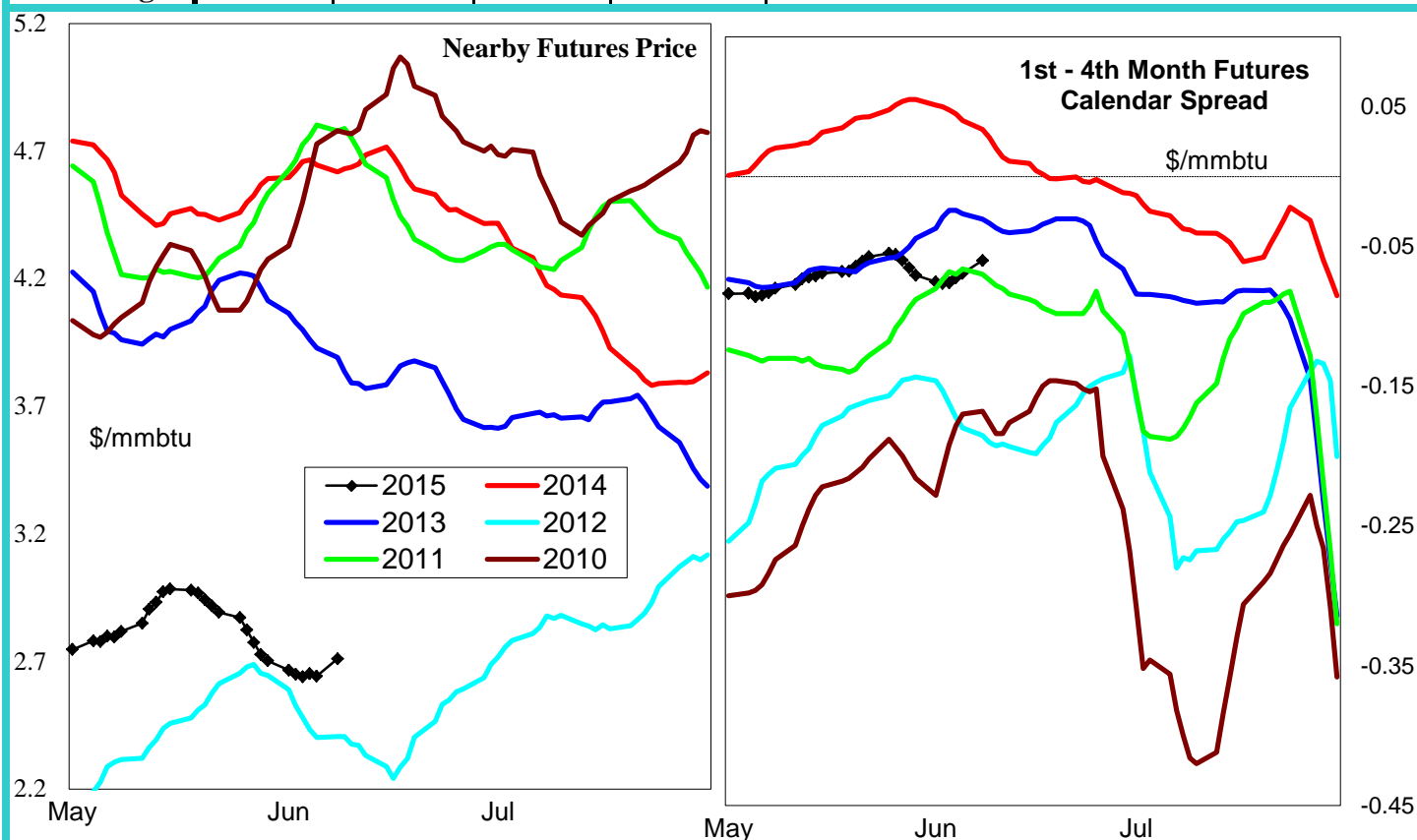
Week ending:	29-May-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,233	132	50.7	-14	-45%	-2	-33%	-3	-77%
East	879	15	36.3	-17	-39%	-2	-18%	-4	-74%
West	409	14	53.8	-12	-58%	-2	-55%	-5	-78%
Producing	945	45	65.5	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

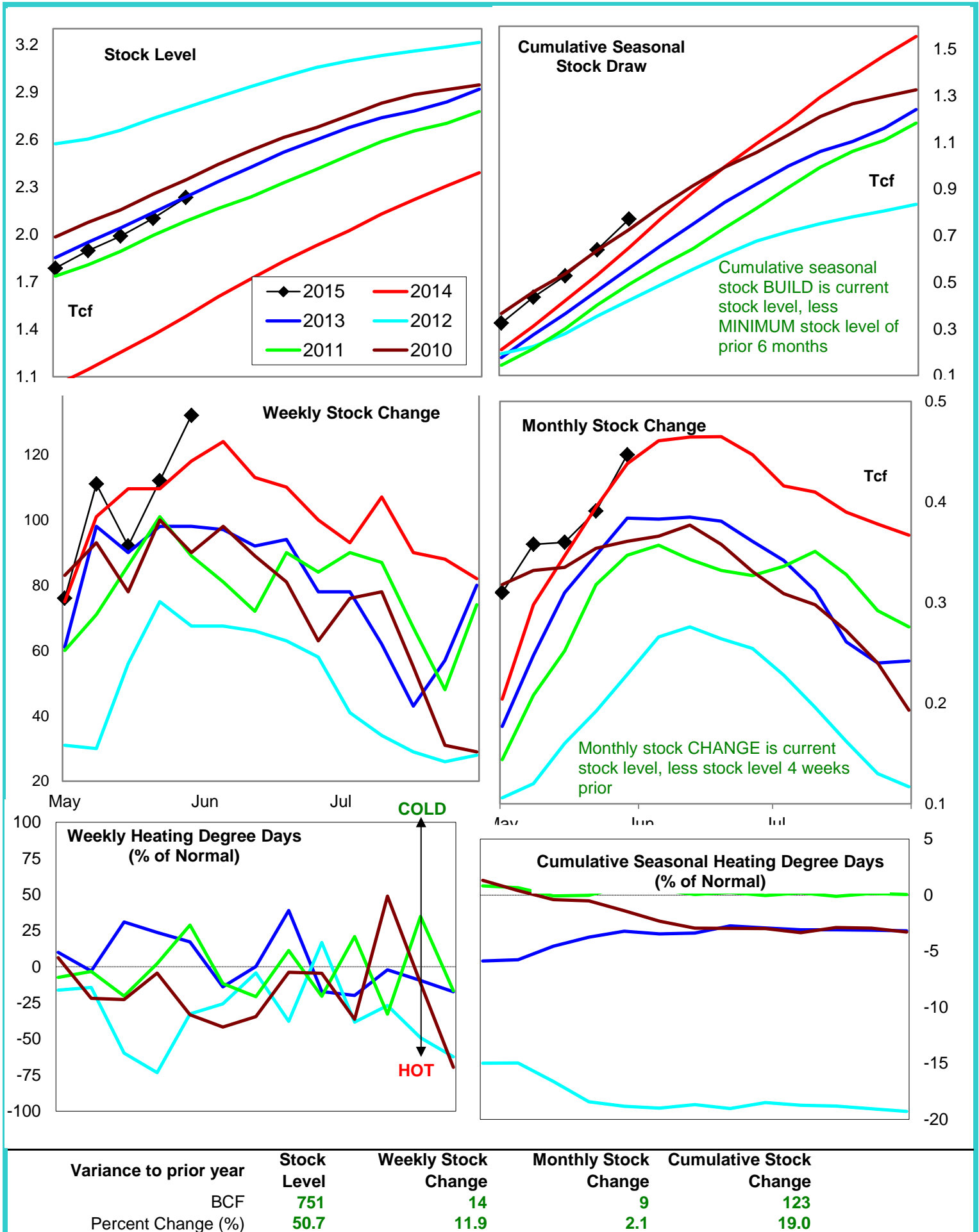
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	772	123	15.9	6	-3.2	4	-3.2	1	-3.3
East	375	40	10.7	6	-2.9	4	-2.9	1	-2.9
West	71	-34	-47.9	10	-4.6	8	-4.7	3	-4.9
Producing	397	181	45.6	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

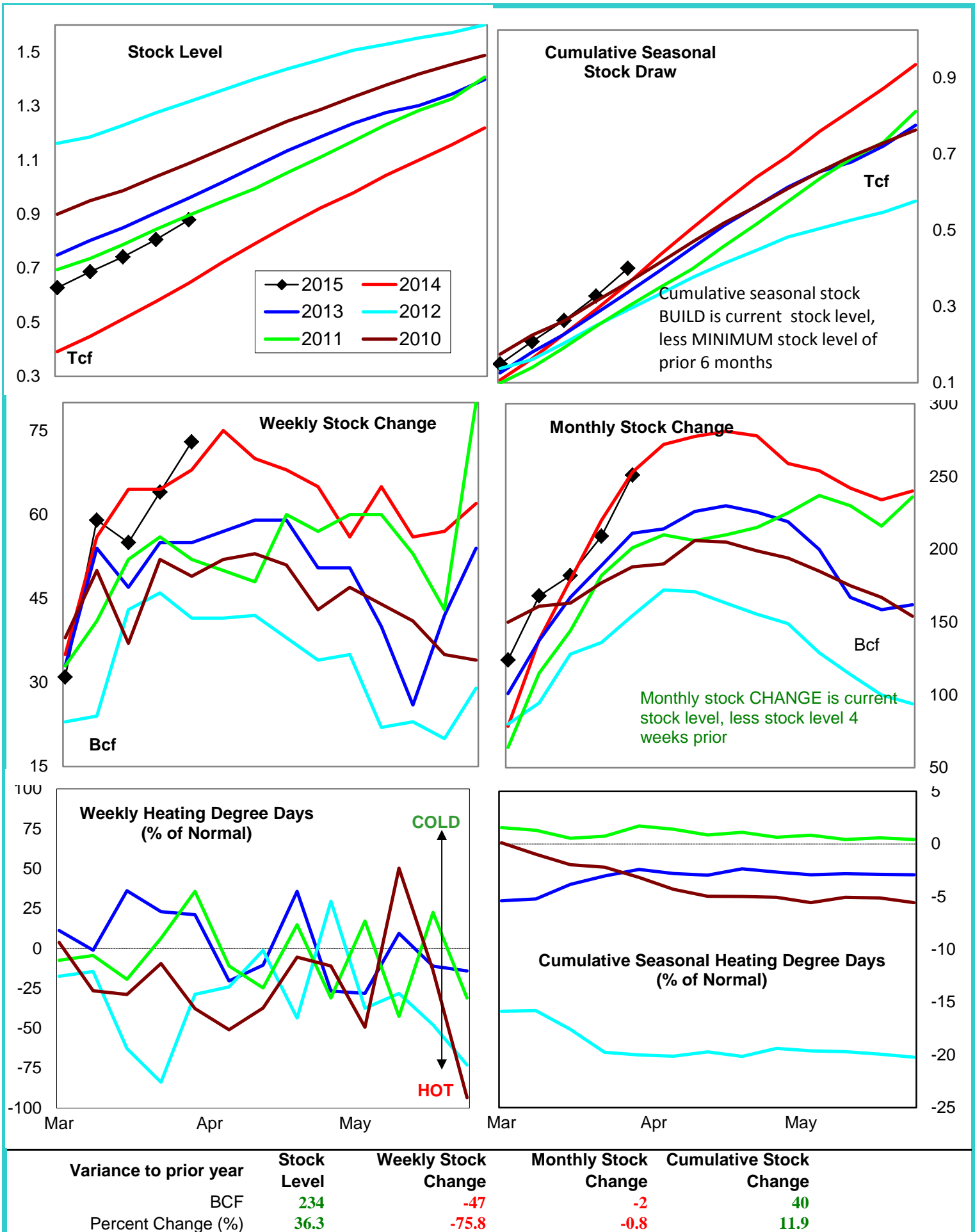
Date:	8-Jun-15	Change vs prior week, month, year		
		2-Jun-15	12-May-15	18-Jun-14
1st month Futures	2.71	0.01	-0.19	-1.74
% change	xxxxx	0.4	-6.5	-39.0



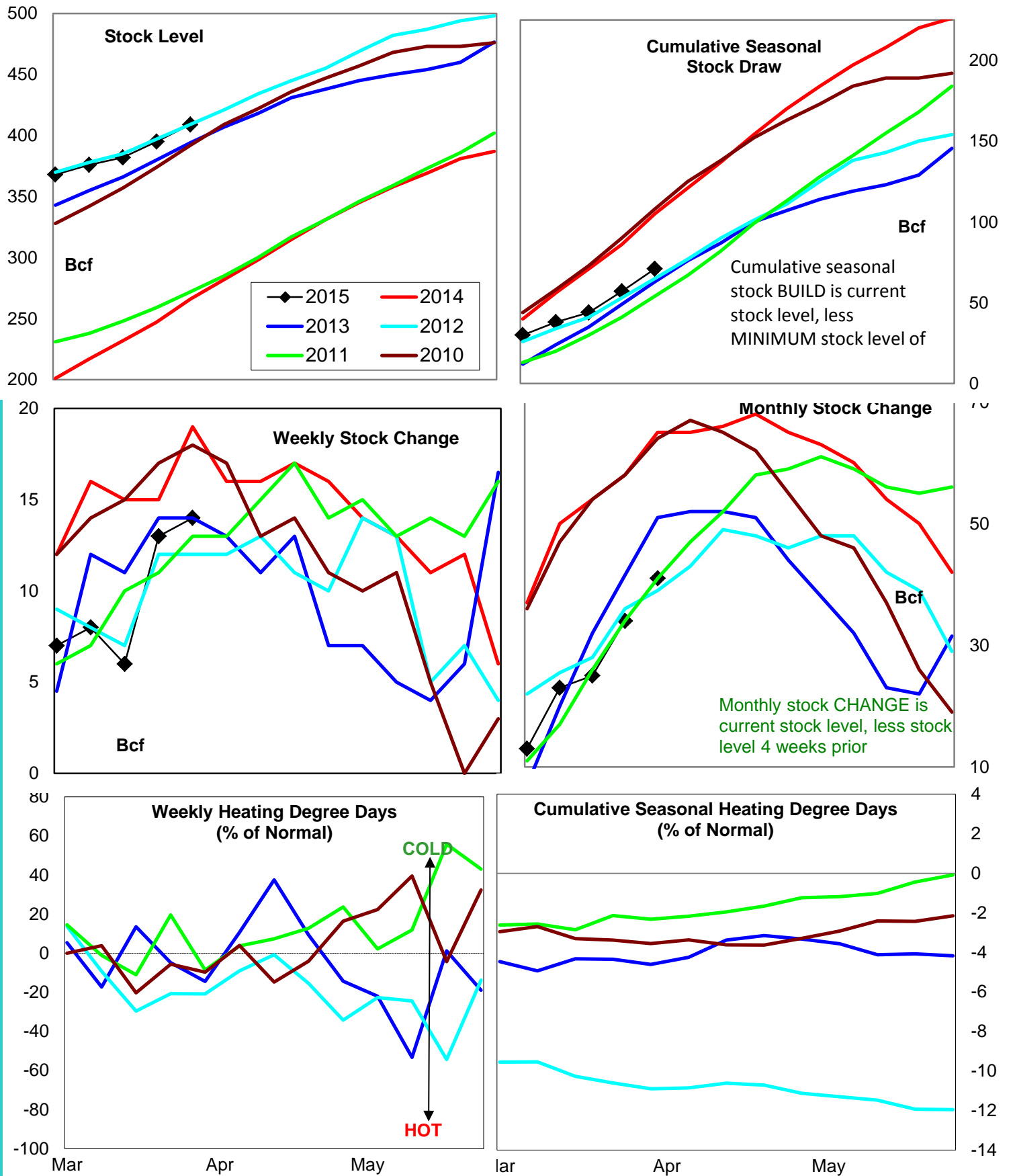
United States Natural Gas Stock and Weather Trends



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

143

-5

-24

-34

Percent Change (%)

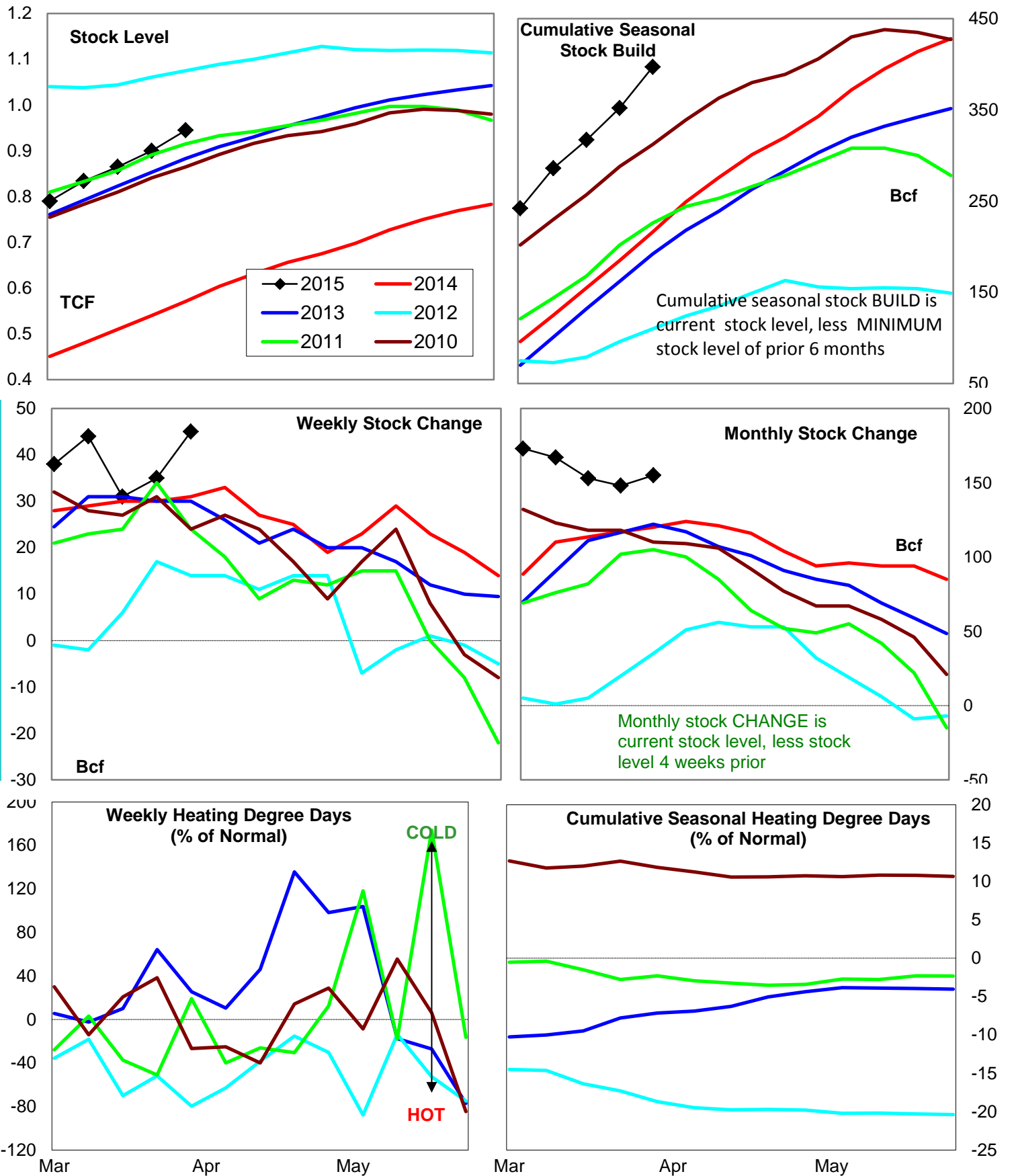
53.8

-26.3

-36.9

-32.4

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

374

14

35

181

Percent Change (%)

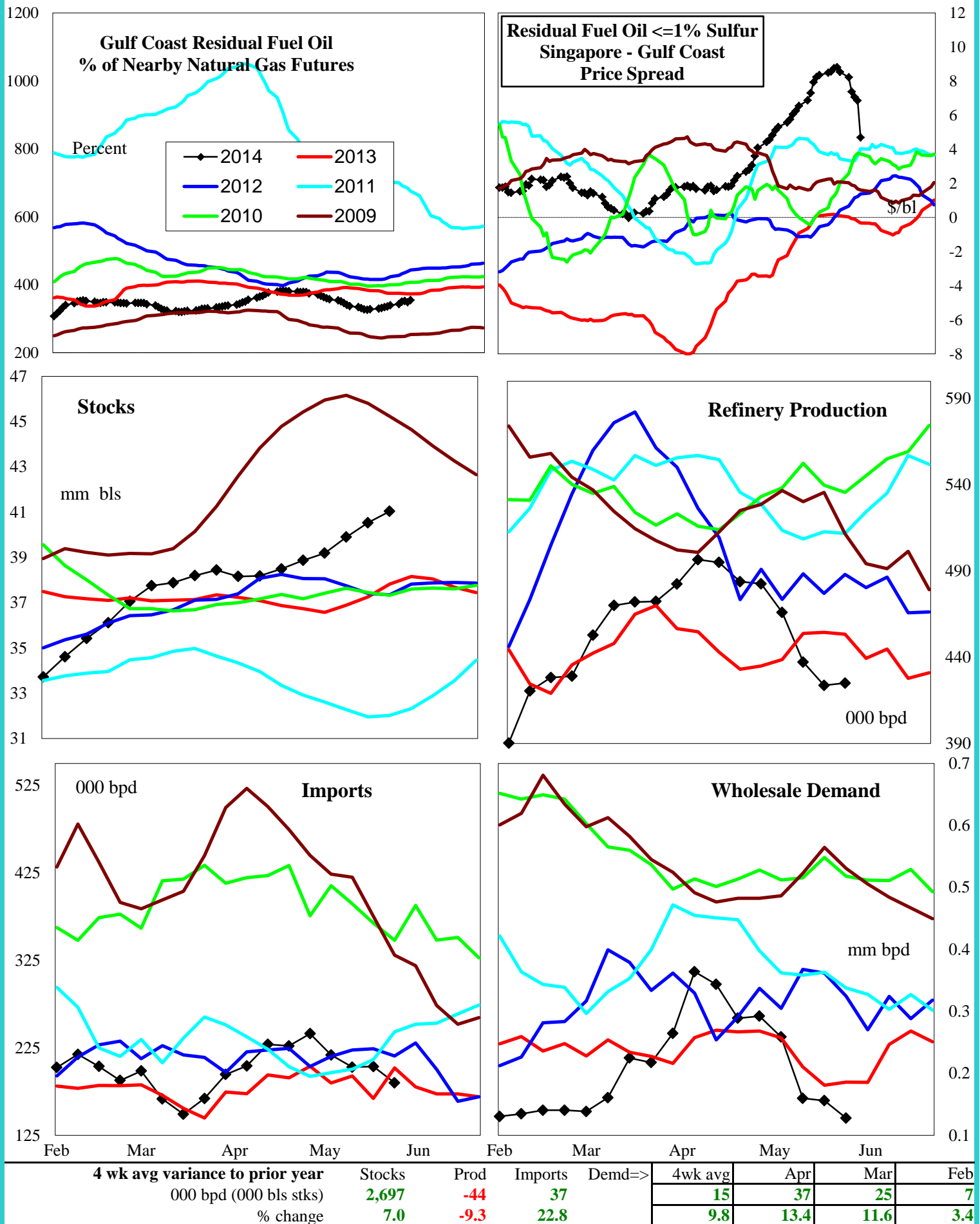
65.5

45.2

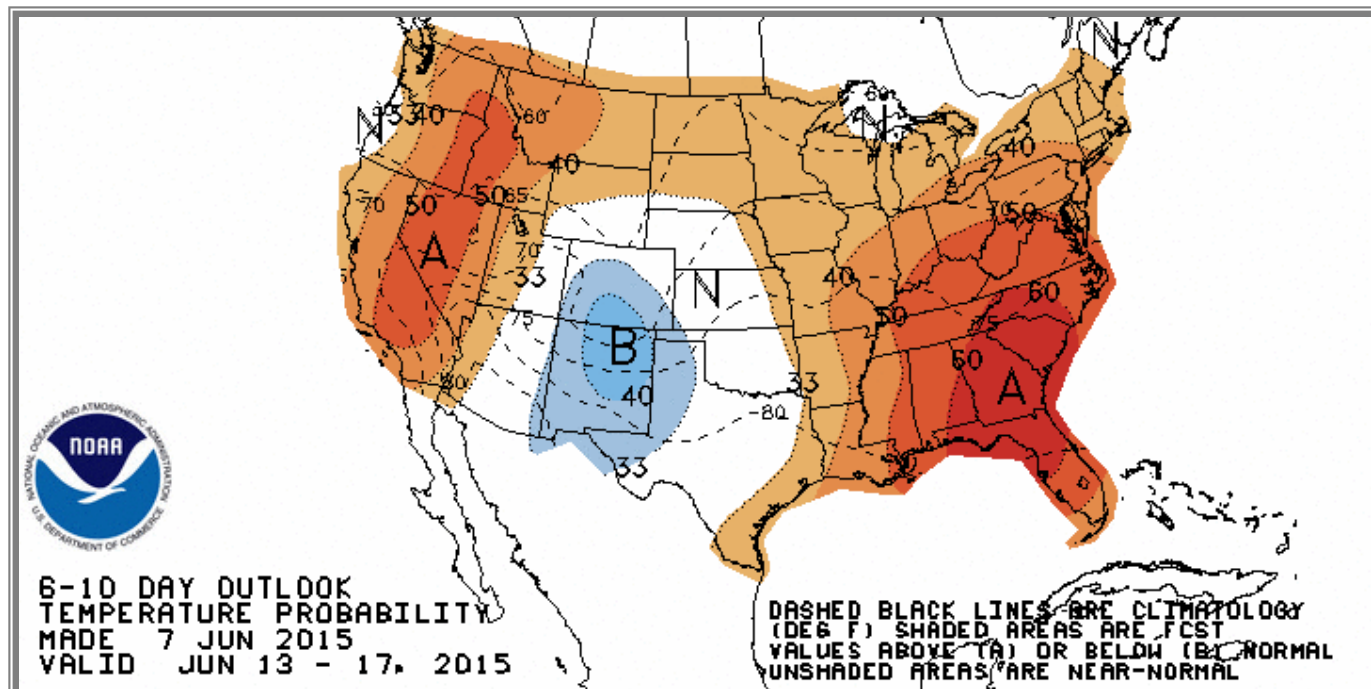
29.2

83.8

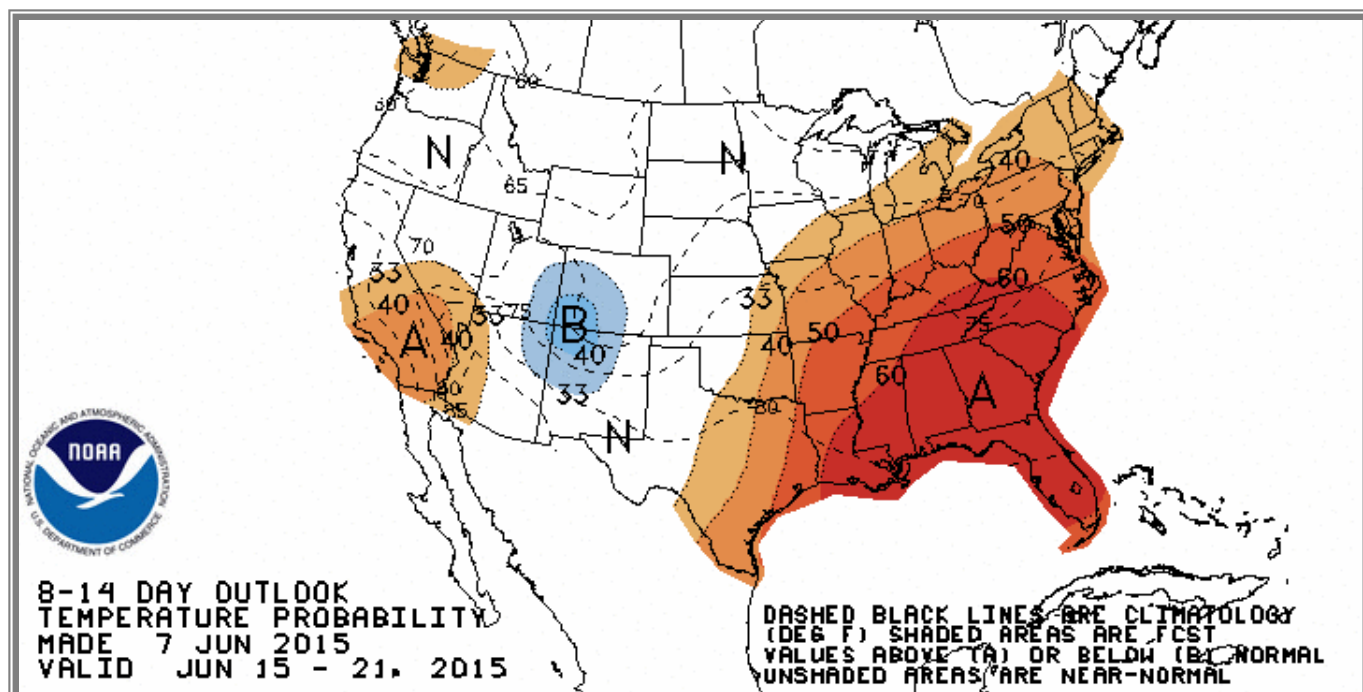
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

