

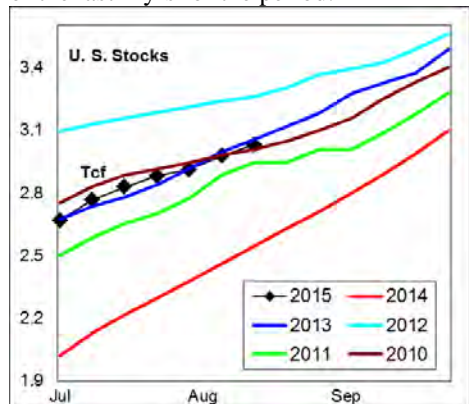
# WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

## A Fundamental Petroleum Trends Weekly Report

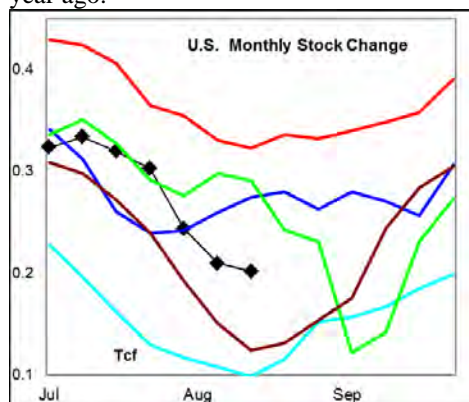
Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com) Thursday, August 20, 2015



**Summary** <sup>1</sup> The stock build of +53 Bcf last week was -20 Bcf below the average of the last 2-yr for the period.



The latest 4-wk stock change was a build of +202 Bcf, nearly 1/3<sup>rd</sup> less than the 2-yr mid range. The cumulative stock build for the season was +1,569 Bcf, -8% below a year ago.



In the East Region stocks increased +50 Bcf for the week, a build slightly less than the average of the last 2-yr. Stocks increased +4 Bcf for the week in the West Region, a build below the 3-yr mid range. Stocks saw a -1 Bcf draw in the Producing region, compared to an average +8 Bcf build for the last 2-yr.

**Temperatures** were above normal across the much of the country last week ending 14Aug15.

The 6-10 day NWS forecast for the week ending 29Aug15 is for above normal temperatures in the Midwest and south,

### <sup>1</sup> Related Web Sites:

[Data Source is EIA Weekly Statistics](#)

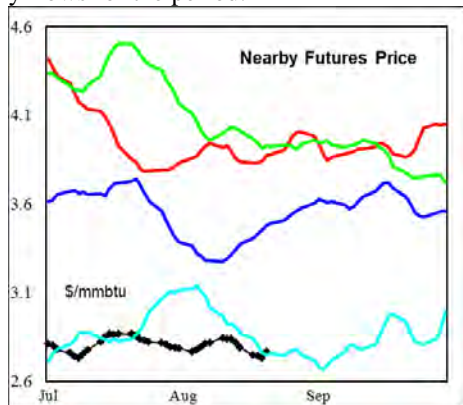
[National Weather Service 6-10 Day](#)

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

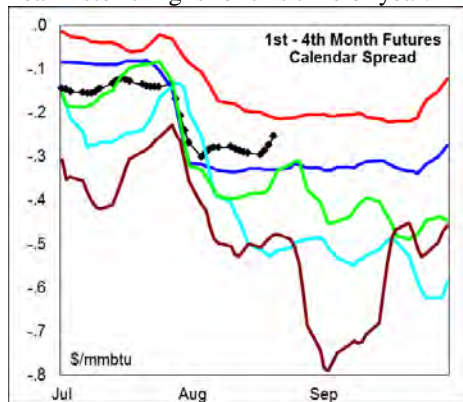
with below normal temperatures in the Ohio Valley and West.

The 8-14 day NWS forecast for the week ending 02Sep15 is for much above normal temperatures in the eastern 2/3<sup>rd</sup> of the country and below normal in the West.

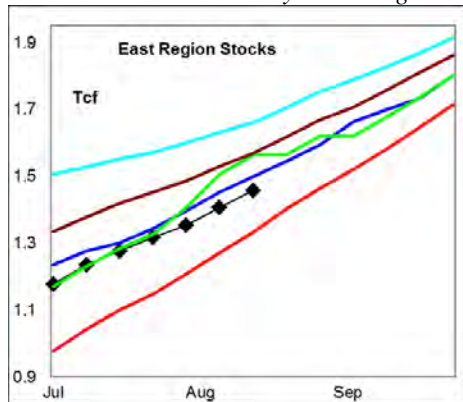
**Prices:** Nearby gas futures prices decreased -\$0.02/mmbtu for the week ending 20Aug15, ending at a level that matched 5-yr lows for the period.



The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve trended higher last week, ending at a level near historic highs for this time of year.



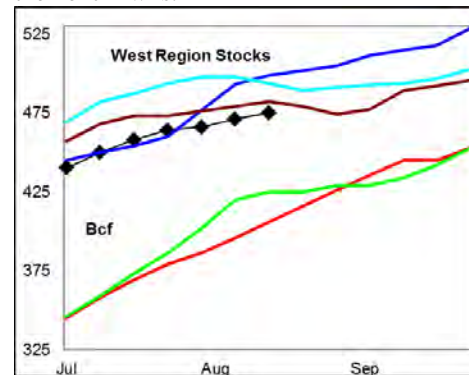
**East Region** stocks increased +50 Bcf for the week, a build slightly below the average of the last 2-yr. *The current stock level is below the 3-yr mid range.*



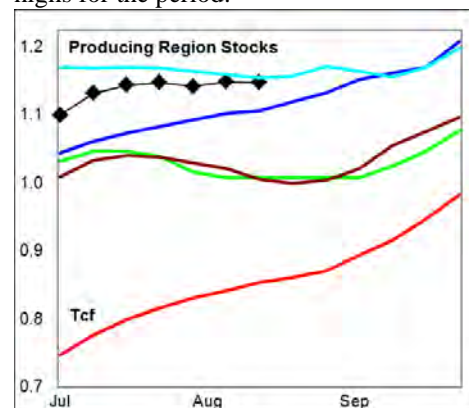
Temperatures are forecast to be much above normal for the next 2-wks.

**West Region** stocks increased +4 Bcf for the week, a build below the 3-yr mid range.

Stock levels ended the week below the 3-yr mid range, although +17% above last year. The monthly rate of stock build was down -2/3rds from the last 2-yr on sharply above normal temperatures. Temperatures are forecast to be much below normal on the West Coast during the next 2-wks.



**Producing Region** stocks decreased -1 Bcf for the week, a compared to an average build of +8 Bcf build for the last 2-yr. Stock levels ended the week near 5-yr highs for the period.



Temperatures are forecast to be much 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-yr.

**Outlook:** Above normal temperatures are forecast for most of the country during the next 2-wks. The rate of stock building has dropped to a level 1/3<sup>rd</sup> below the last 2-yr. Continued low rate of stock building should lift prices to the upper end of the recent trading range.

## NATURAL GAS: Graph Link and Weekly Summary



Report prepared as of: August 20, 2015

For the week ending: 14-Aug-15

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

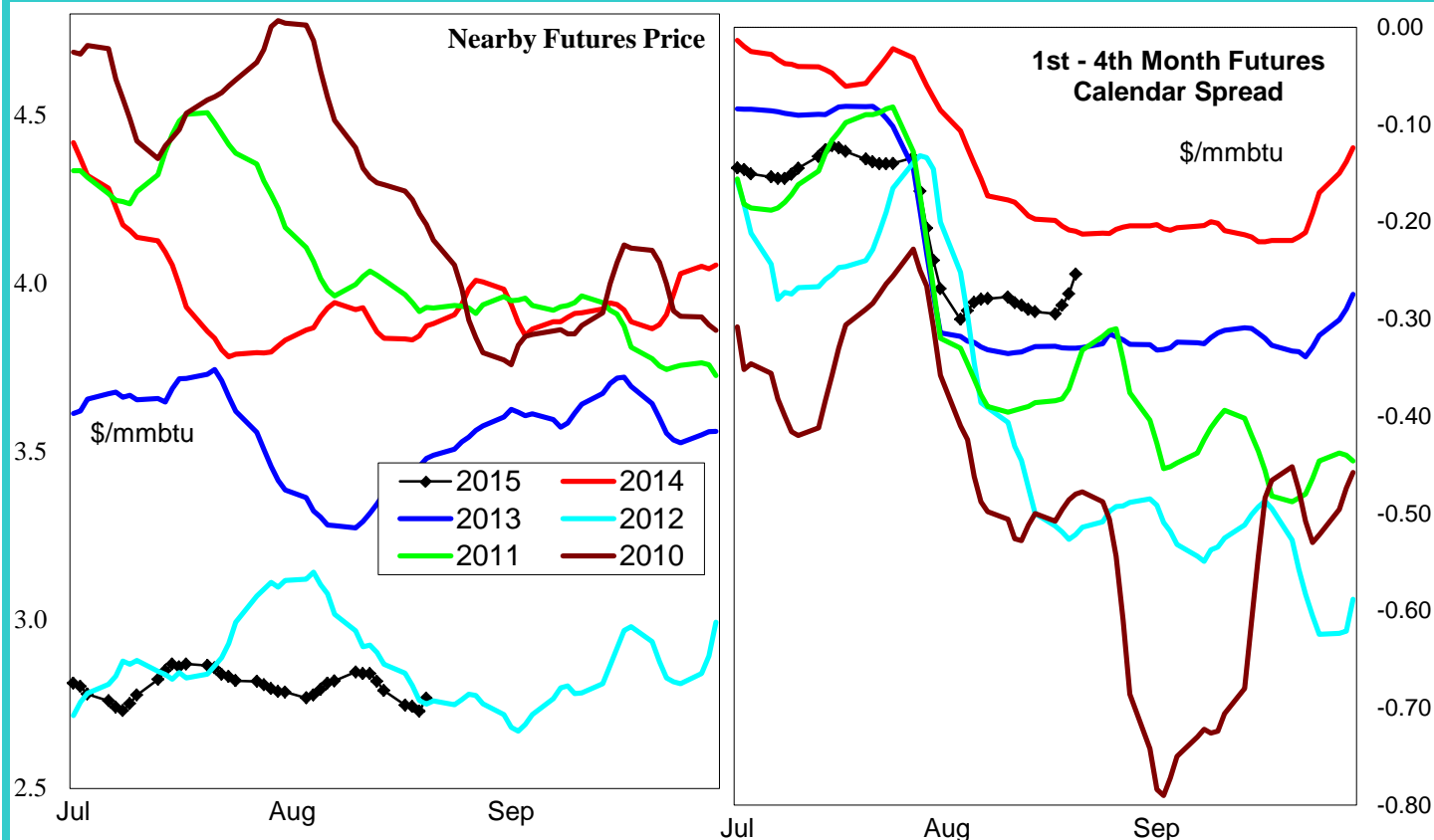
Week ending:	14-Aug-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,030	53	19.2	-14	-45%	-2	-33%	-3	-77%
East	1,457	50	9.3	-17	-39%	-2	-18%	-4	-74%
West	475	4	17.0	-12	-58%	-2	-55%	-5	-78%
Producing	1,098	-1	36.6	-4	-100%	0	-100%	0	-100%

### Seasonal Trends in Stocks and Heating Degree Days

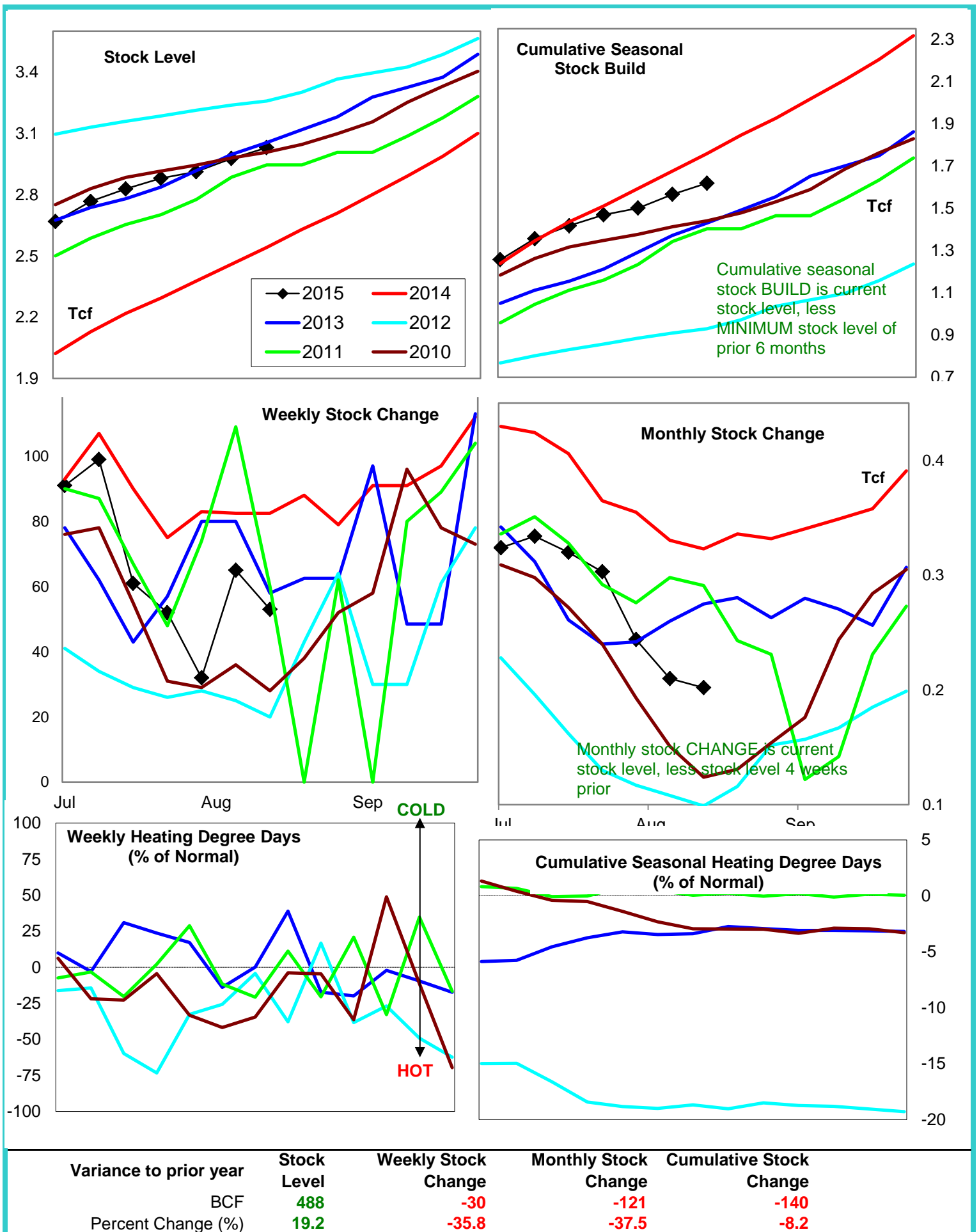
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
<b>U.S. Total</b>	<b>1,569</b>	<b>-140</b>	<b>-8.9</b>	<b>6</b>	<b>-3.2</b>	<b>4</b>	<b>-3.2</b>	<b>1</b>	<b>-3.3</b>
<b>East</b>	<b>953</b>	<b>-70</b>	<b>-7.3</b>	<b>6</b>	<b>-2.9</b>	<b>4</b>	<b>-2.9</b>	<b>1</b>	<b>-2.9</b>
<b>West</b>	<b>137</b>	<b>-108</b>	<b>-78.8</b>	<b>10</b>	<b>-4.6</b>	<b>8</b>	<b>-4.7</b>	<b>3</b>	<b>-4.9</b>
<b>Producing</b>	<b>550</b>	<b>101</b>	<b>18.4</b>	<b>0</b>	<b>-4.0</b>	<b>0</b>	<b>-4.1</b>	<b>0</b>	<b>-4.1</b>

### Futures Market Price Trends

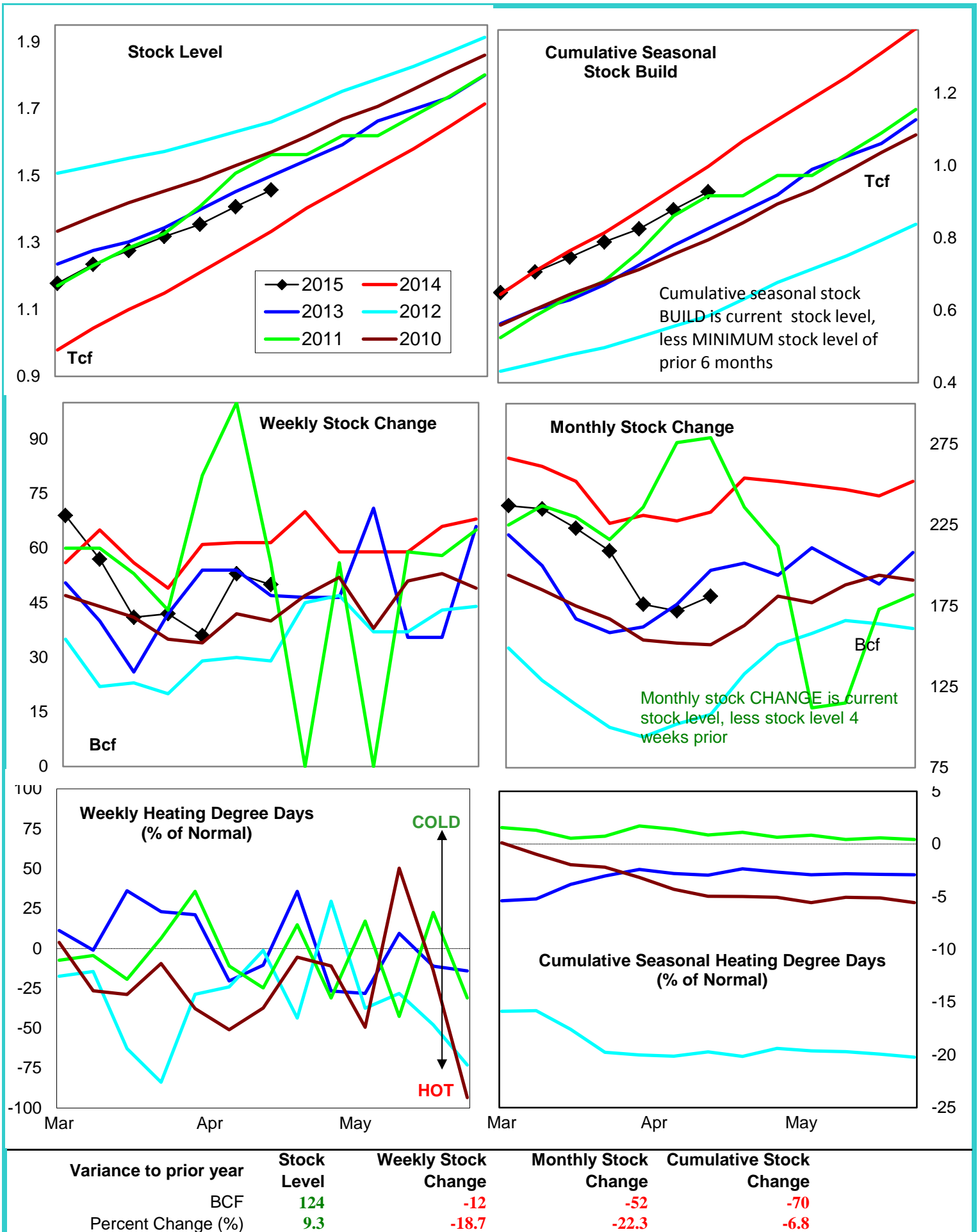
Date:	10-Aug-15	Change vs prior week, month, year		
		4-Aug-15	14-Jul-15	20-Aug-14
<b>1st month Futures</b>	<b>2.77</b>	<b>-0.03</b>	<b>-0.01</b>	<b>-1.05</b>
<b>% change</b>	<b>xxxxx</b>	<b>-1.2</b>	<b>-0.3</b>	<b>-27.5</b>



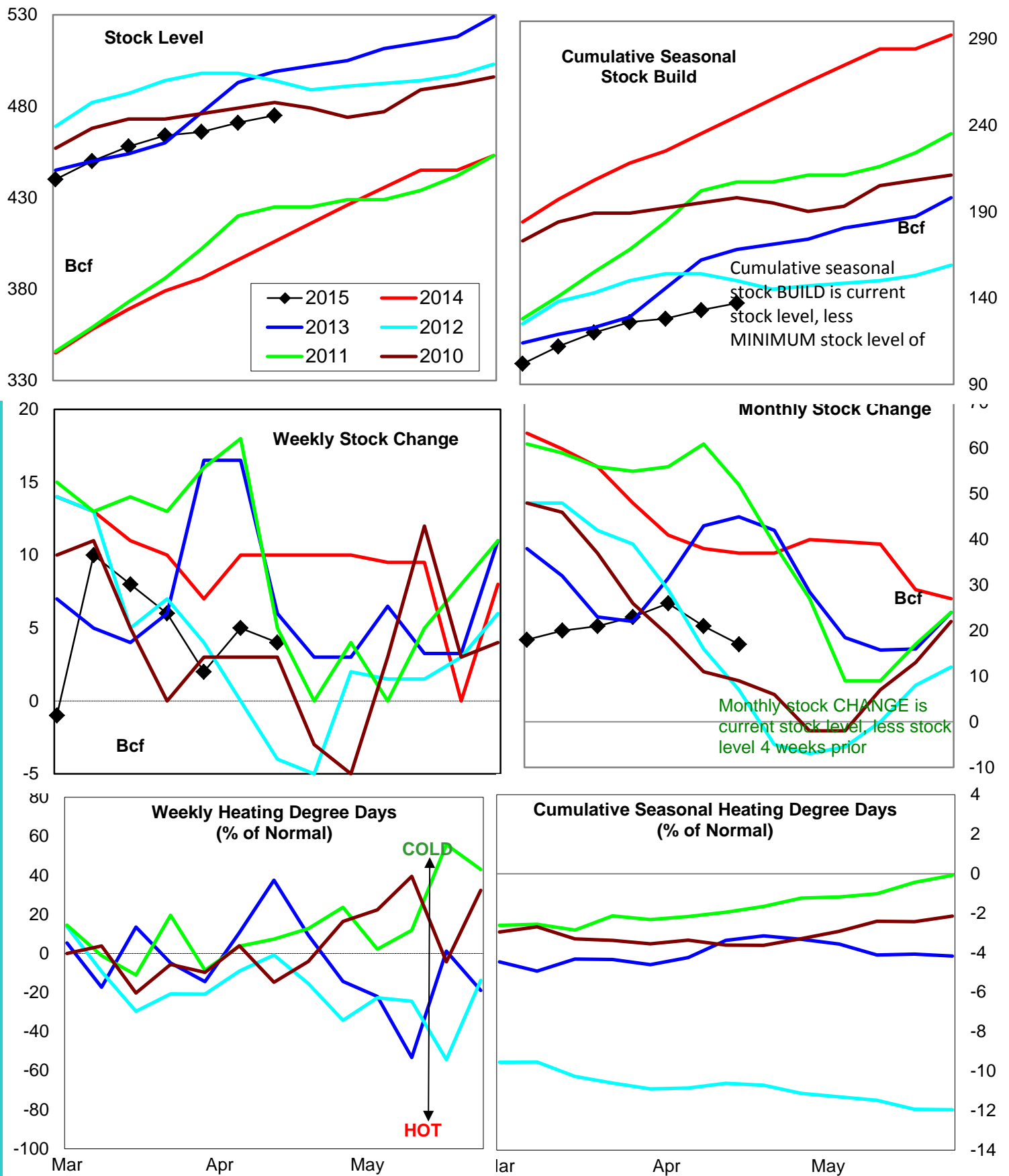
# United States Natural Gas Stock and Weather Trends



# 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 (%)

69

-6

-20

-108

Percent Change (%)

17.0

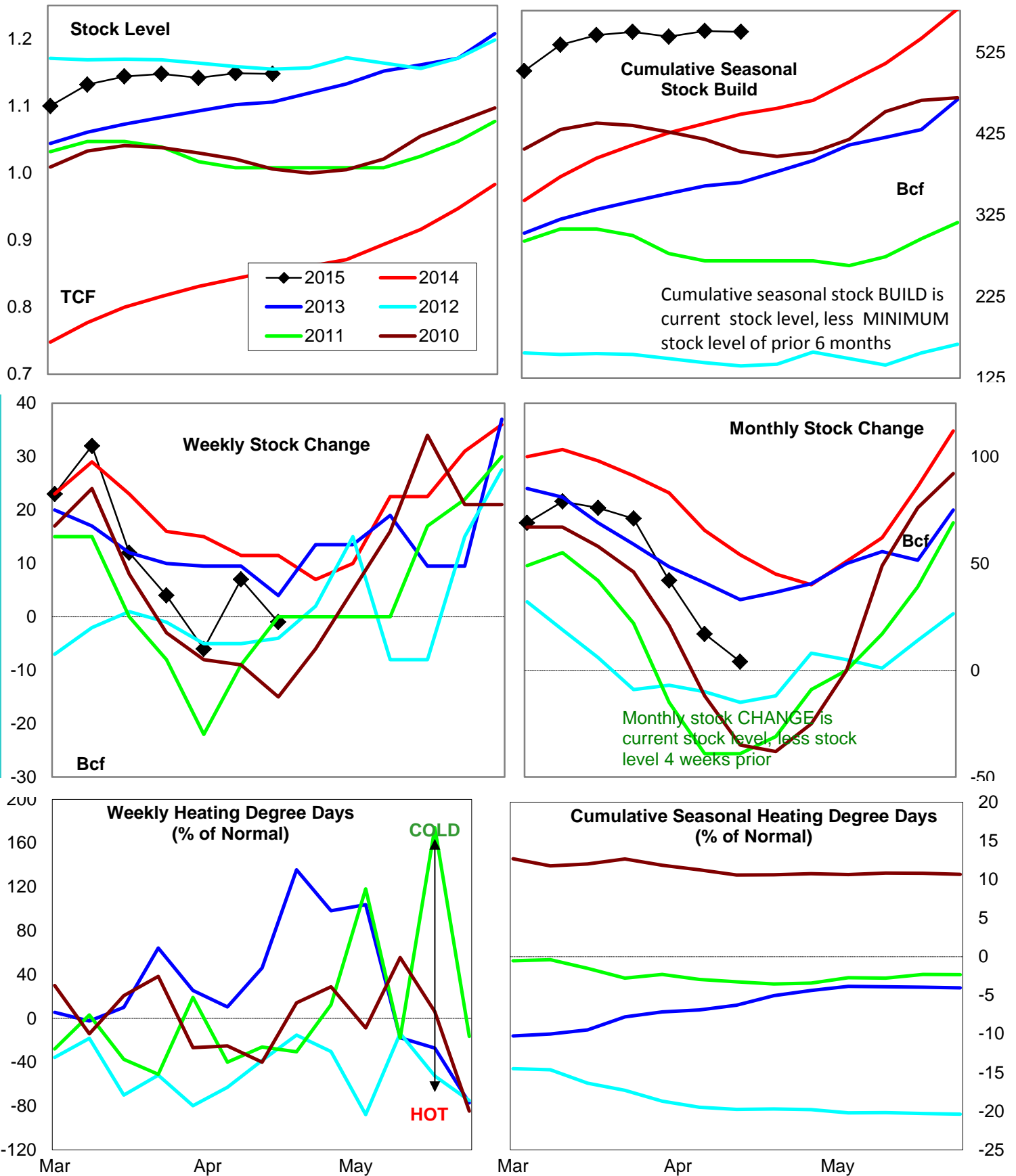
-60.0

-54.1

-44.1



# Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

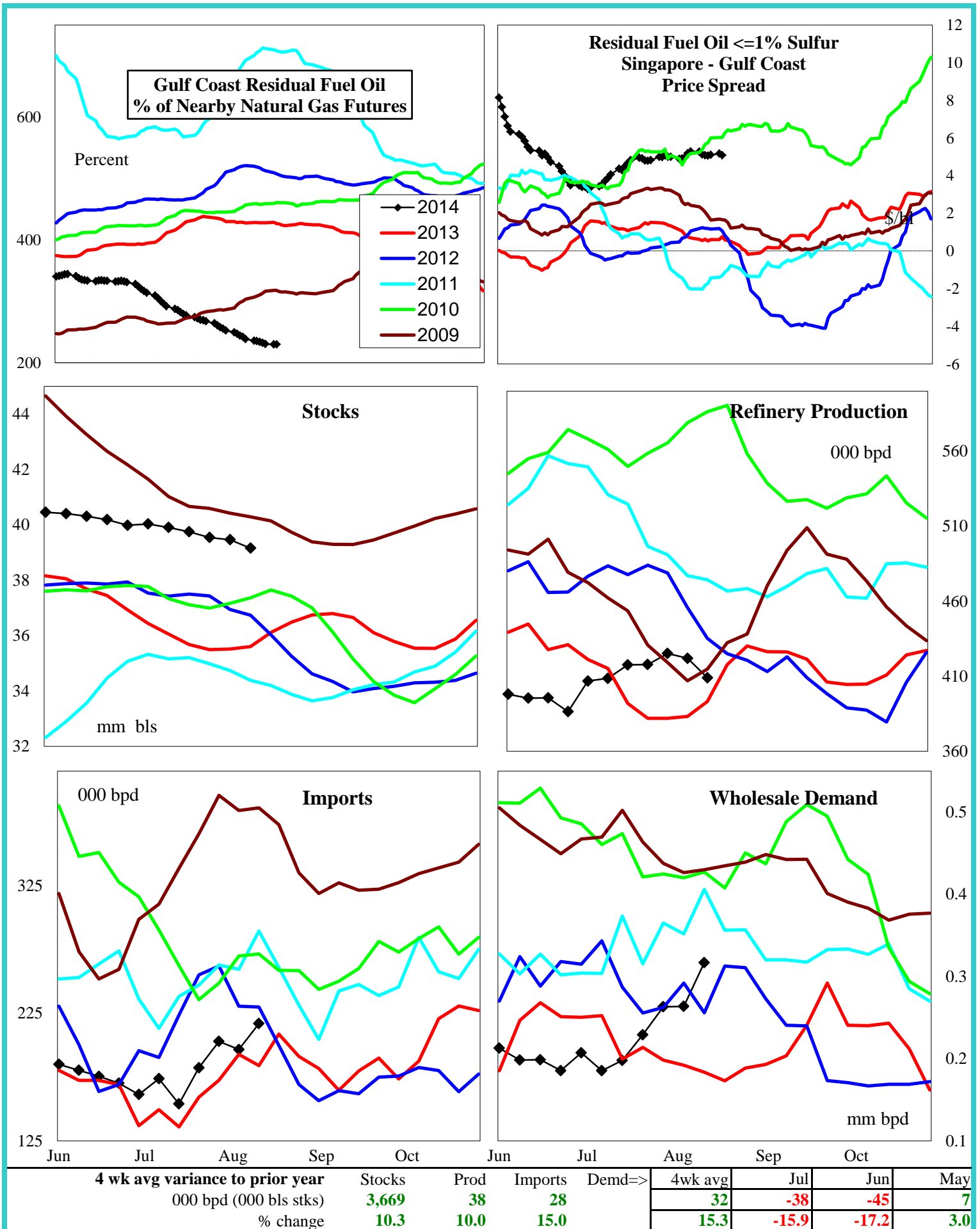
Weekly Stock Change

Monthly Stock Change

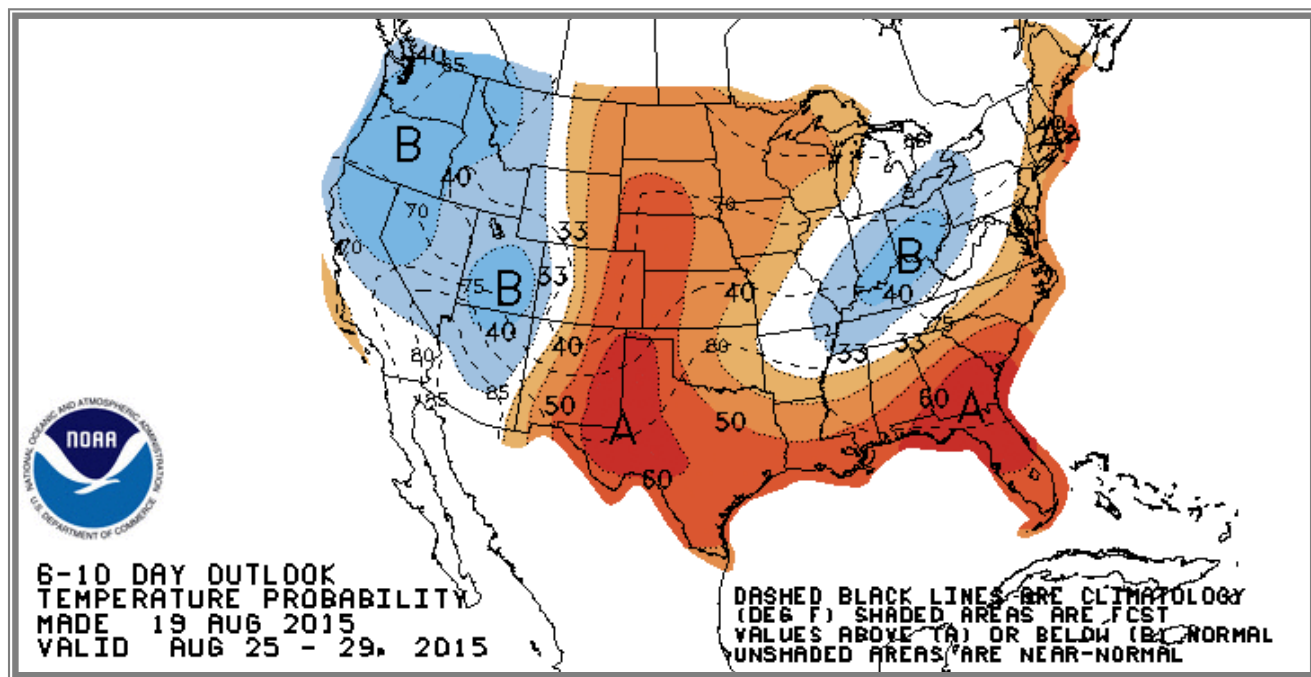
Cumulative Stock Change

BCF  
Percent Change (%)294  
36.6-13  
-108.7-50  
-92.6101  
22.5

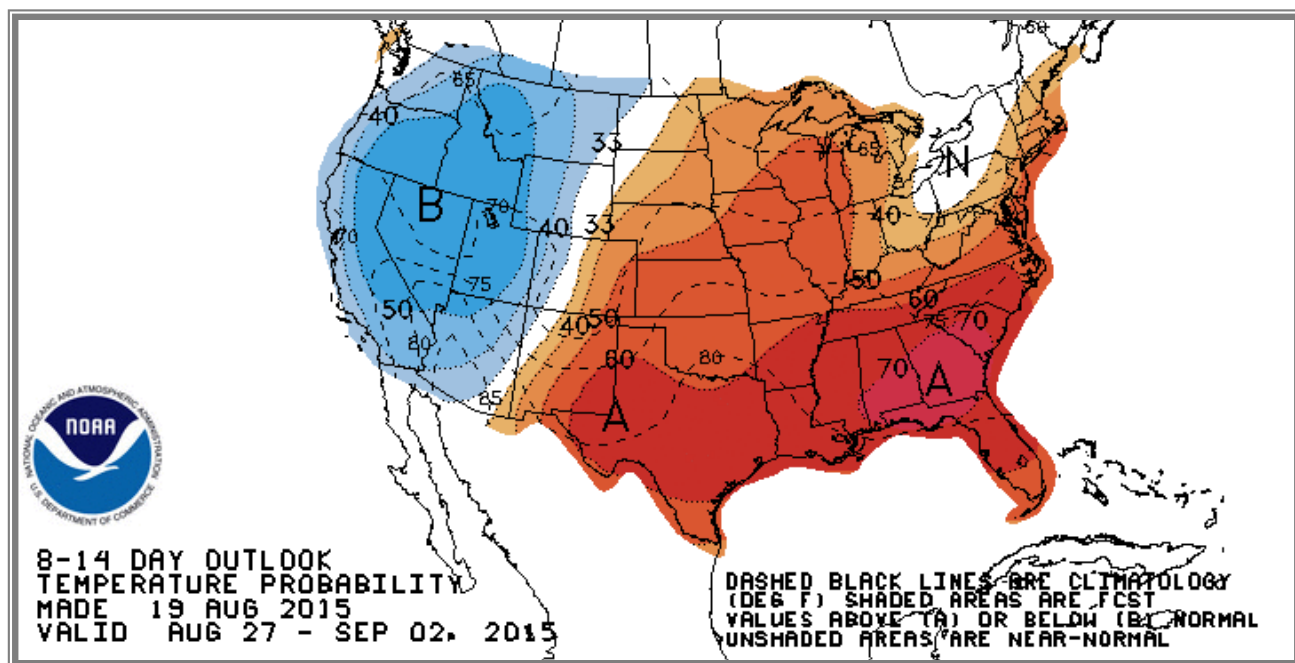
## U.S. Residual Fuel Oil Price Spreads and Supply Balance



## 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

