

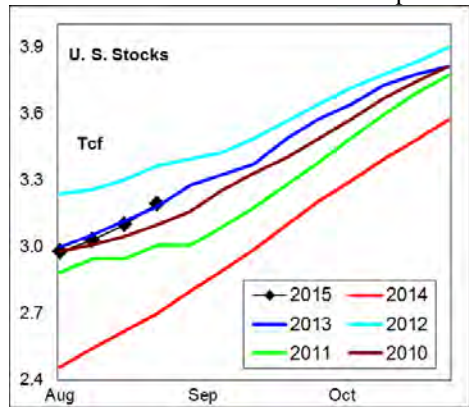
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

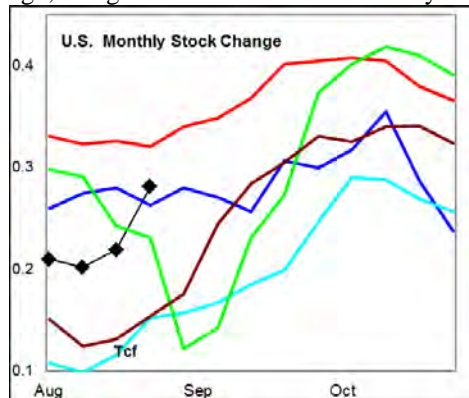
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Tuesday, September 08, 2015



Summary ¹ The stock build of +94 Bcf last week was a record build for the period.



The latest 4-wk stock change was a build of +291 Bcf, near the mid range of the last 2-yrs. The cumulative stock build for the season was +1,732 Bcf, -7% below a year ago, and greater than four of the last 5-yrs.



In the East Region stocks increased +71 Bcf for the week, a record build for the period. Stocks increased +3 Bcf for the week in the West Region, a build at the 3-yr mid range. Stocks increased +20 Bcf draw in the Producing region, also a record build for the period.

Temperatures were above normal across the much of the country last week ending 05Sep14.

The 6-10 day NWS forecast for the week ending 17Sep15 is for above normal temperatures on the East Coast, and western 1/3rd of the country with near normal in the Midwest.

¹ Related Web Sites:

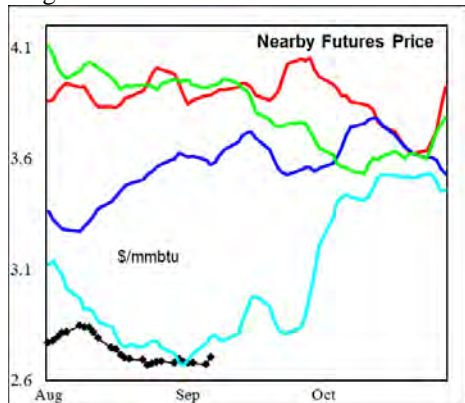
[Data Source is EIA Weekly Statistics](#)

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

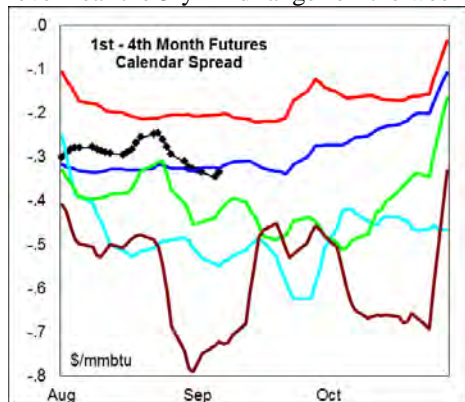
[National Weather Service 10-14 Day](#)

The 8-14 day NWS forecast for the week ending 21Sep15 is for above normal temperatures on the East, Gulf and West Coasts, with near normal in the central 1/2 of the country.

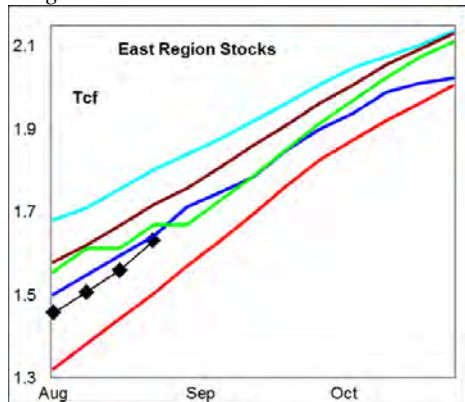
Prices: Nearby gas futures prices increased +\$0.02/mmbtu for the week ending 08Sep15, ending at a level below the 5-yr range.



The 1st - 4th month forward price curve traded sideways last week, ending at a level near the 3-yr mid range for the week.



East Region stocks increased +71 Bcf for the week, a record build for the period. *The current stock level is near the 3-yr mid range.*

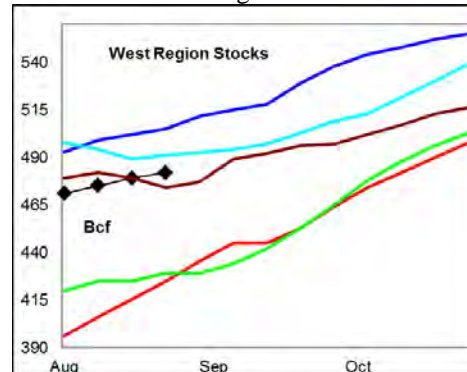


Temperatures are forecast to be much above normal for the next 2-wks.

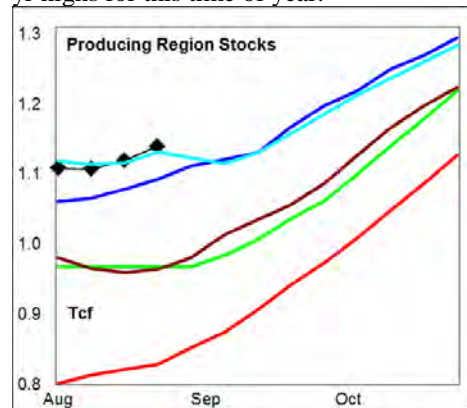
West Region stocks increased +3 Bcf for

the week, a build equal to the 3-yr mid range.

Stock levels ended the week below the 3-yr mid range, although +13% above last year. The monthly rate of stock build was -59% below last year on sharply above normal temperatures. Temperatures are forecast to be much above normal on the West Coast during the next 2-wks.



Producing Region stocks increased +20 Bcf for the week, a record build for the period. Stock levels ended the week at 5-yr highs for this time of year.



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 coastal regions of the country during the next 2-wks. The rate of stock building has increased compared to prior years, due in part to a restatement of stock levels by the EIA. Very ample stock levels and an improved rate of stock building should limit price strength during the balance of the shoulder season.

NATURAL GAS: Graph Link and Weekly Summary



Report prepared as of: September 8, 2015

For the week ending: 28-Aug-15

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

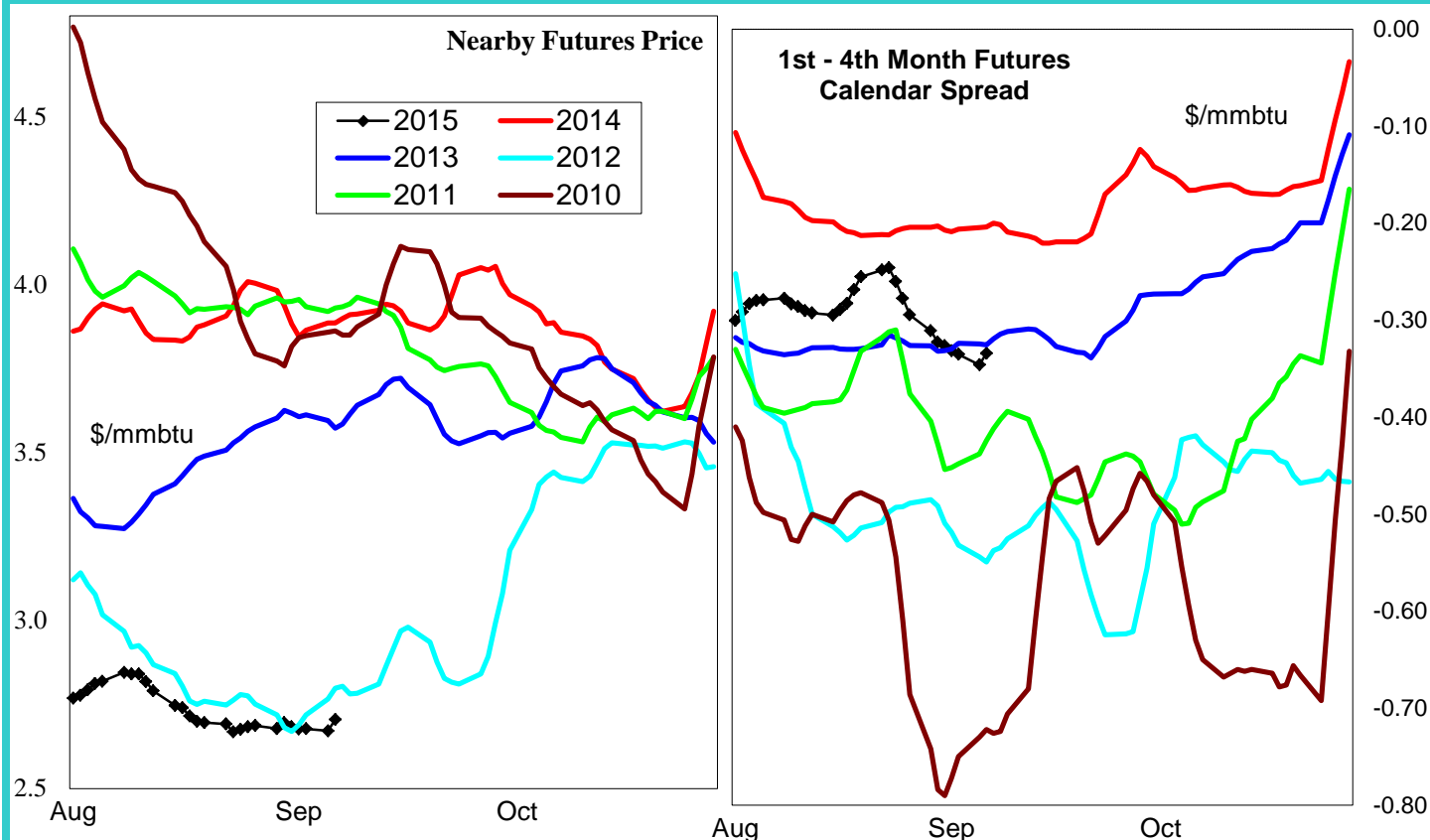
Week ending:	28-Aug-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,193	94	18.3	-14	-45%	-2	-33%	-3	-77%
East	1,581	71	8.7	-17	-39%	-2	-18%	-4	-74%
West	482	3	13.4	-12	-58%	-2	-55%	-5	-78%
Producing	1,130	20	37.8	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

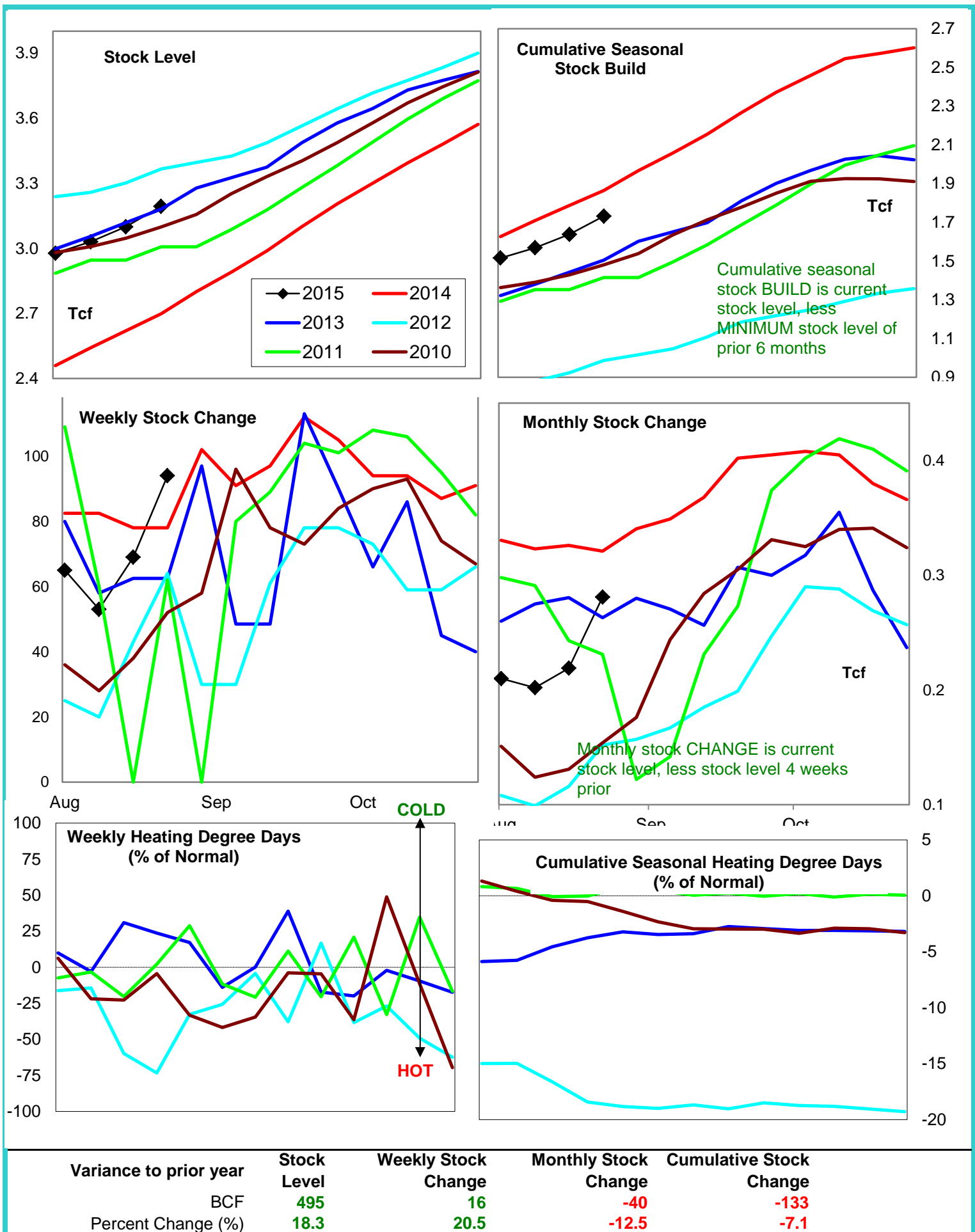
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	1,732	-133	-7.7	6	-3.2	4	-3.2	1	-3.3
East	1,077	-67	-6.2	6	-2.9	4	-2.9	1	-2.9
West	144	-120	-83.3	10	-4.6	8	-4.7	3	-4.9
Producing	582	117	20.1	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

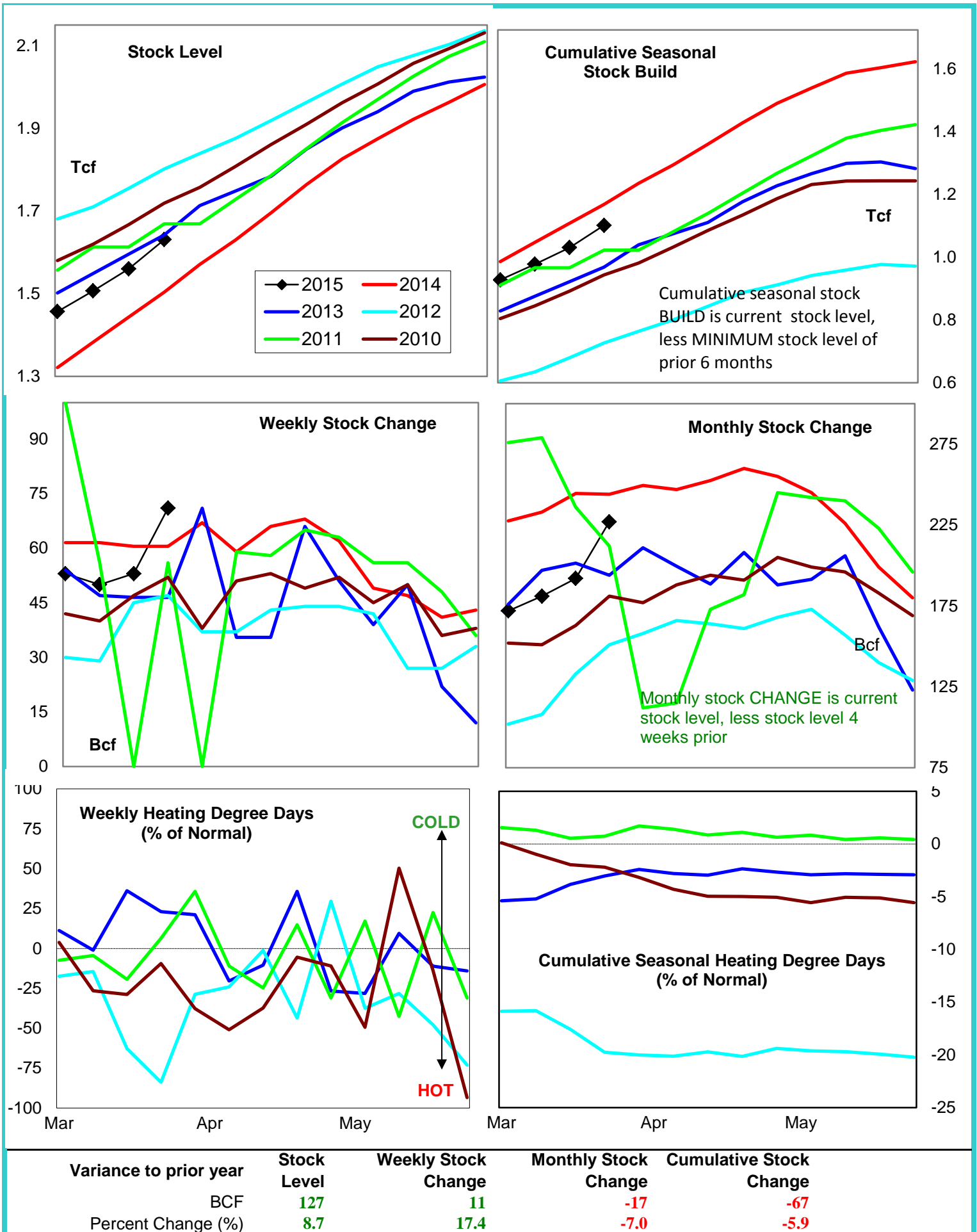
Date:	8-Sep-15	Change vs prior week, month, year		
		2-Sep-15	12-Aug-15	18-Sep-14
1st month Futures	2.71	0.06	-0.23	-1.11
% change	xxxxx	2.2	-7.7	-29.1



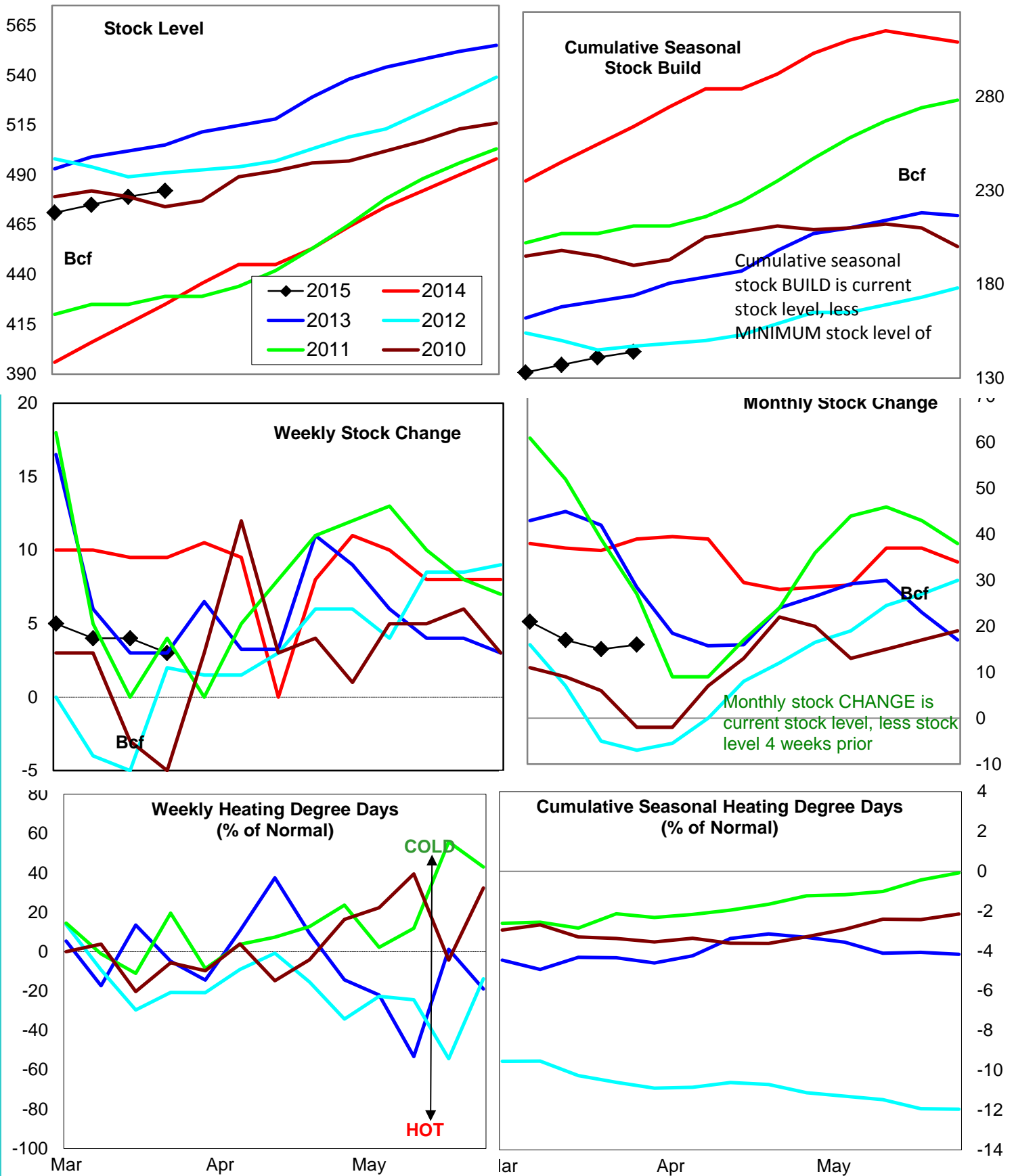
United States Natural Gas Stock and Weather Trends



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

57

-7

-23

-120

Percent Change (%)

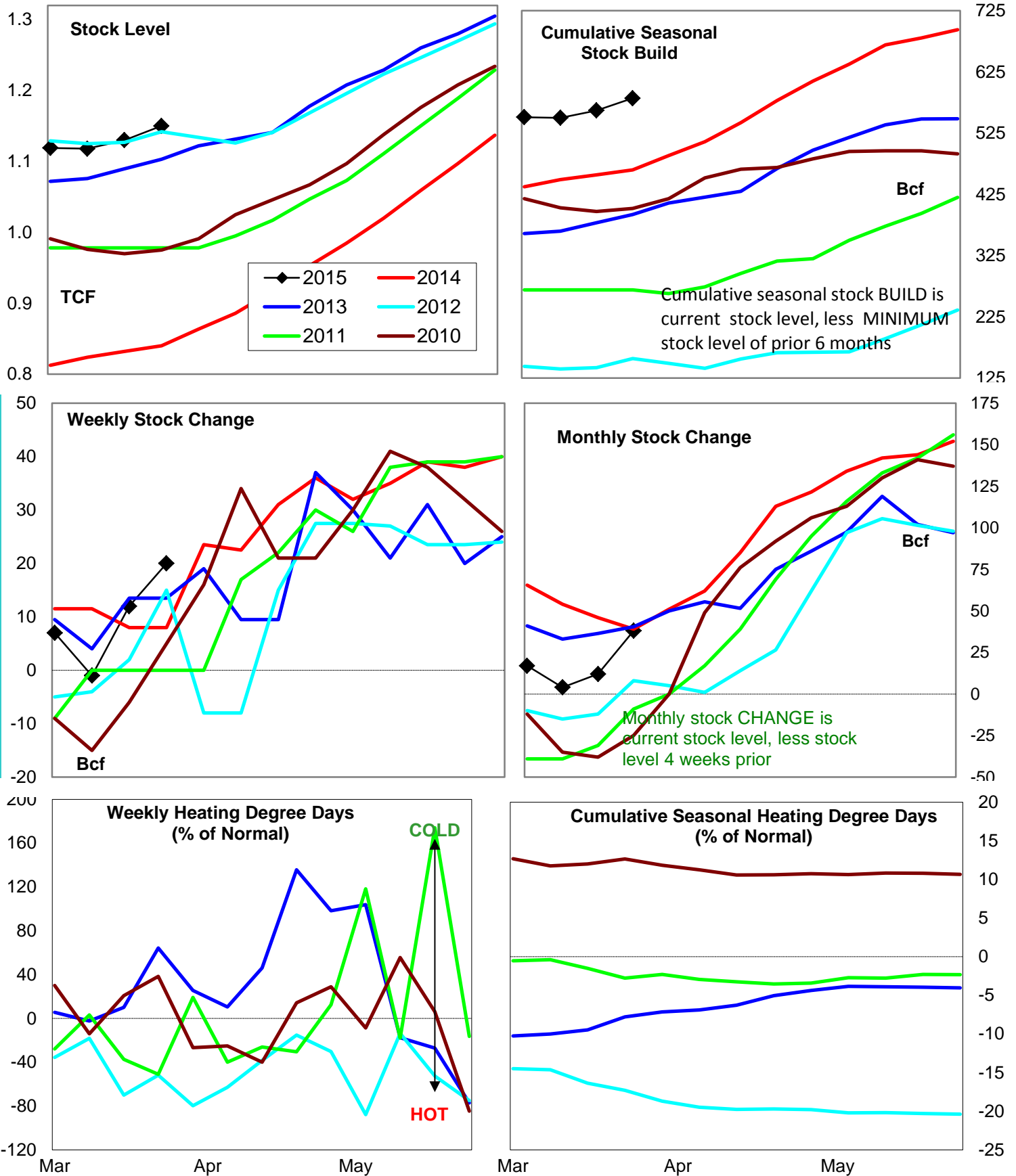
13.4

-68.4

-59.0

-45.5

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

310

12

-1

117

Percent Change (%)

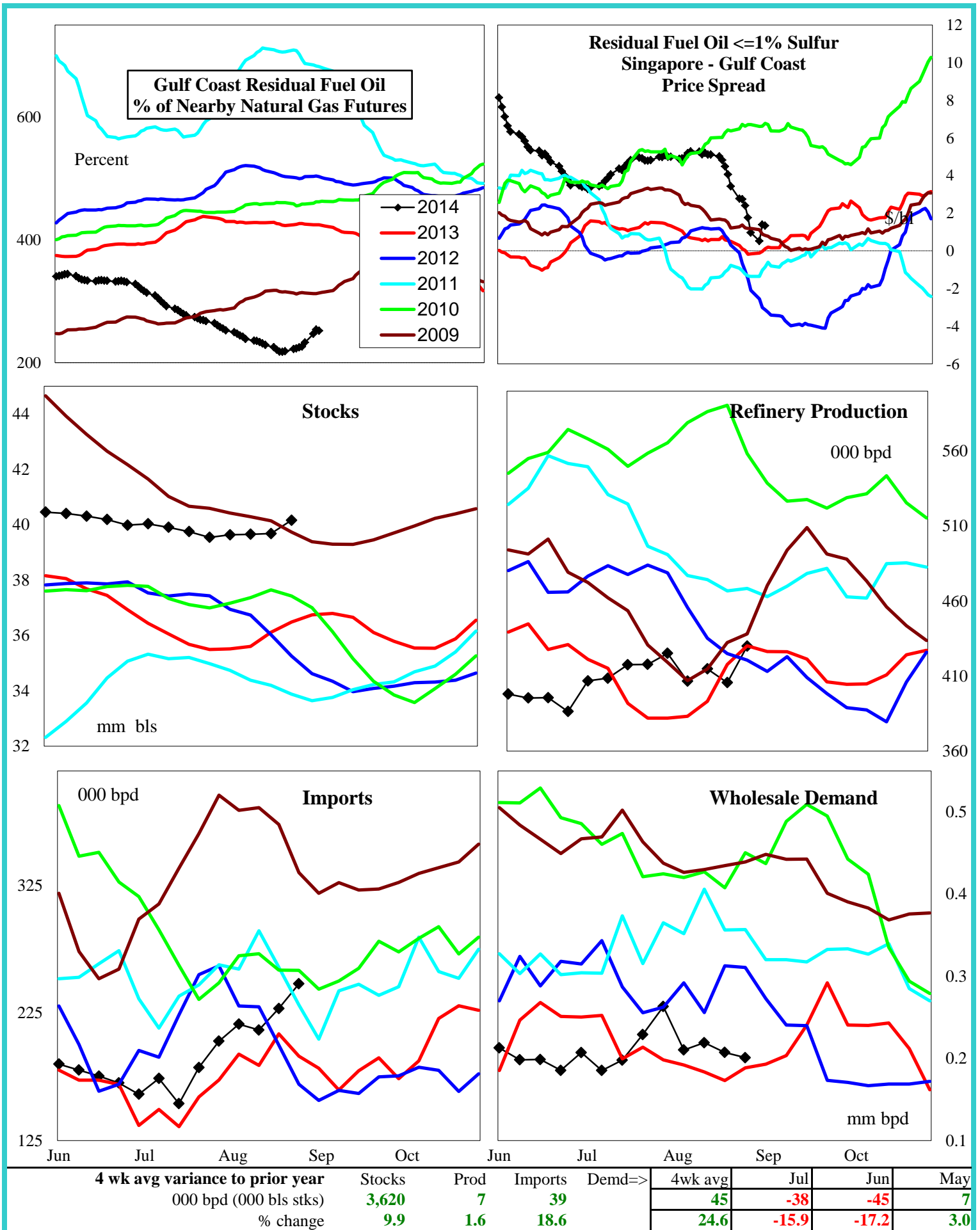
37.8

150.0

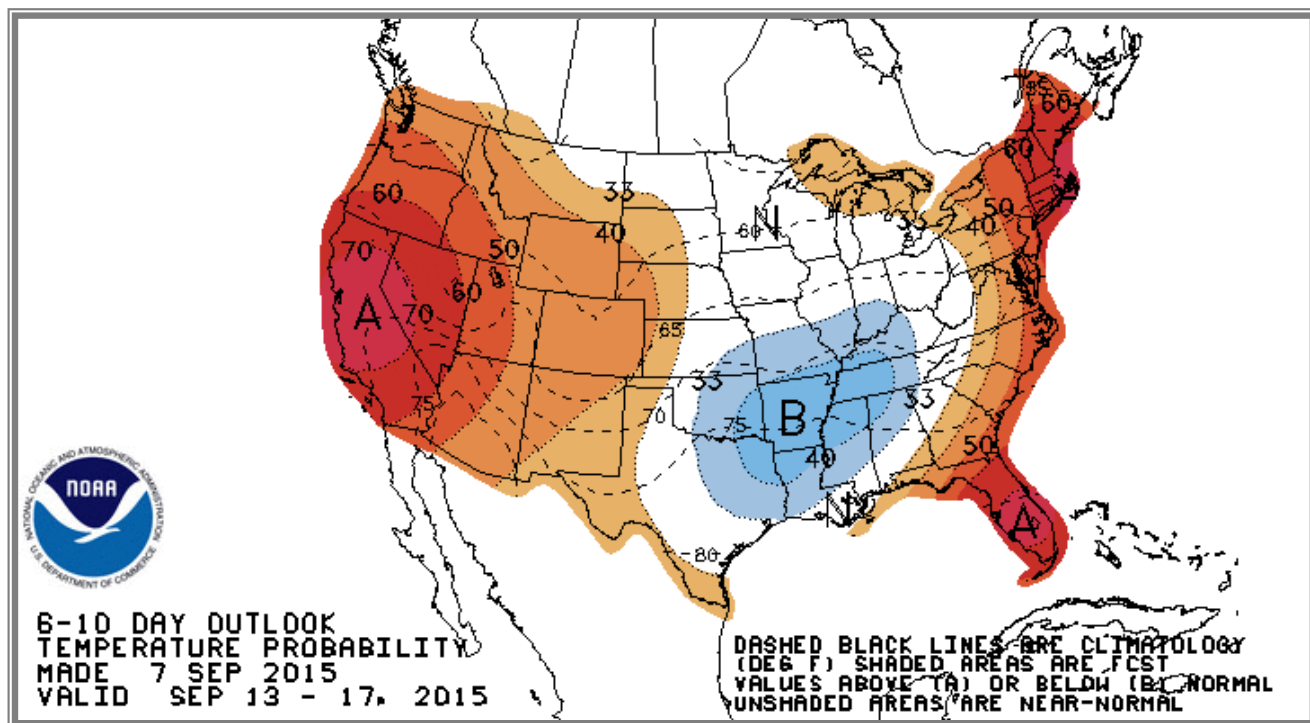
-2.6

25.2

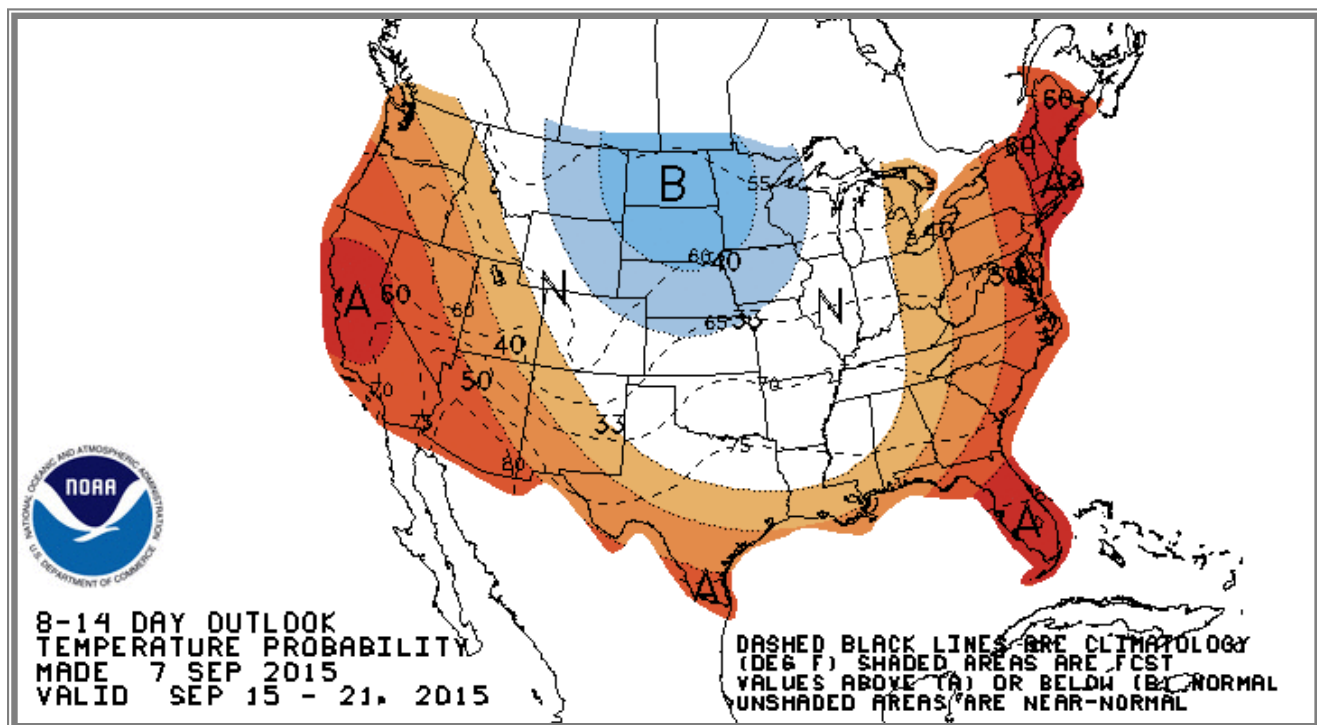
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

