

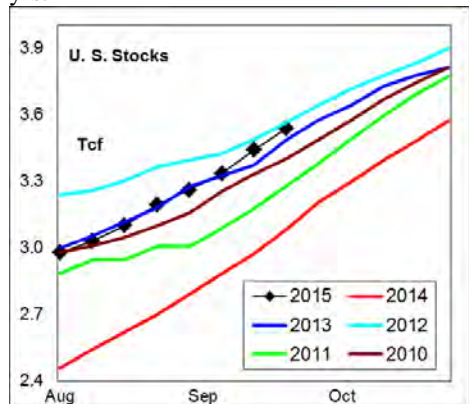
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

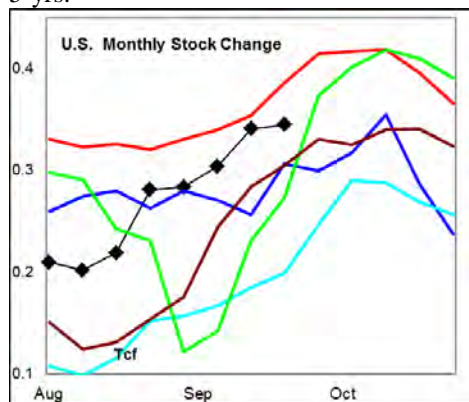
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Friday, October 02, 2015



Summary ¹ The stock build of +98 Bcf last week was less than each of the last 2-yrs.



The latest 4-wk stock change was a build of +345 Bcf, near the 5-yr high set a year ago. The cumulative stock build for the season was +20779 Bcf, -7.7% below a year ago, and greater than four of the last 5-yrs.



In the East Region stocks increased +62 Bcf for the week, a build slightly below the last 2-yrs for the period. Stocks increased +6 Bcf for the week in the West Region, a build below the historic mid range. Stocks increased +30 Bcf in the Producing region, a build equal to the historic mid range.

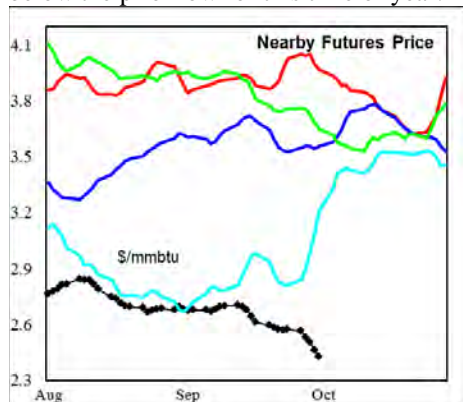
Temperatures were above normal across the much of the country last week ending 25Sep14.

The 6-10 day NWS forecast for the week ending 11Oct15 is for above normal temperatures across nearly the entire

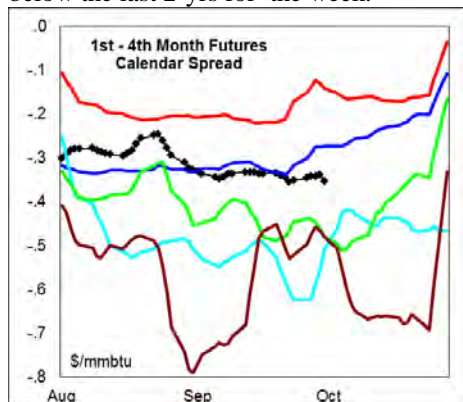
country.

The 8-14 day NWS forecast for the week ending 15Oct15 is for above normal temperatures across the entire country.

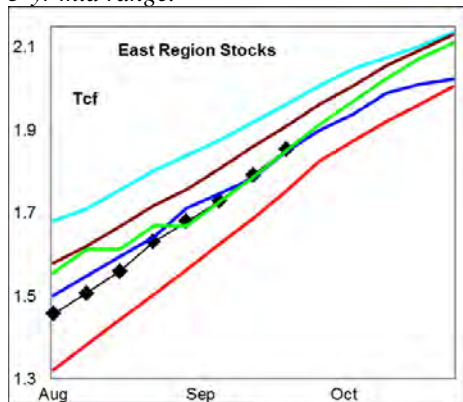
Prices: Nearby gas futures prices decreased -\$0.14/mmbtu to a new record low for the week ending 02Oct15, nearly -\$/mmbtu below the prior low for this time of year.



The 1st - 4th month forward price curve trended lower last week, ending at a level below the last 2-yrs for the week.



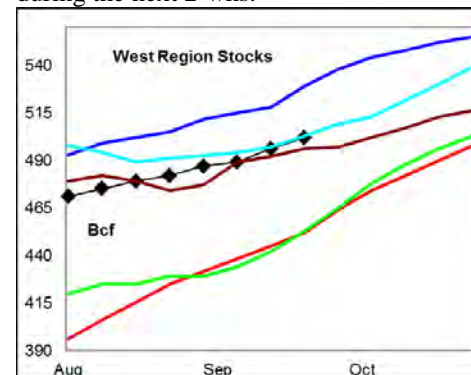
East Region stocks increased +62 Bcf for the week, a build slightly below the last 2-yrs. *The current stock level is equal to the 3-yr mid range.*



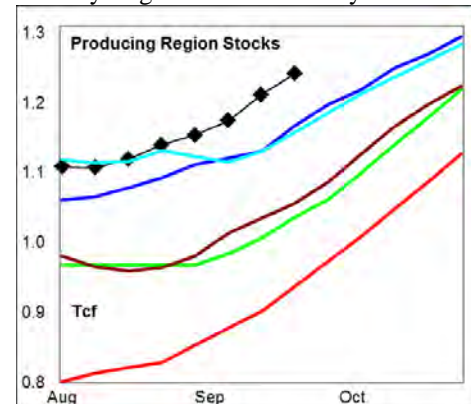
Temperatures are forecast to be above normal for the next 2-wks.

West Region stocks increased 67 Bcf for the week, a build below the historic mid

range. Stock levels ended the week equal to the 3-yr mid range, and +11% above last year. The monthly rate of stock build was below the 3-yr mid range for this time of year. Temperatures are forecast to be much above normal on the West Coast during the next 2-wks.



Producing Region stocks increased +30 Bcf for the week, a build equal to the 3-yr mid range. Stock levels ended the week at new 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 well below the historic range.

Outlook: Above normal temperatures are forecast for the entire country during the next 2-wks. The rate of stock building remains just below last year's record rate. Very ample stock levels and high rate of stock building should continue to depress prices during the balance of the 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: October 2, 2015

For the week ending: 25-Sep-15

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

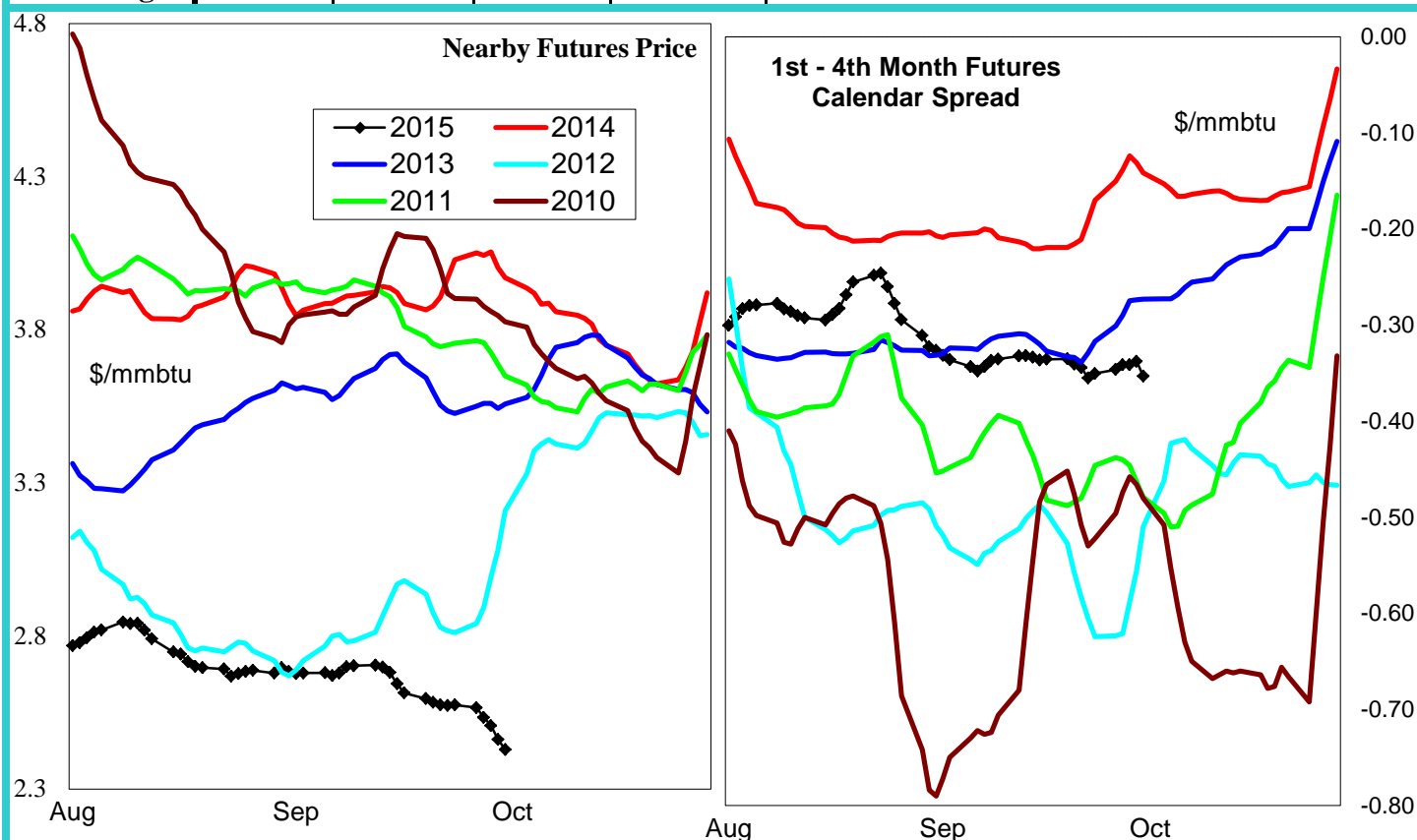
Week ending:	25-Sep-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,538	98	14.7	-14	-45%	-2	-33%	-3	-77%
East	1,804	62	5.9	-17	-39%	-2	-18%	-4	-74%
West	502	6	11.1	-12	-58%	-2	-55%	-5	-78%
Producing	1,232	30	32.8	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

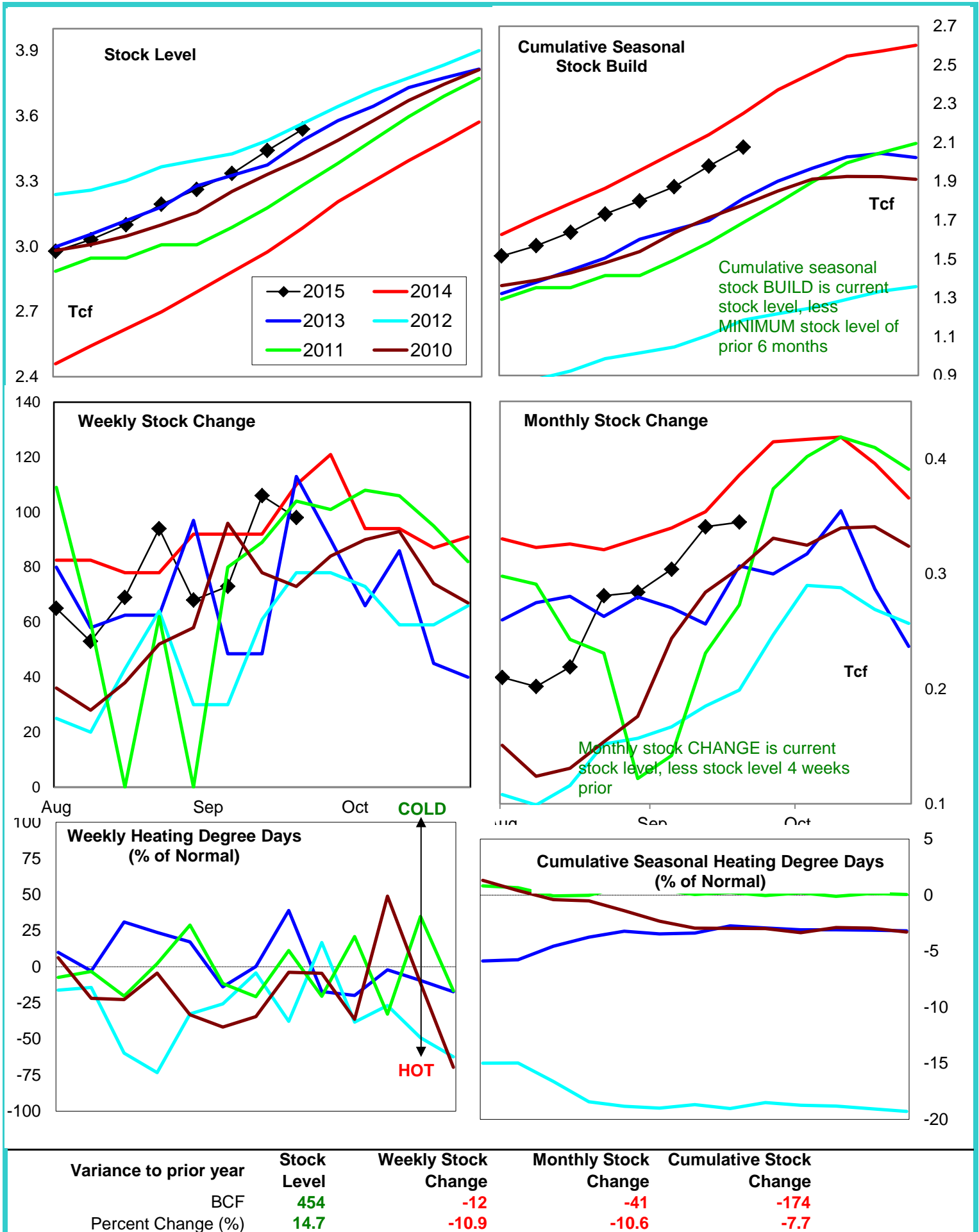
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	2,077	-174	-8.4	6	-3.2	4	-3.2	1	-3.3
East	1,300	-94	-7.2	6	-2.9	4	-2.9	1	-2.9
West	158	-133	-84.2	10	-4.6	8	-4.7	3	-4.9
Producing	656	83	12.7	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

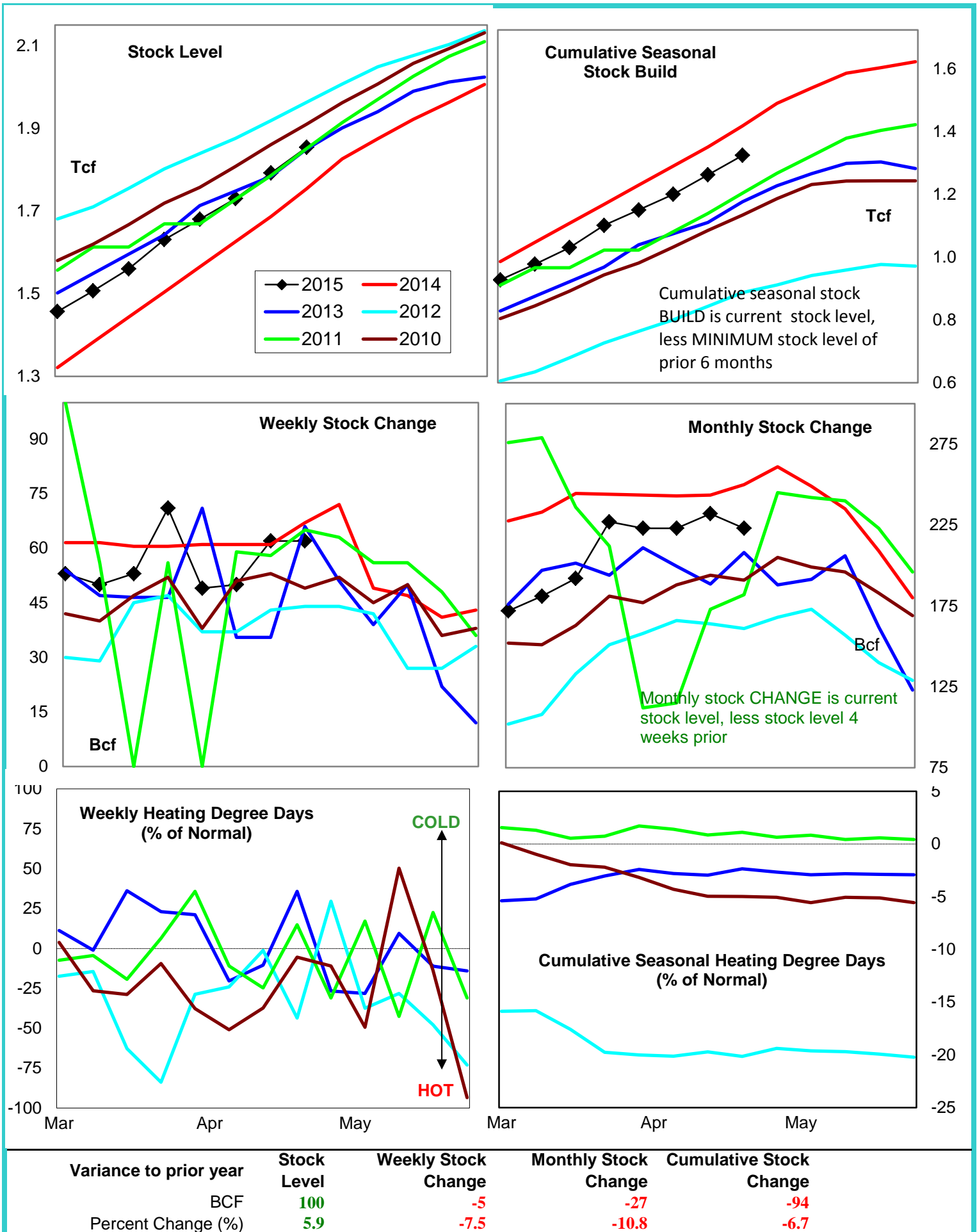
Date:	2-Oct-15	Change vs prior week, month, year		
		28-Sep-15	7-Sep-15	14-Oct-14
1st month Futures	2.43	-0.13	-0.23	-1.34
% change	xxxxx	-5.2	-8.5	-35.5



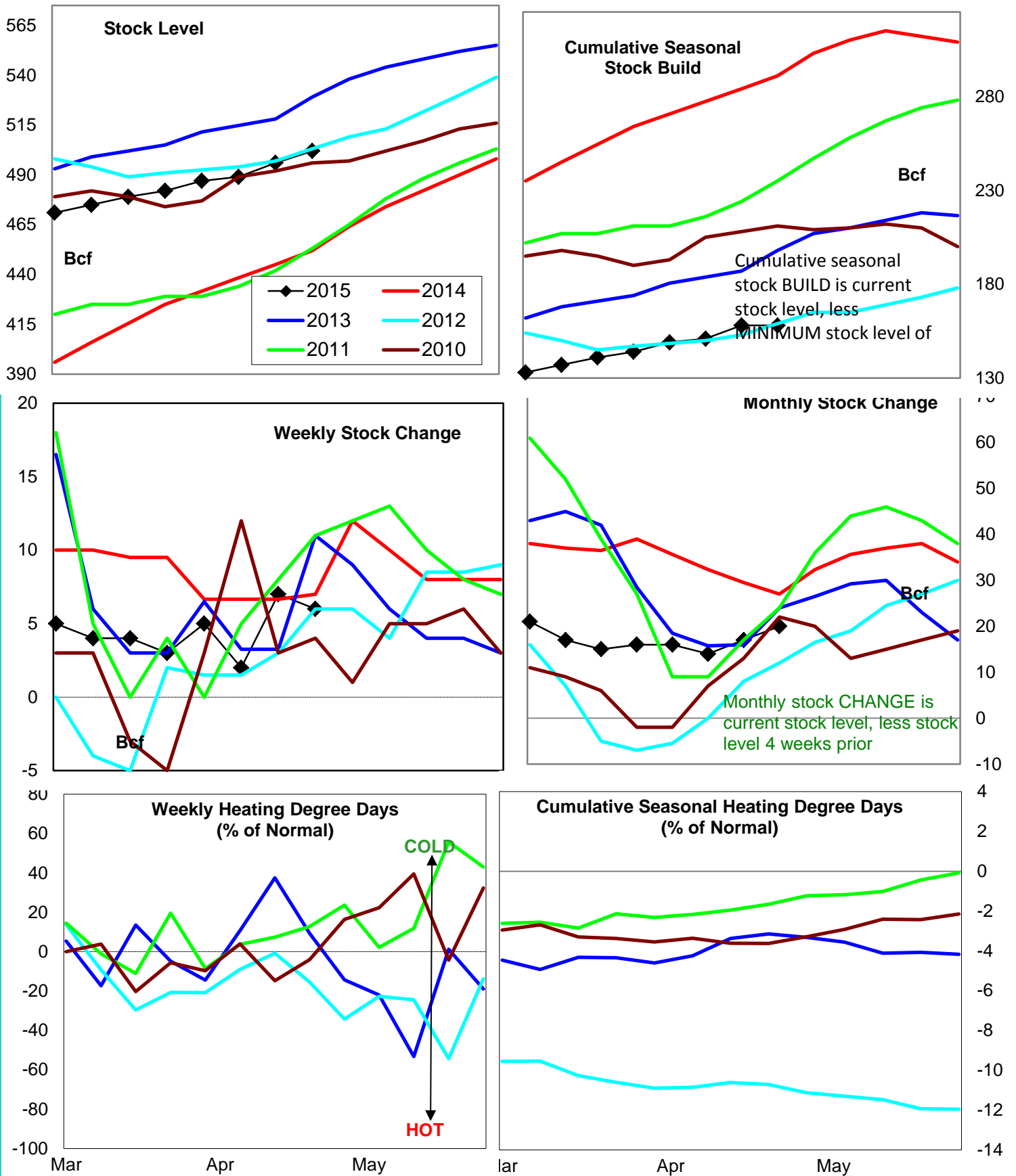
United States Natural Gas Stock and Weather Trends



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 (%)

50

-1

-7

-133

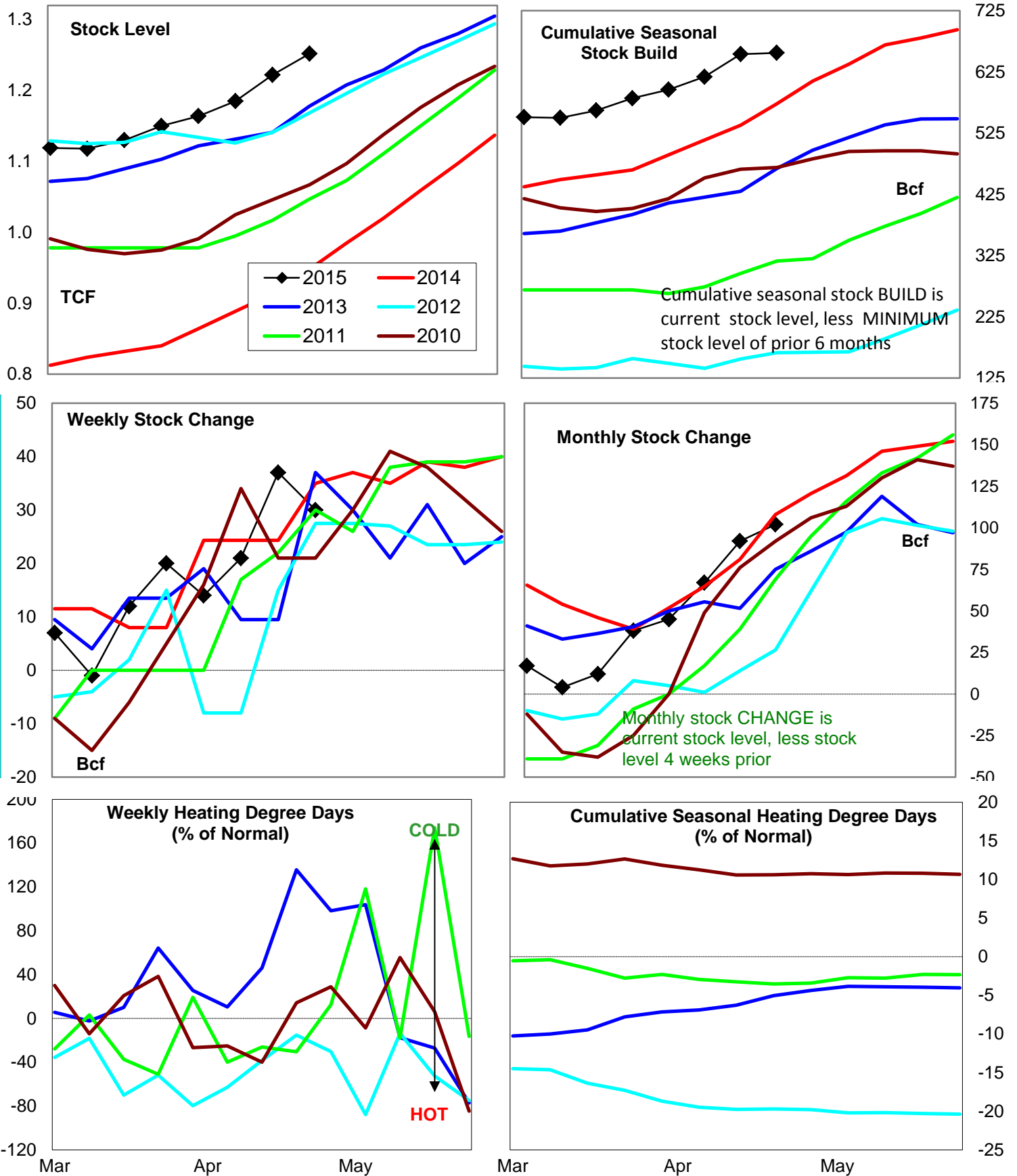
11.1

-14.3

-25.9

-45.7

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

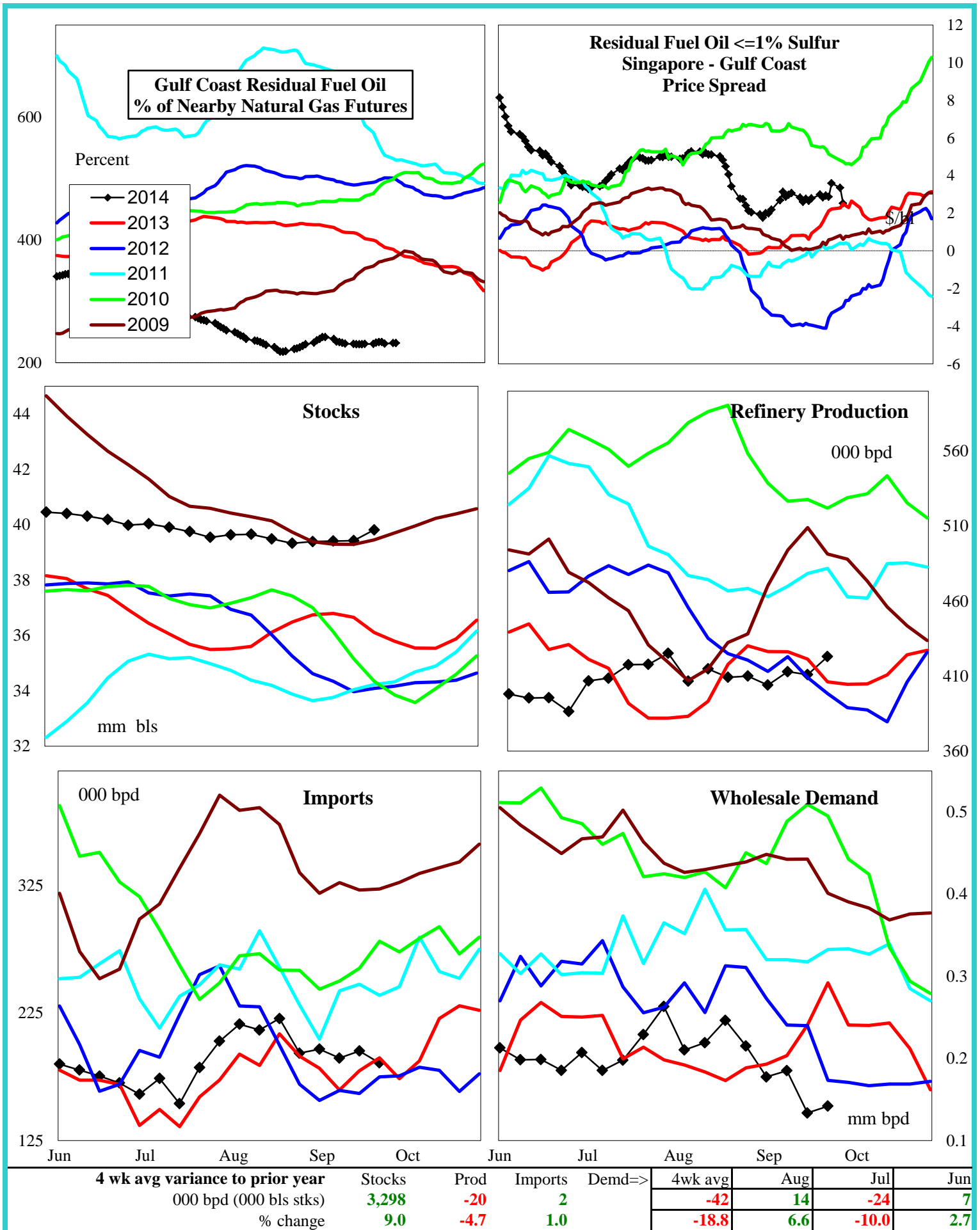
Weekly Stock Change

Monthly Stock Change

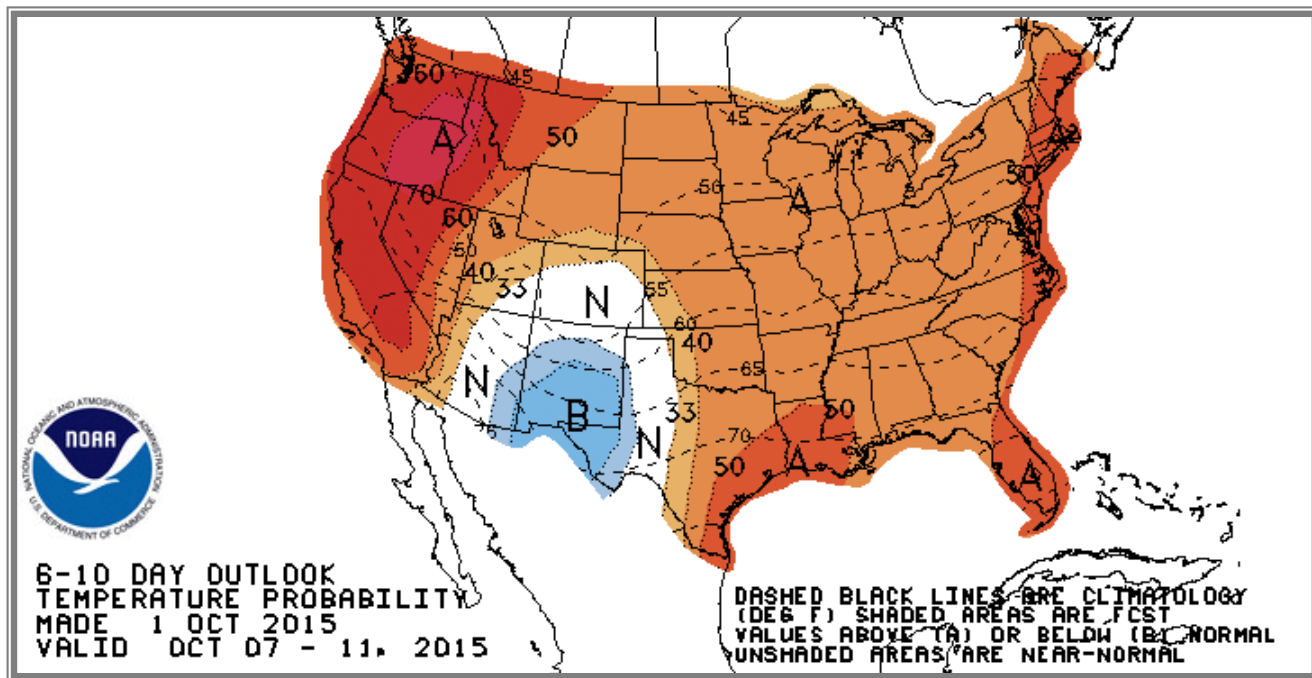
Cumulative Stock Change

BCF
Percent Change (%)304
32.8-5
-14.3-6
-5.683
14.5

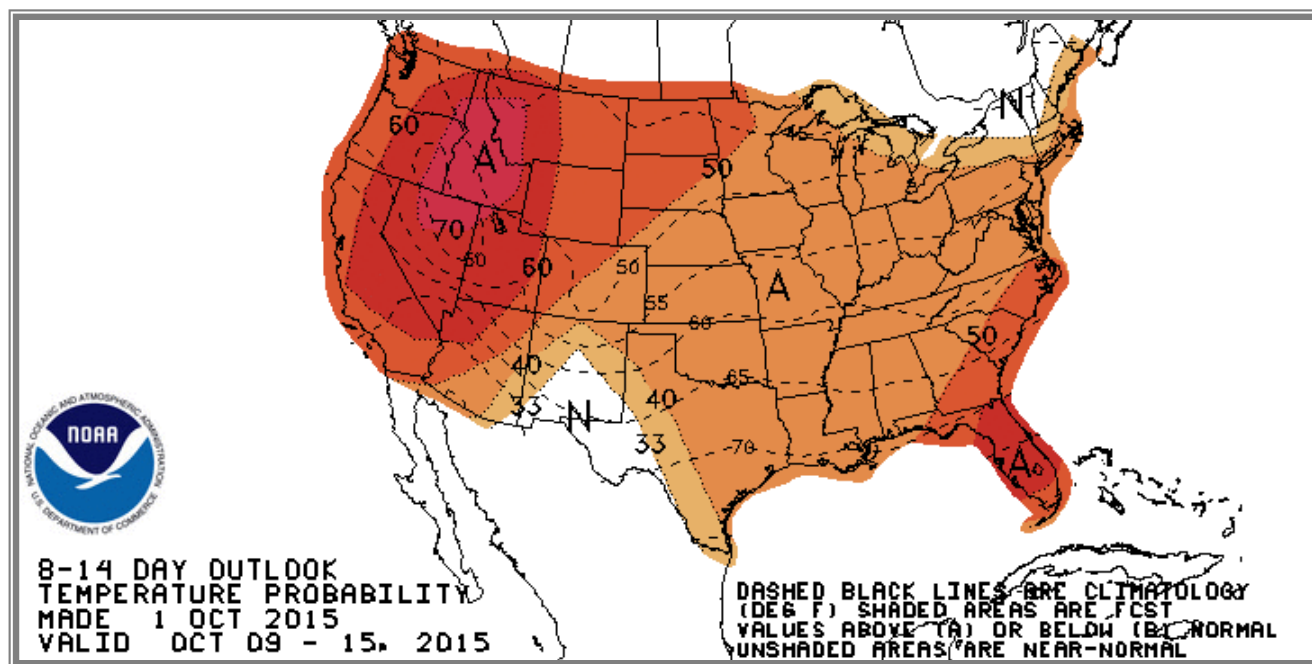
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

