

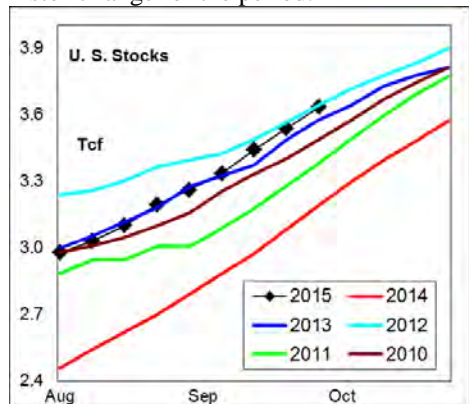
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

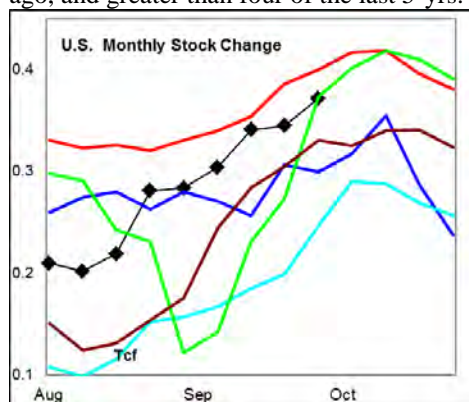
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Thursday, October 08, 2015



Summary ¹ The stock build of +95 Bcf last week was at the upper end of the historic range for the period.



The latest 4-wk stock change was a build of +374 Bcf, near the 5-yr high set a year ago. The cumulative stock build for the season was +2172 Bcf, -7.8% below a year ago, and greater than four of the last 5-yr.



In the East Region stocks increased +57 Bcf for the week, a build slightly below the historic high. Stocks increased +8 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 02Oct14.

The 6-10 day NWS forecast for the week ending 18Oct15 is for much above normal temperatures across the western 2/3rds of country.

¹ Related Web Sites:

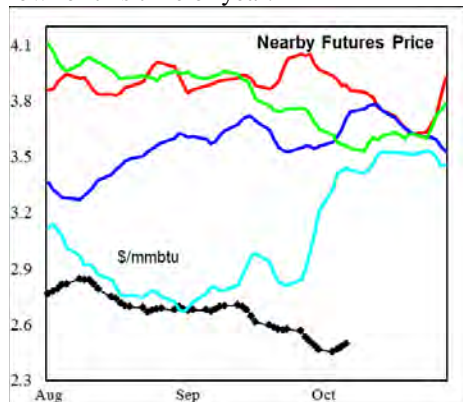
[Data Source is EIA Weekly Statistics](#)

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

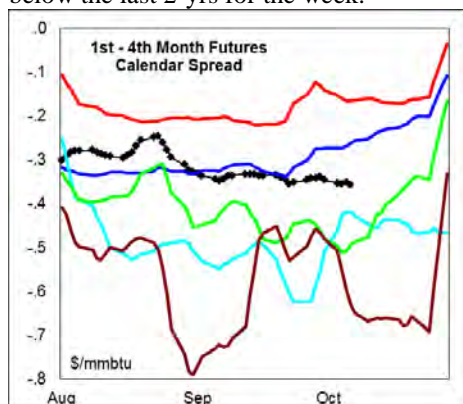
[National Weather Service 10-14 Day](#)

The 8-14 day NWS forecast for the week ending 22Oct15 is for much above normal temperatures across the entire country.

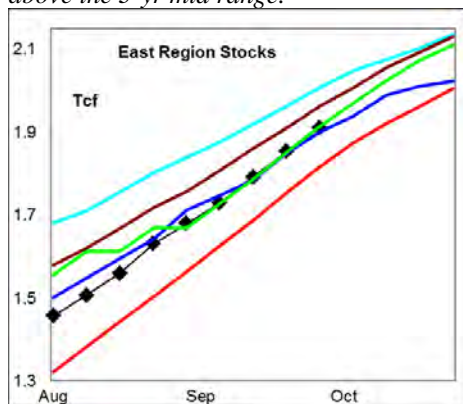
Prices: Nearby gas futures prices increased +\$0.07/mmbtu for the week ending 08Oct15, -\$0.75/mmbtu below the prior low for this time of year.



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



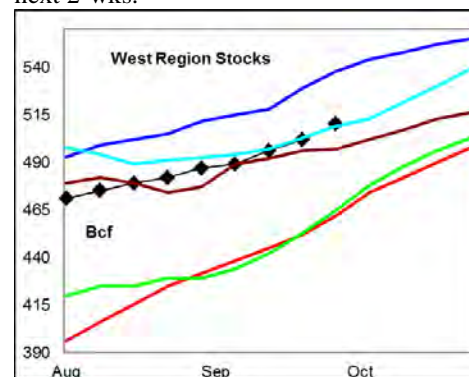
East Region stocks increased +57 Bcf for the week, a build slightly below the historic high. *The current stock level is above the 3-yr mid range.*



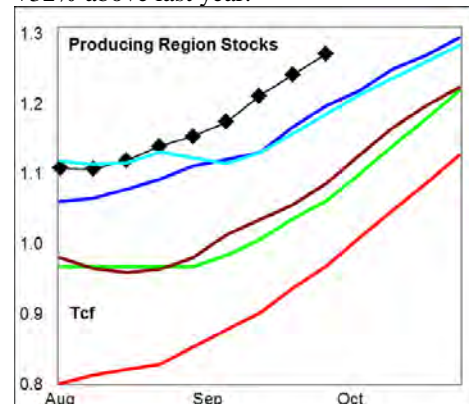
Temperatures are forecast to be above normal for the next 2-wks.

West Region stocks increased 8 Bcf for the week, a build below the historic mid range.

Stock levels ended the week equal to the 3-yr mid range, and +10% 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 and +32% above last 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: Much above normal temperatures are forecast for the western 2/3rds of the country during the next 2-wks, and above normal in the east. The rate of stock building remains just below last year's record rate. With stock levels equal to the prior 5-yr high, prices should remain depressed during the balance of the shoulder season.

NATURAL GAS: Graph Link and Weekly Summary



Report prepared as of: October 8, 2015

For the week ending: 2-Oct-15

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

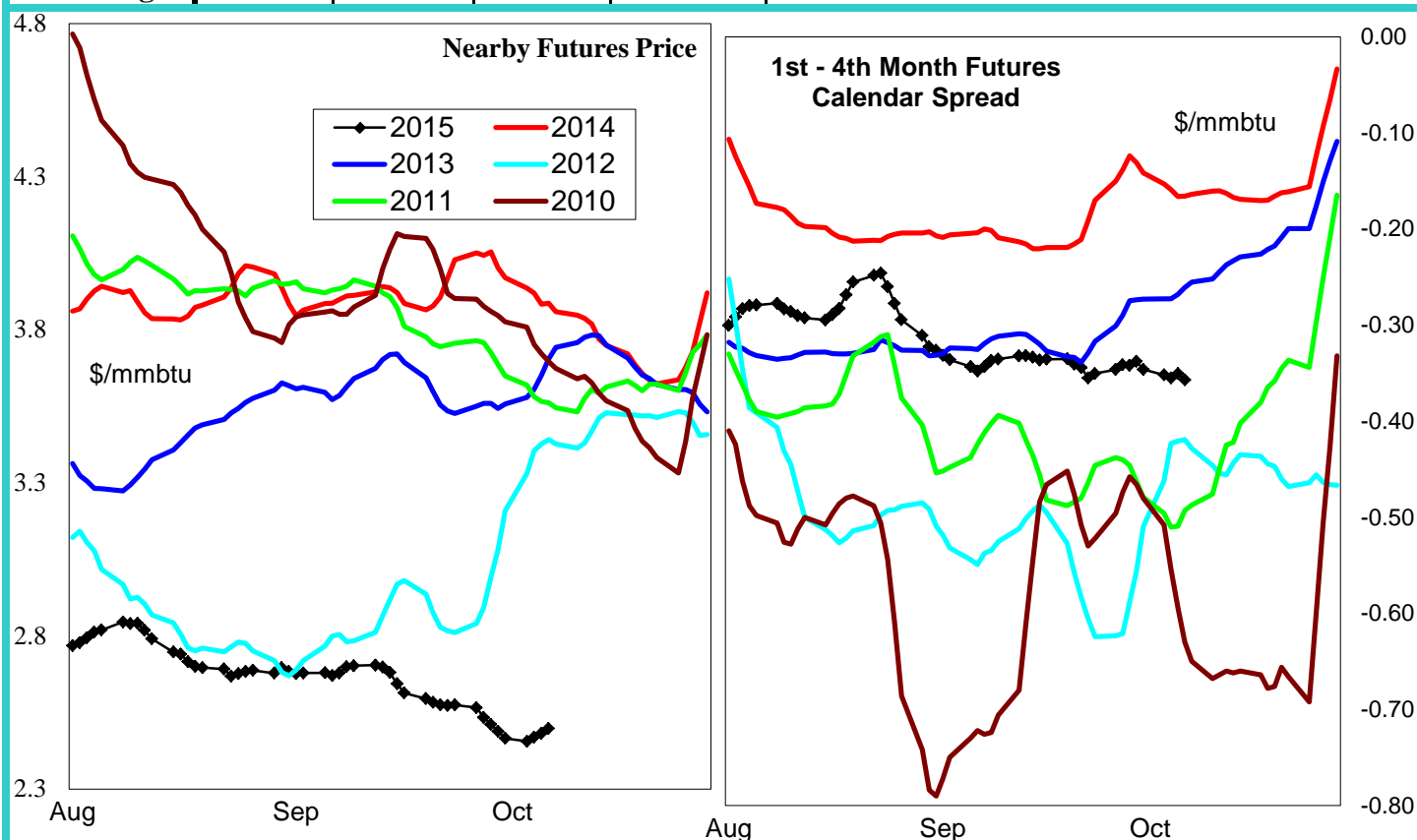
Week ending:	2-Oct-15			15-Jun-13		22-Jun-13		29-Jun-13	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,633	95	13.9	-14	-45%	-2	-33%	-3	-77%
East	1,861	57	5.3	-17	-39%	-2	-18%	-4	-74%
West	510	8	10.4	-12	-58%	-2	-55%	-5	-78%
Producing	1,262	30	31.5	-4	-100%	0	-100%	0	-100%

Seasonal Trends in Stocks and Heating Degree Days

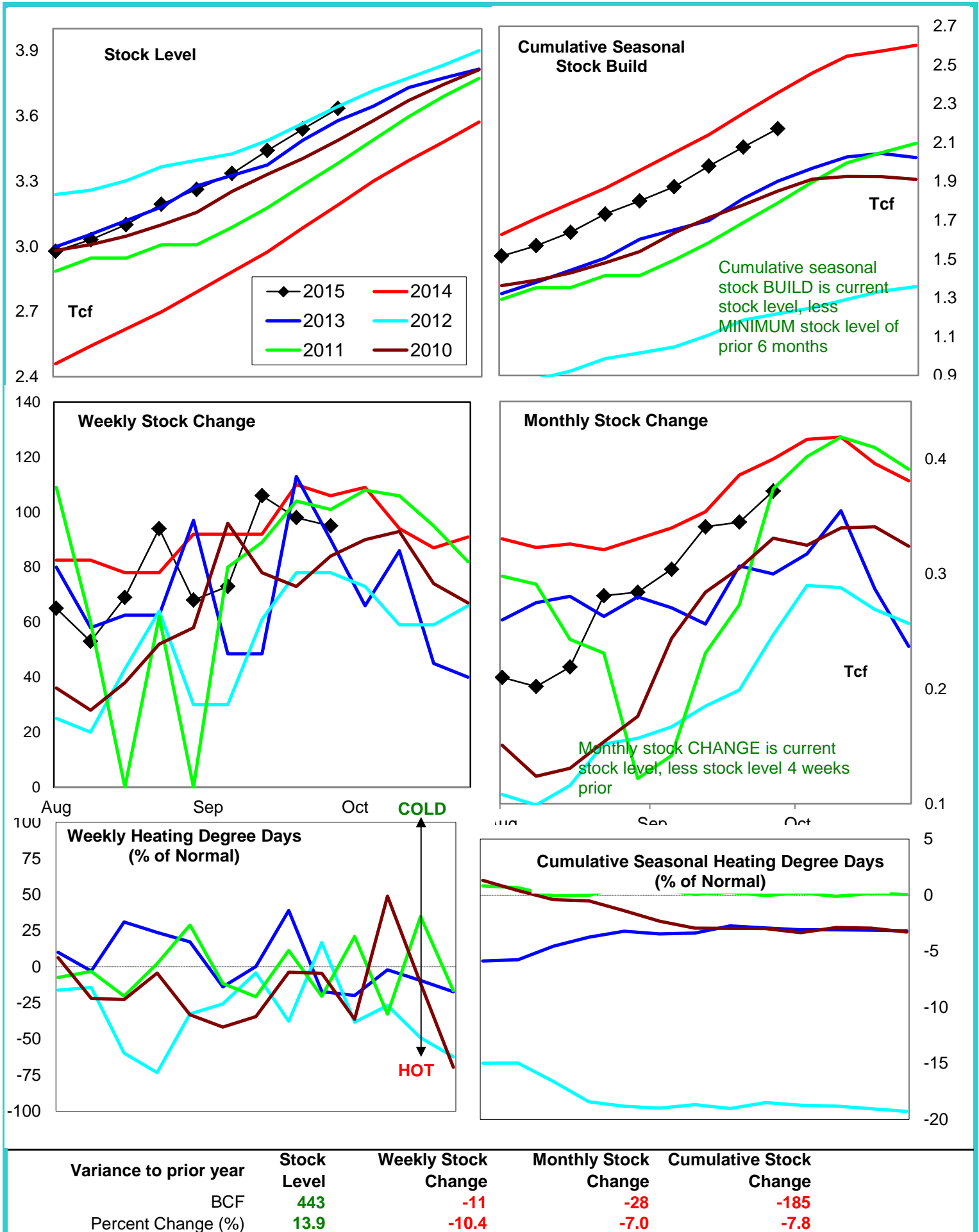
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	2,172	-185	-8.5	6	-3.2	4	-3.2	1	-3.3
East	1,357	-100	-7.4	6	-2.9	4	-2.9	1	-2.9
West	162	-139	-85.8	10	-4.6	8	-4.7	3	-4.9
Producing	671	66	9.8	0	-4.0	0	-4.1	0	-4.1

Futures Market Price Trends

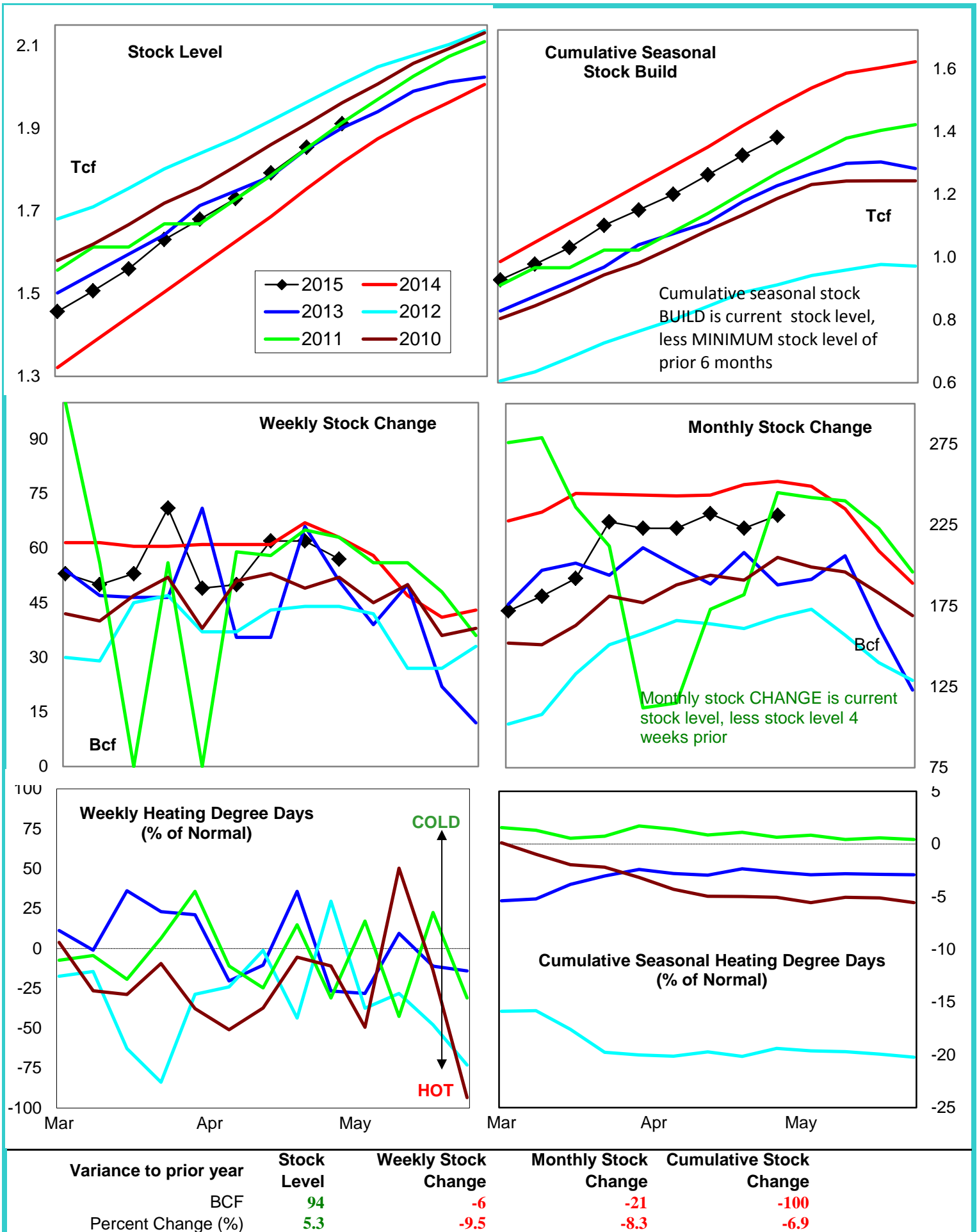
Date:	8-Oct-15	Change vs prior week, month, year		
		2-Oct-15	11-Sep-15	20-Oct-14
1st month Futures	2.50	0.05	-0.20	-1.12
% change	xxxxx	1.9	-7.2	-31.0



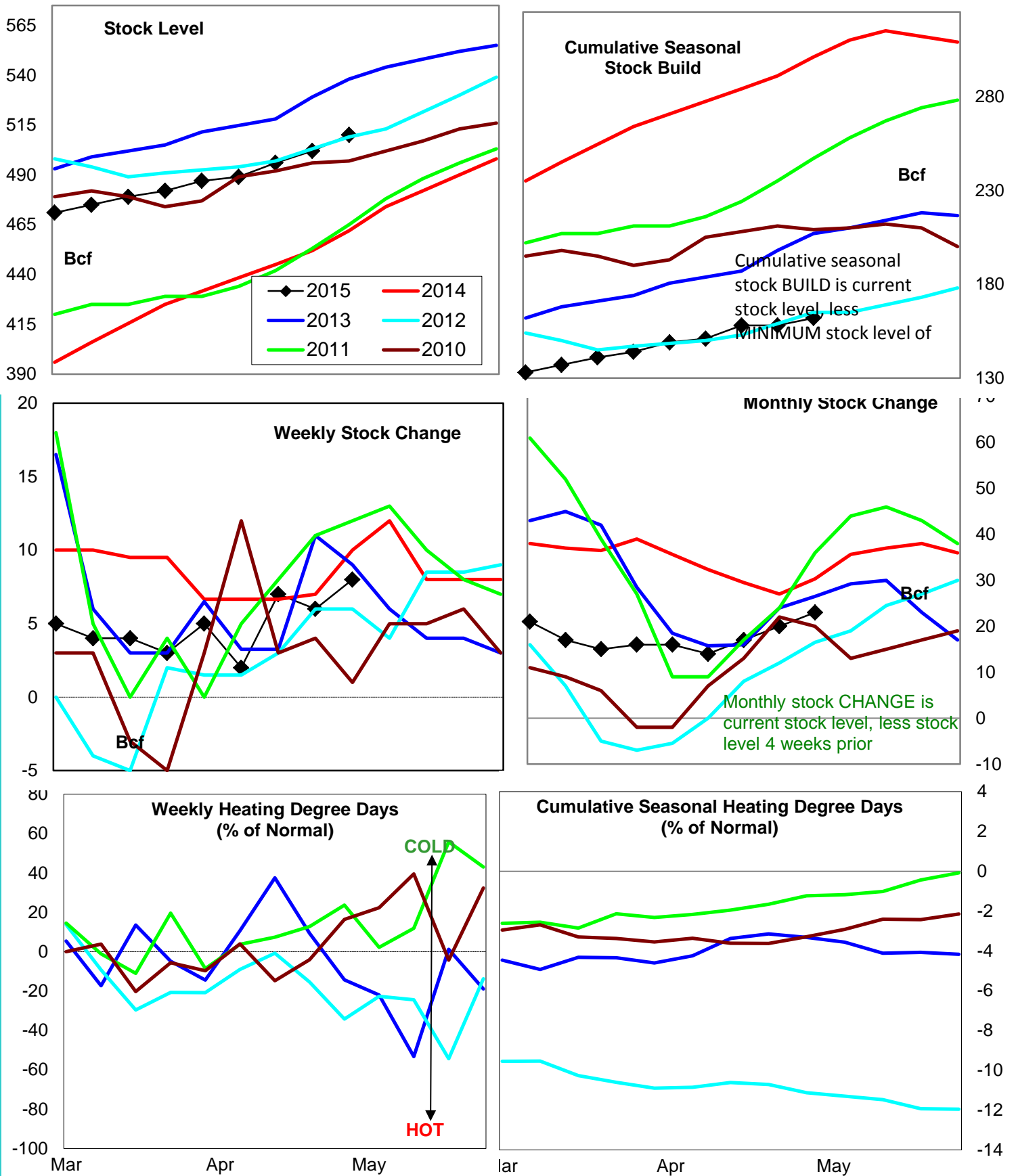
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)

48

-2

-7

-139

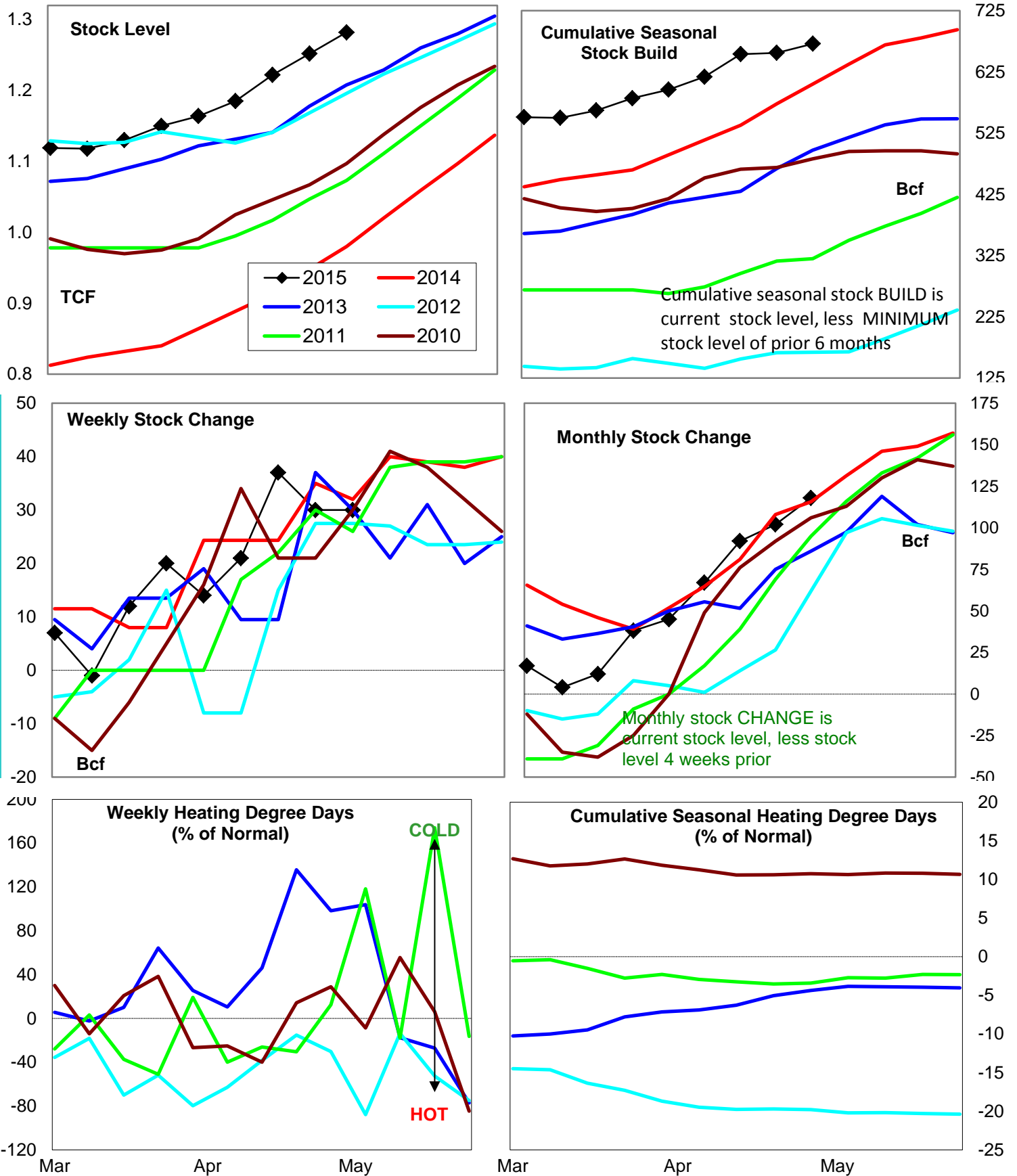
10.4

-20.0

-24.2

-46.2

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

302

-2

2

66

Percent Change (%)

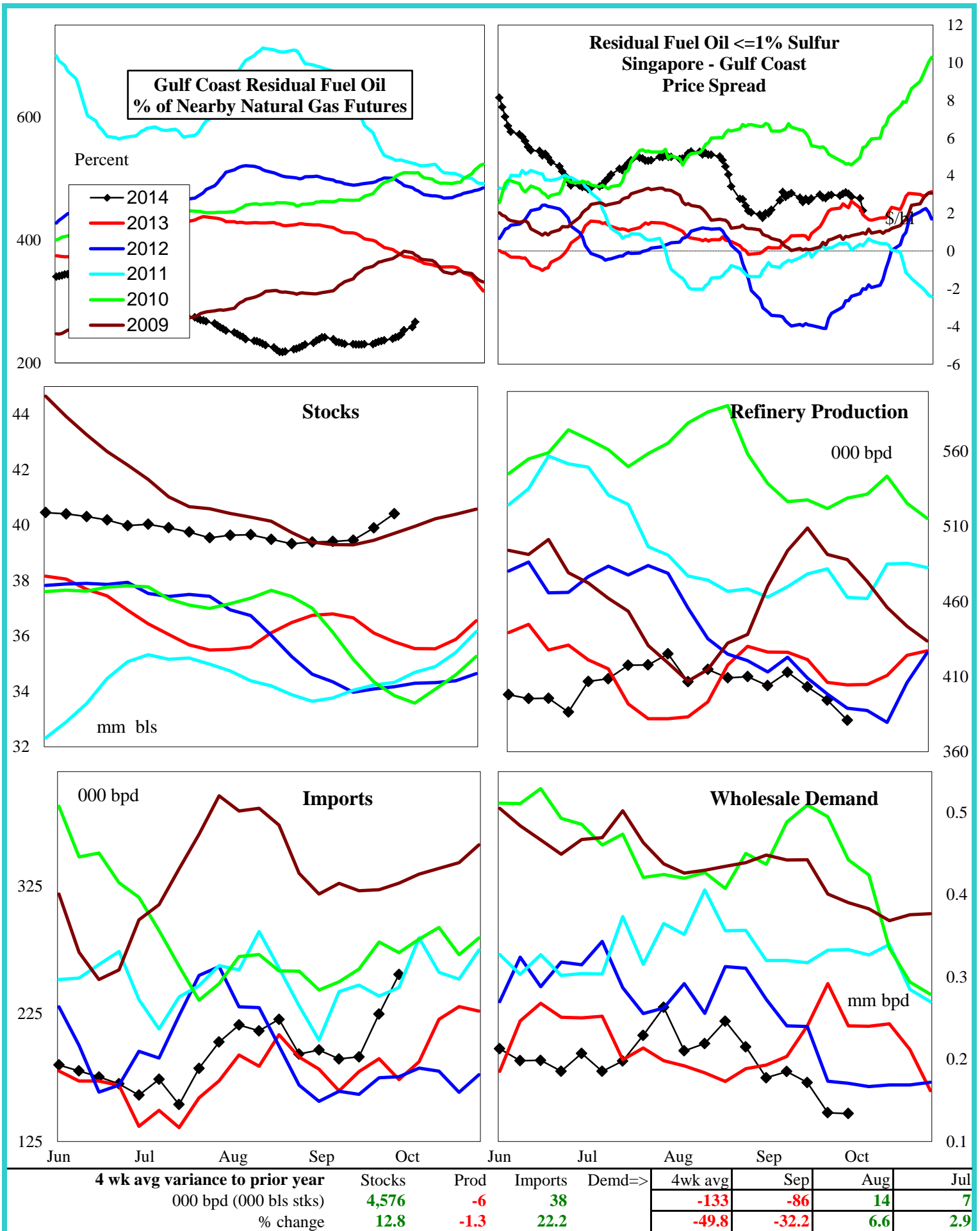
31.5

-6.3

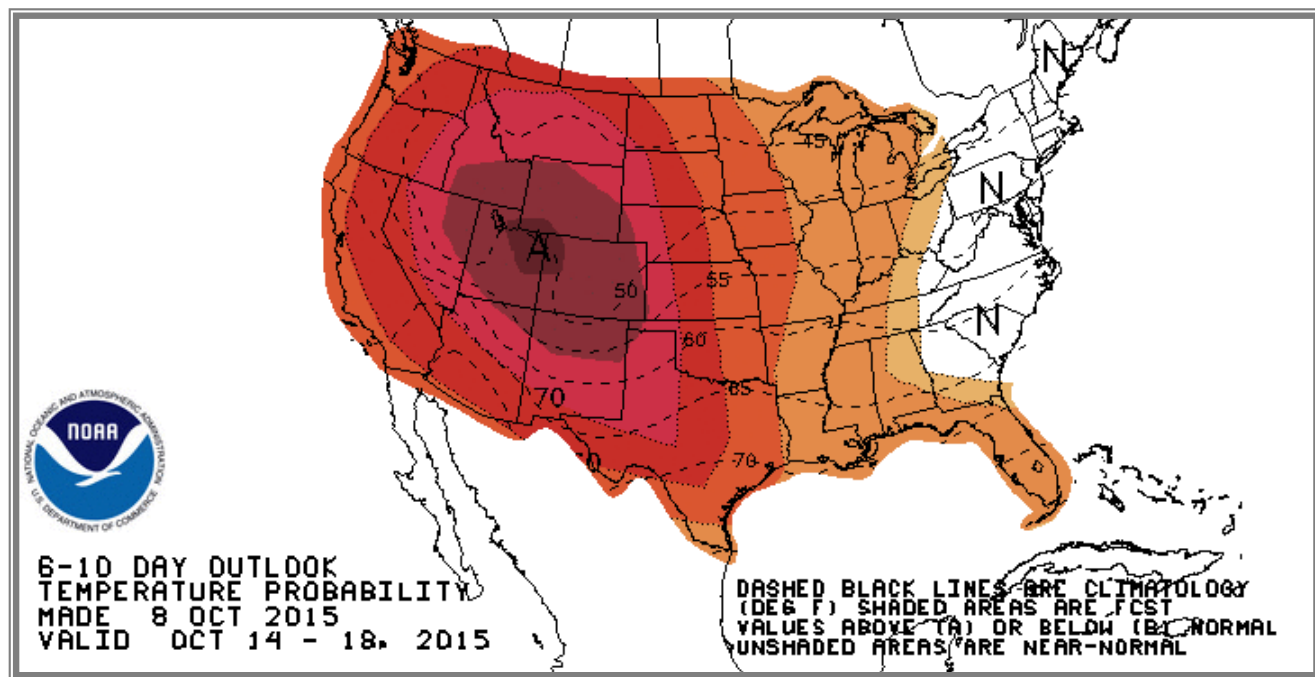
2.0

10.9

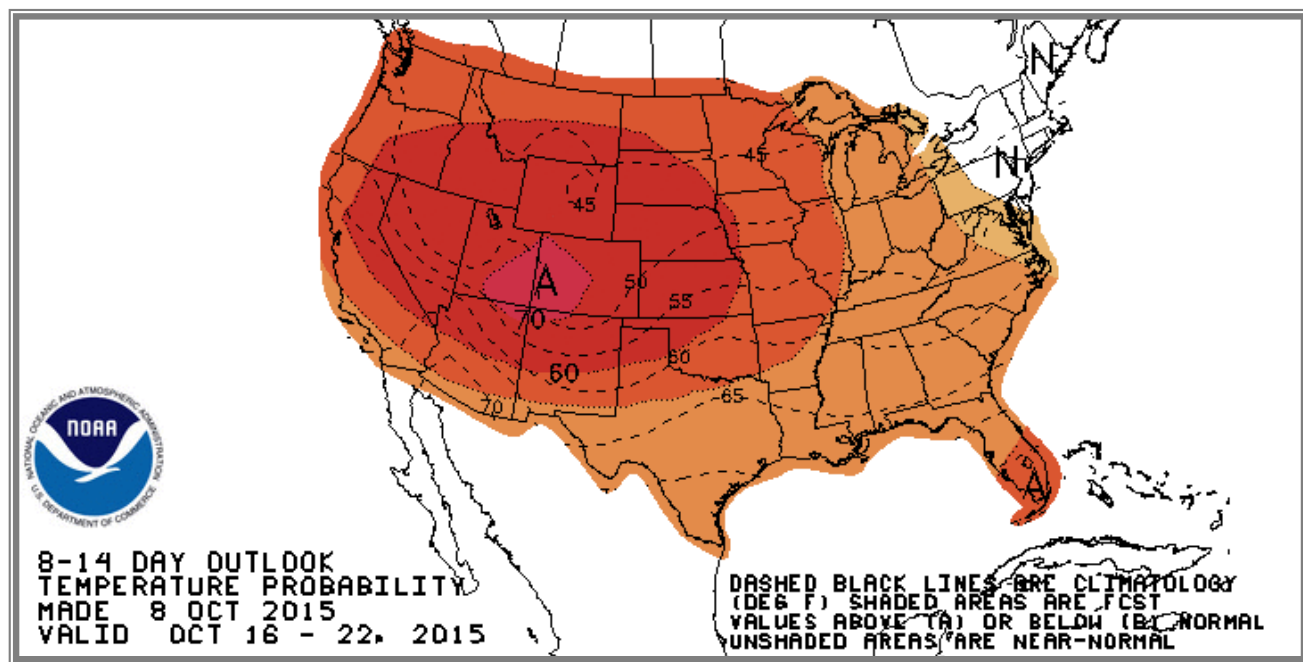
U.S. Residual Fuel Oil Price Spreads and Supply Balance



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

