



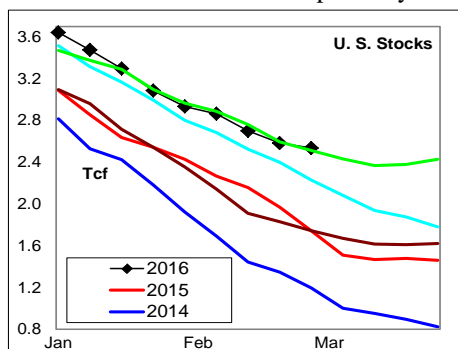
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

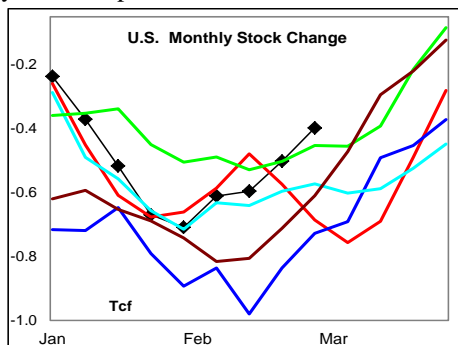
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Tuesday, March 08, 2016



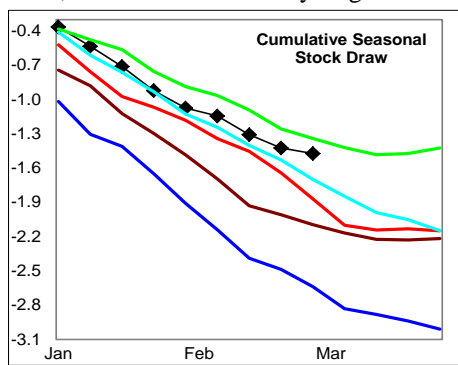
Summary¹ The stock draw of -48 Bcf last week was much less than the prior 5-yrs.



The latest 4-wk stock change was a draw of -398 Bcf, was less than any of the last 5-yrs for the period.



Cumulative seasonal draw was less than each of the last 3-yrs at -1.5 Tcf. As a result, stock levels match 5-yr highs.



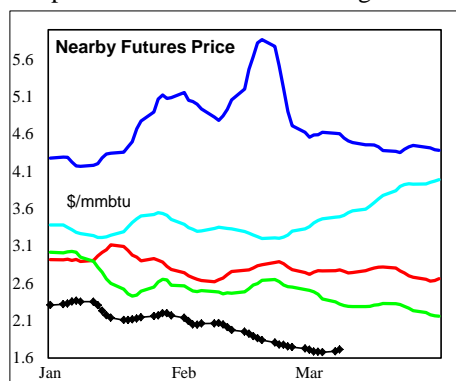
In the East Region stocks decreased -41 Bcf for the week, a record low draw for the period. Stocks decreased -3 Bcf in the West Region, compared to an average draw of -15 Bcf. Stocks decreased -4 Bcf

in the Producing region, a smaller draw than each of the last 3-yrs.

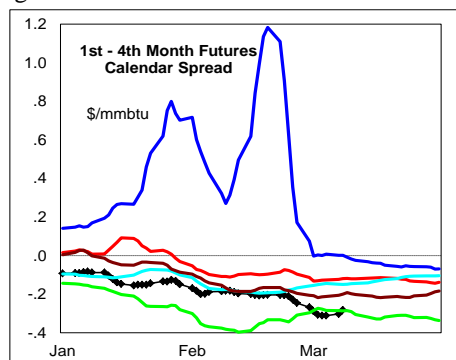
Temperatures were above normal across nearly the entire country last week.

The 6-10 day NWS forecast for the week ending 17Mar16 is for much above normal temperatures across nearly the eastern 3/4ths of the country.

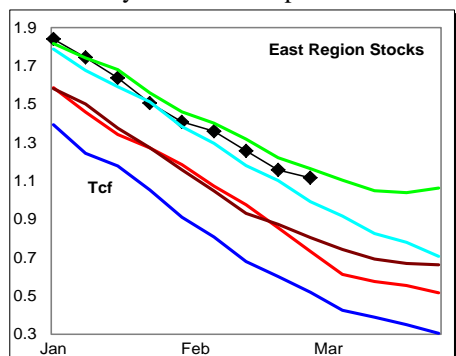
The 8-14 day NWS forecast for the week ending 21Mar is for above normal temperatures across the country, with the exception of the intermountain region.



Prices: Nearby gas futures prices decreased -\$0.03 mmbtu for the week ending 08Mar16. Prices remain well below the 5-yr range and -\$1.10/mmbtu below a year ago.



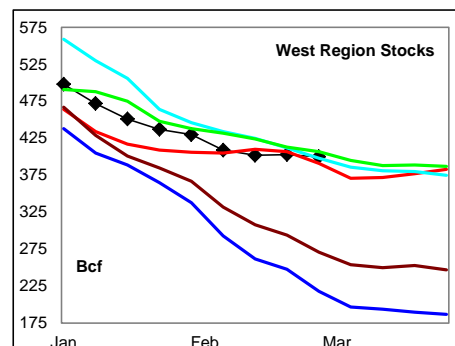
The 1st - 4th month forward price curve trended lower last week, to a level that matched 5-yr lows for the period.



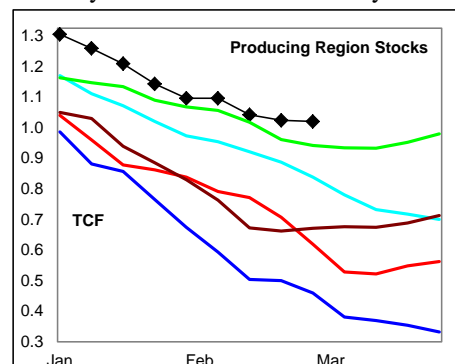
East Region stocks decreased -41 Bcf for the week, a record low draw for the period.

The current stock level was near a record high for the week. Temperatures are forecast to be much above normal during the next 2-wks.

West Region stocks decreased -3 Bcf last week, compared to an average draw of -15 Bcf. Stock levels ended the week equal to the 3-yr mid range, and +2% above last year. Temperatures are forecast to be below normal in this region during the next 2-wks.



Producing Region stocks decreased -4 Bcf for the week, a record low draw. Stock levels ended the week at 5-yr highs for this time of year and +65% above last year.



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

Outlook: Much above normal temperatures are forecast across most of the country during the next 2-wks, bringing to an end to winter heating. The Producing Region carryout stocks are that stock building during the shoulder fall season will be limited. Risk of exceptional price weakness continues.

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: March 8, 2016

For the week ending:

26-Feb-16

Stock Trends for the week ending:

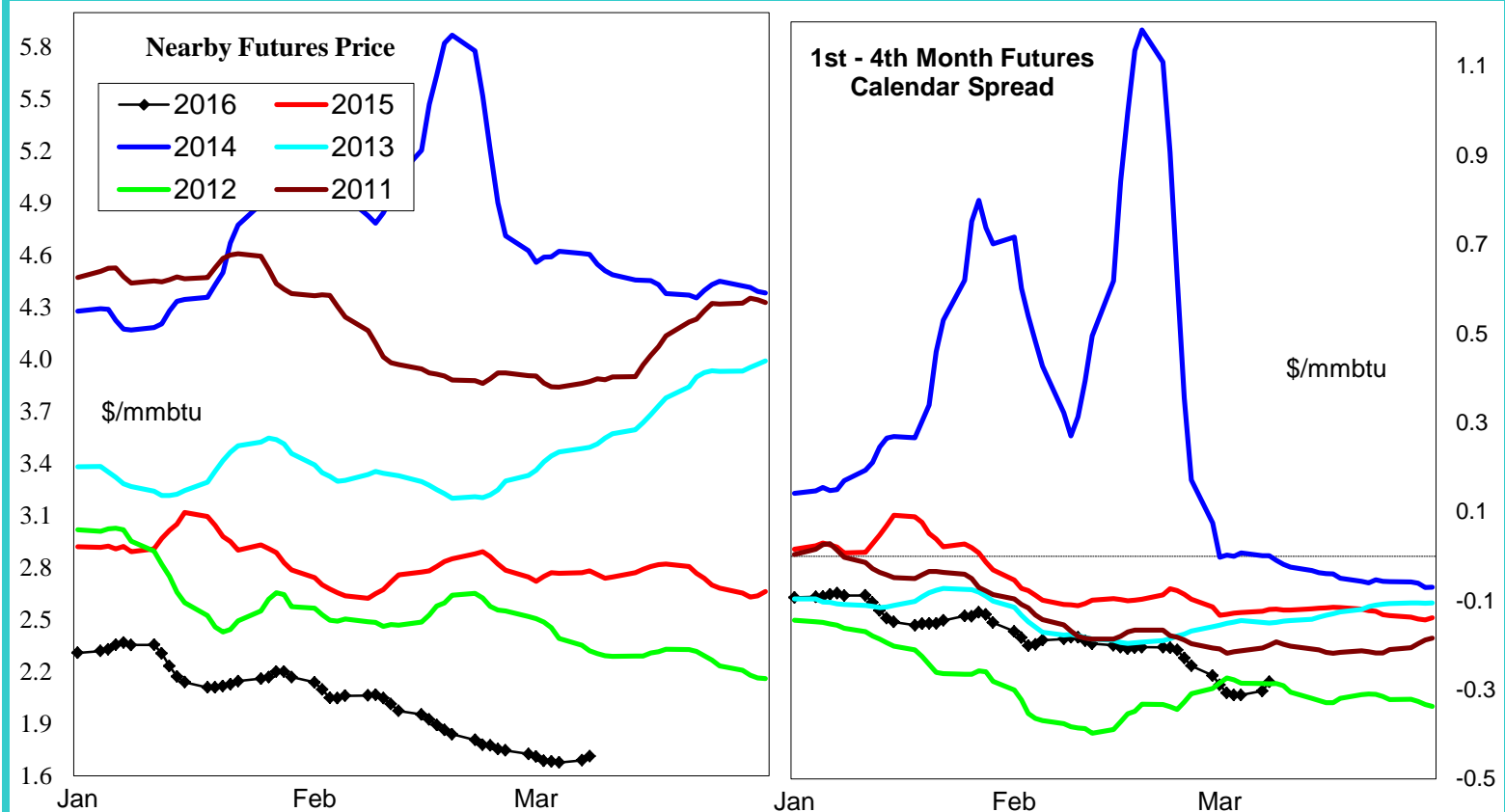
| Week ending: | 26-Feb-16 | | |
|--------------|------------------|----------|----------|
| Region | Weekly Stocks | | |
| | Change vs prior: | | |
| | Bcf | Week Bcf | Year (%) |
| U.S. Total | 2,536 | -48 | 45.6 |
| East | 1,116 | -41 | 52.5 |
| West | 400 | -3 | 2.3 |
| Producing | 1,020 | -4 | 64.8 |

Seasonal Trends in Stocks

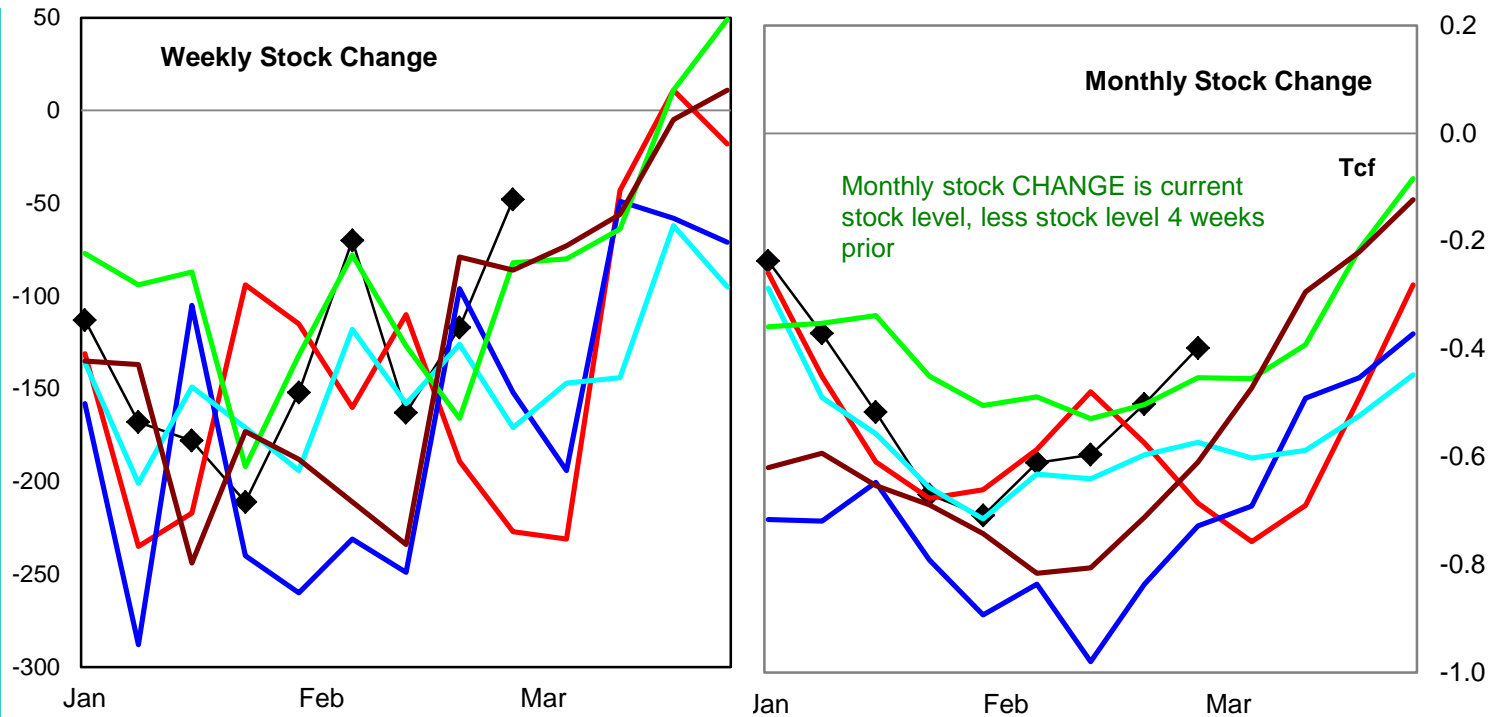
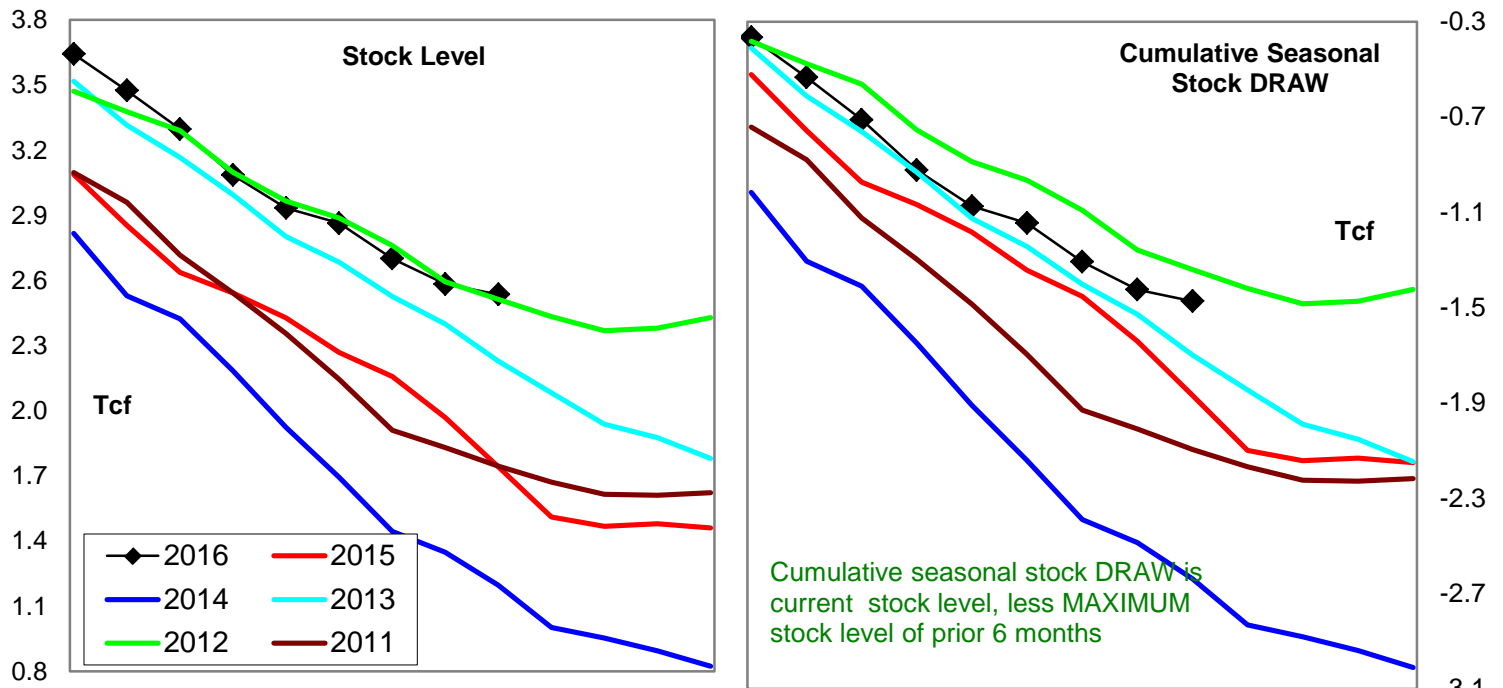
| | Cumulative Stock Change | | |
|------------|-------------------------|-----|-------|
| | Change vs prior year | | |
| | Bcf | Bcf | % |
| U.S. Total | -1,473 | 396 | -26.9 |
| East | -946 | 274 | -29.0 |
| West | -199 | -50 | 25.1 |
| Producing | -332 | 168 | -50.6 |

Futures Market Price Trends

| Date: | 8-Mar-16 | Change vs prior week, month, year | | |
|-------------------|----------|-----------------------------------|-----------|-----------|
| | | 2-Mar-16 | 10-Feb-16 | 23-Mar-15 |
| 1st month Futures | 1.71 | 0.04 | -0.33 | -1.02 |
| % change | xxxxx | 2.1 | -16.3 | -37.3 |

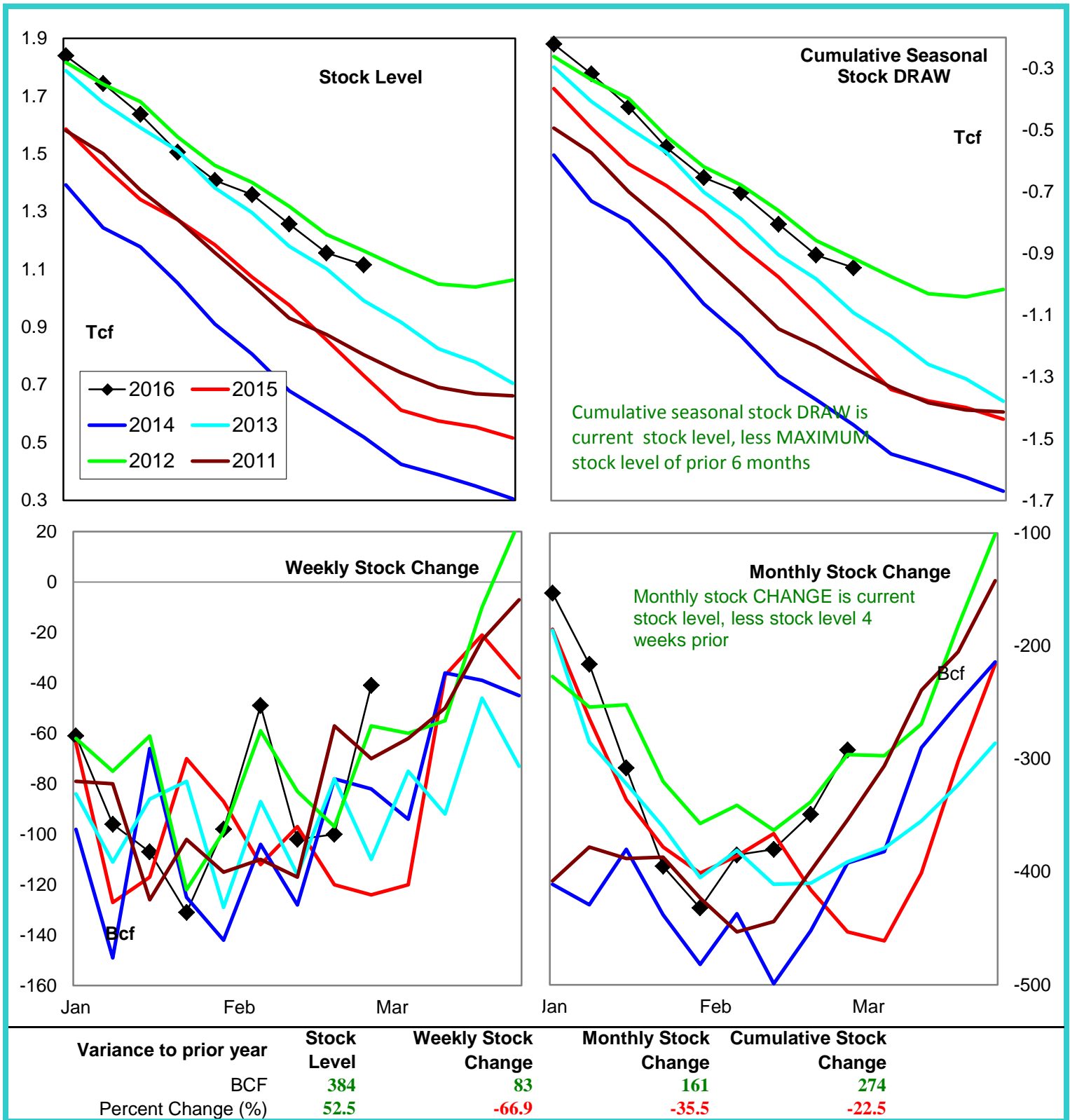


United States Natural Gas Stock Trends

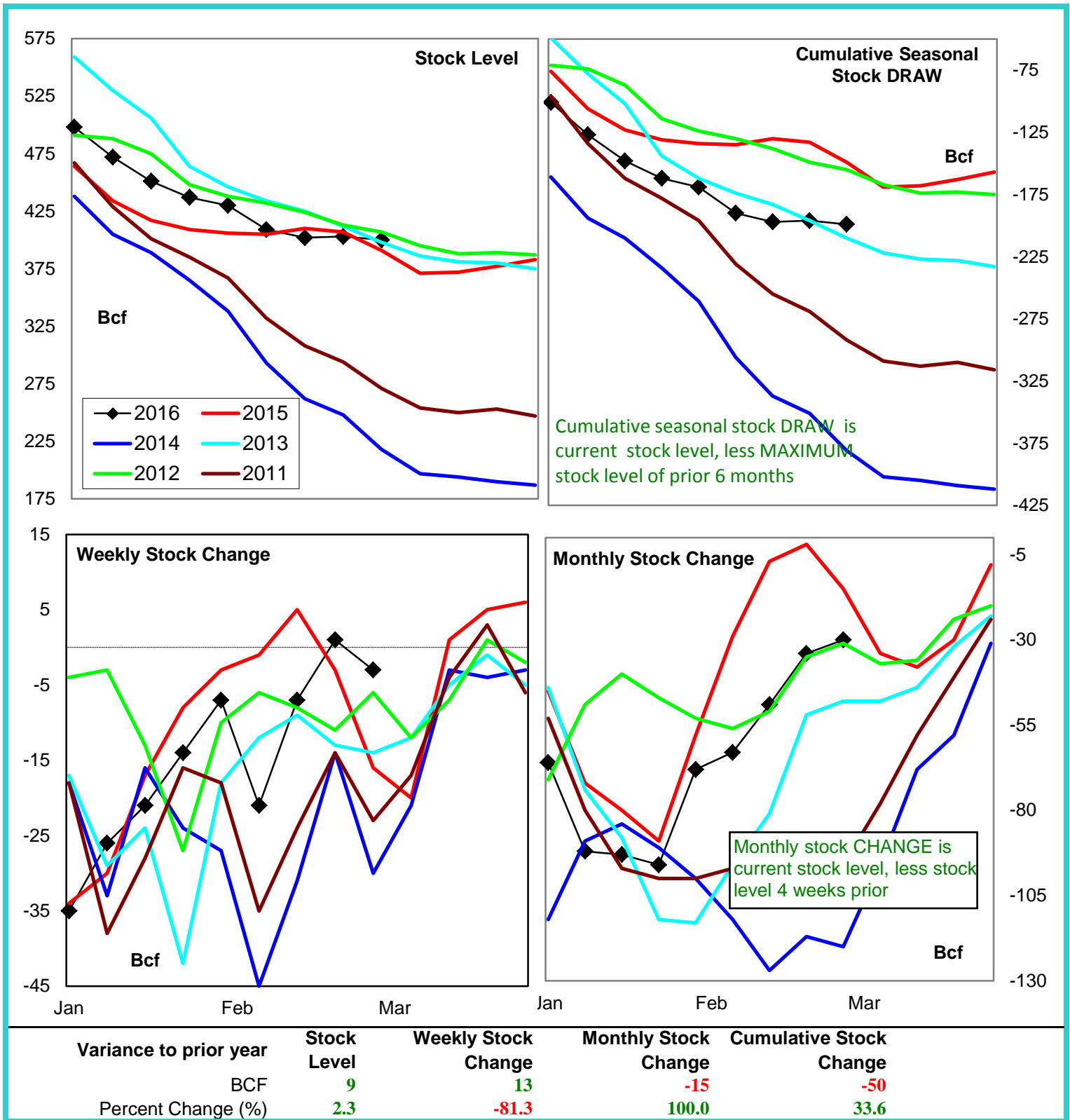


| Variance to prior year | Stock Level | Weekly Stock Change | Monthly Stock Change | Cumulative Stock Change |
|------------------------|-------------|---------------------|----------------------|-------------------------|
| BCF | 794 | 179 | 288 | 396 |
| Percent Change (%) | 45.6 | -78.9 | -42.0 | -21.2 |

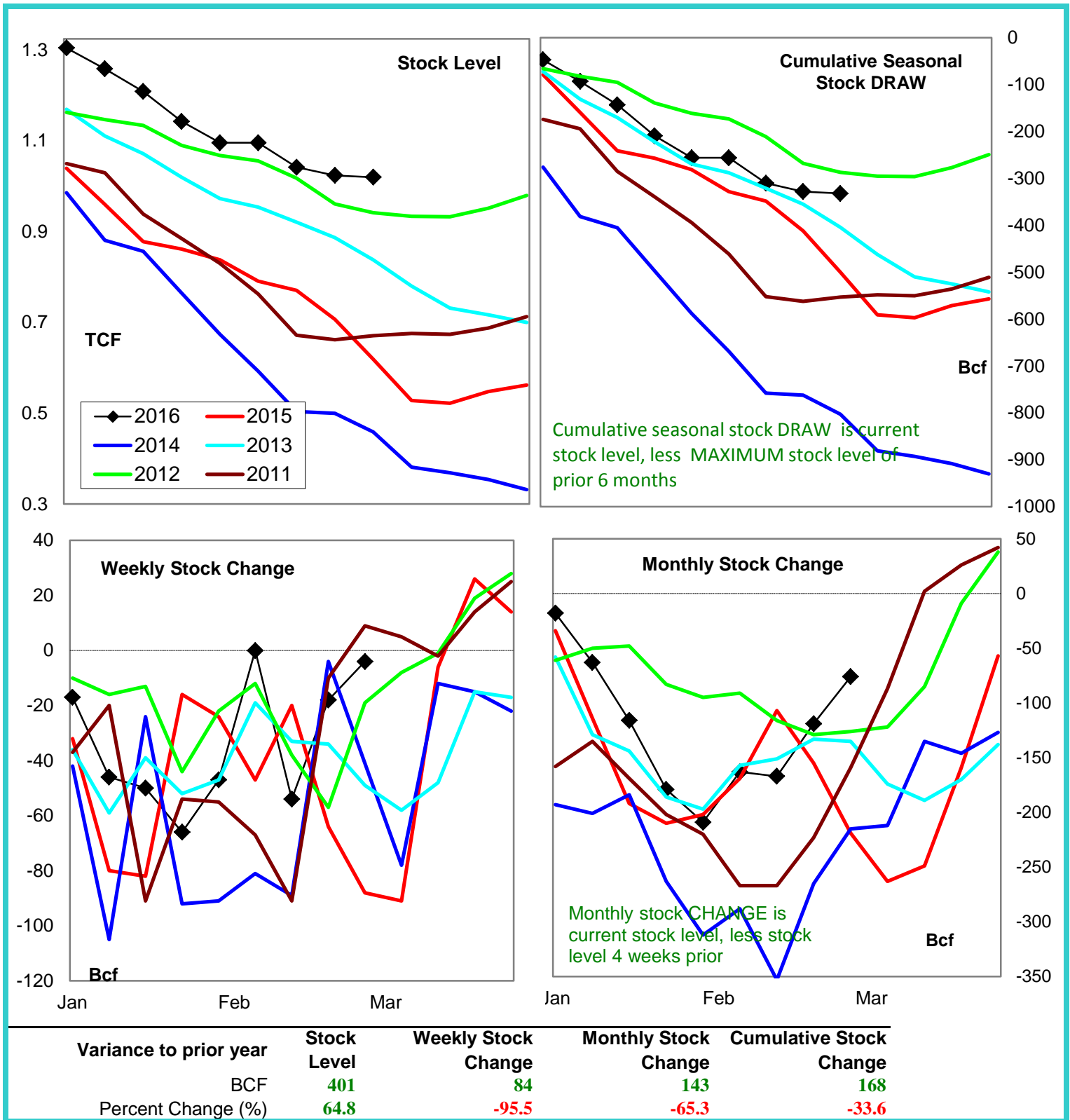
Natural Gas East Region Stock Trends



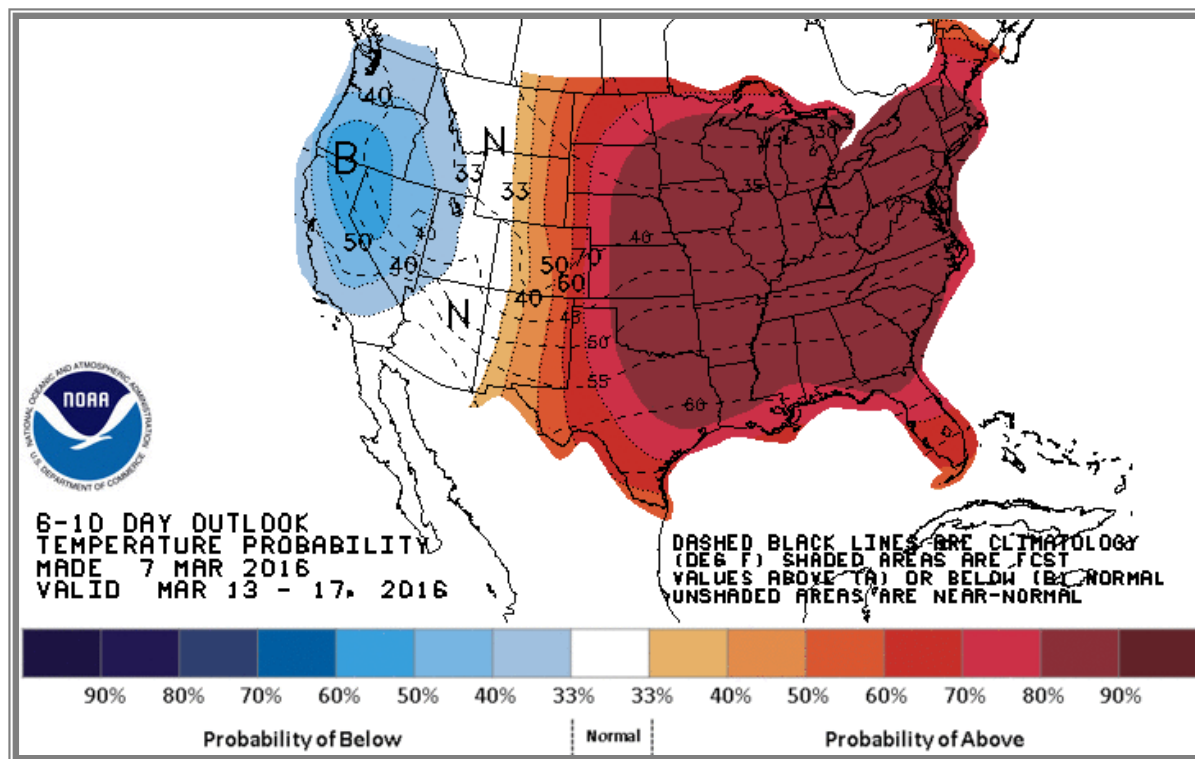
Natural Gas West Region Stock Trends



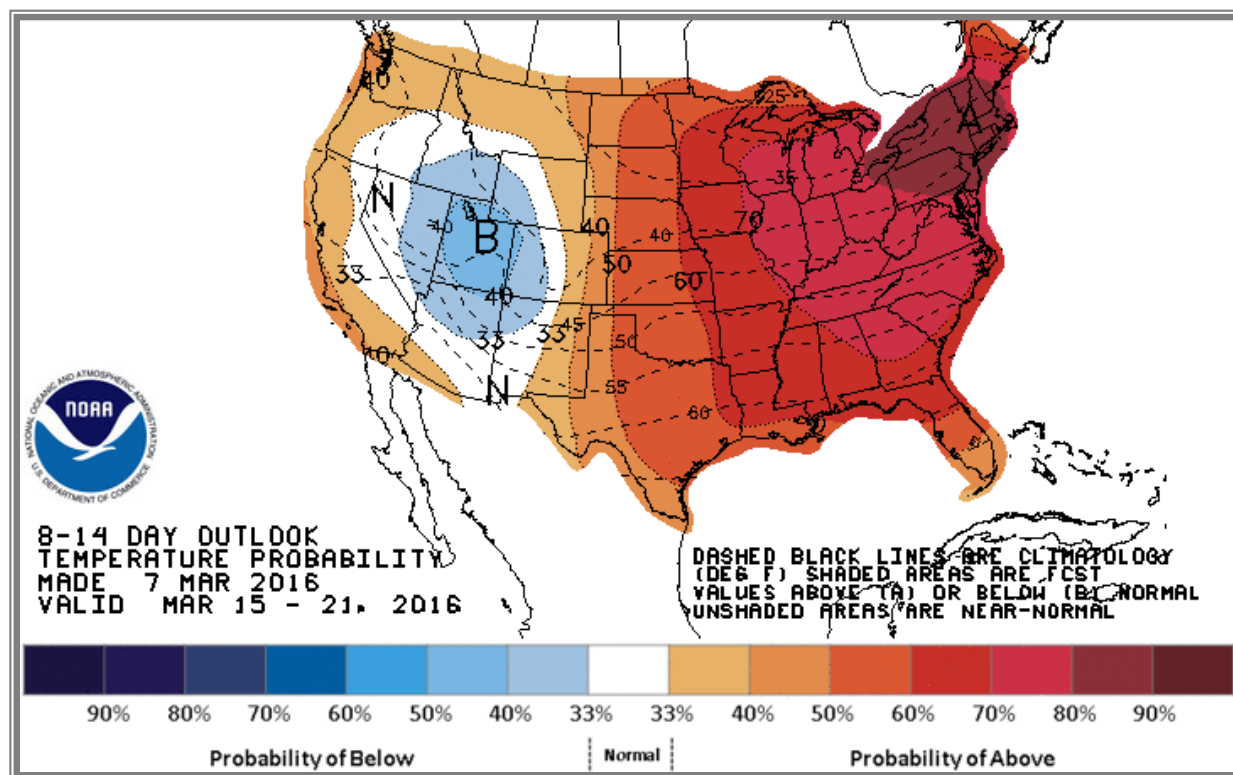
Natural Gas Producing Region Stock Trends



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

