



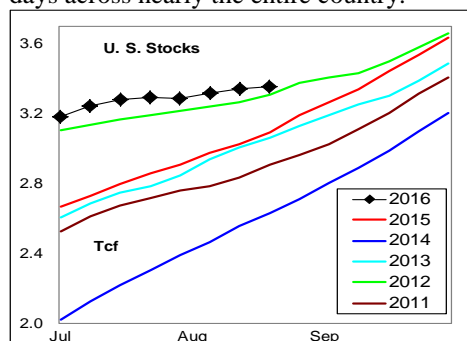
# WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

## A Fundamental Petroleum Trends Weekly Report

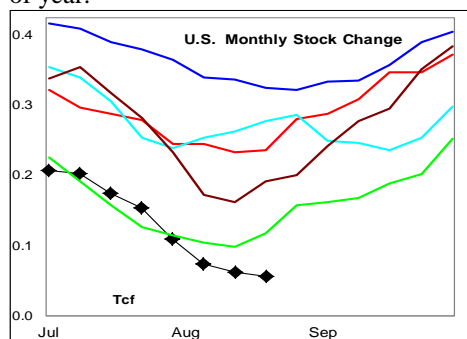
Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com) Tuesday, August 30, 2016



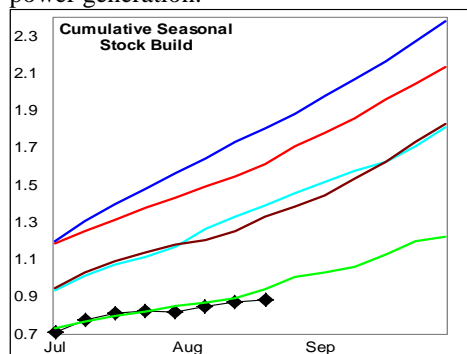
**Summary**<sup>1</sup> The stock build of +11 Bcf last week, sharply below the average of +70 Bcf during the last 3-yrs; driven by much higher than normal cooling degree days across nearly the entire country.



The latest 4-wk stock change was a build of +56 Bcf, a record low build for this time of year.



The cumulative seasonal build was slightly below historic lows for the period; the result of above average demand for electric power generation.



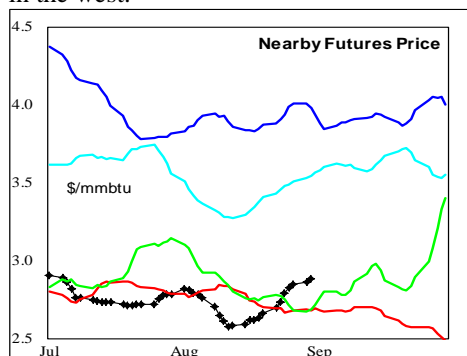
In the East Region stocks increased +26

Bcf for the week, a level below the historic range. Stocks decreased -1 Bcf in the West Region, a draw near historic lows for the period. Stocks decreased -14 Bcf in the Producing region, a record draw for the period.

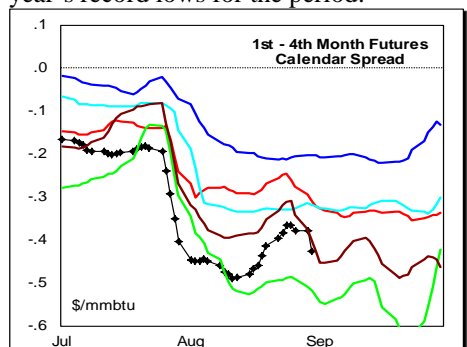
**Temperatures** were above normal across nearly the entire country last week.

The 6-10 day NWS forecast for the week ending 08Sep16 is for much above normal temperatures across the eastern 2/3rds of the country, with much below normal temperatures in the west.

The 8-14 day NWS forecast for the week ending 12Sep16 is for above normal temperatures across the eastern 1/2 of the country, with below normal temperatures in the west.

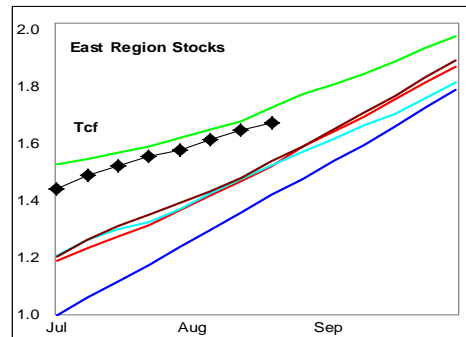


**Prices:** Nearby gas futures prices increased + \$0.12 mmbtu for the week ending 30Aug16. The price level was above last year's record lows for the period.

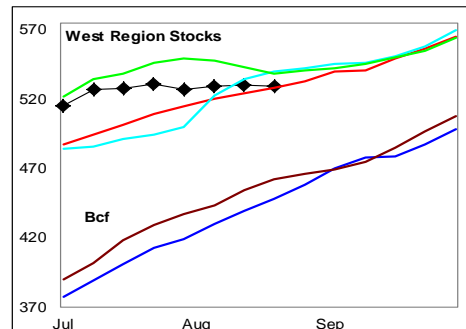


The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve decreased late in the week, on the roll to next month futures, ending at a level below the last 3-yrs. The steep forward curve points to expectations of tightening 4<sup>th</sup> quarter supply balance.

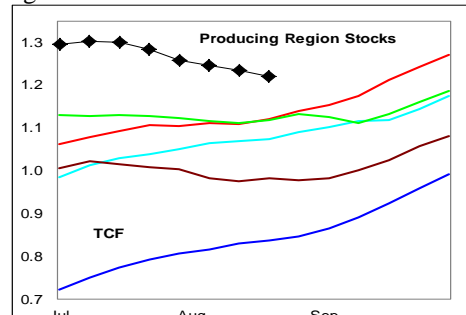
**East Region** stocks increased +26 Bcf for the week, a build below the historic range. The current stock level is +10% above a year ago. Temperatures are forecast to be much above normal during the next 2-wks.



**West Region** stocks decreased -1 Bcf last week, compared to an average build of +6 Bcf during the last 3-yrs. Stock levels ended the week equal to a year ago. Temperatures are forecast to be much below normal in this region during the next 2-wks.



**Producing Region** stocks decreased -11 Bcf for the week, compared to an average build of +10 Bcf during the last 3-yrs. Stock levels ended the week at 5-yr highs for this time of year and +9% above a year ago.



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

**Outlook:** Stock builds have been exceptionally low during the last 2-months; driven by limits on storage capacity and much above normal electric power demand. Producing region stocks are 10% above the prior 5-yr high.

Above normal temperatures across nearly all of the country during the next 2-wks should provide support to prompt spot prices.

### <sup>1</sup> 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: August 30, 2016

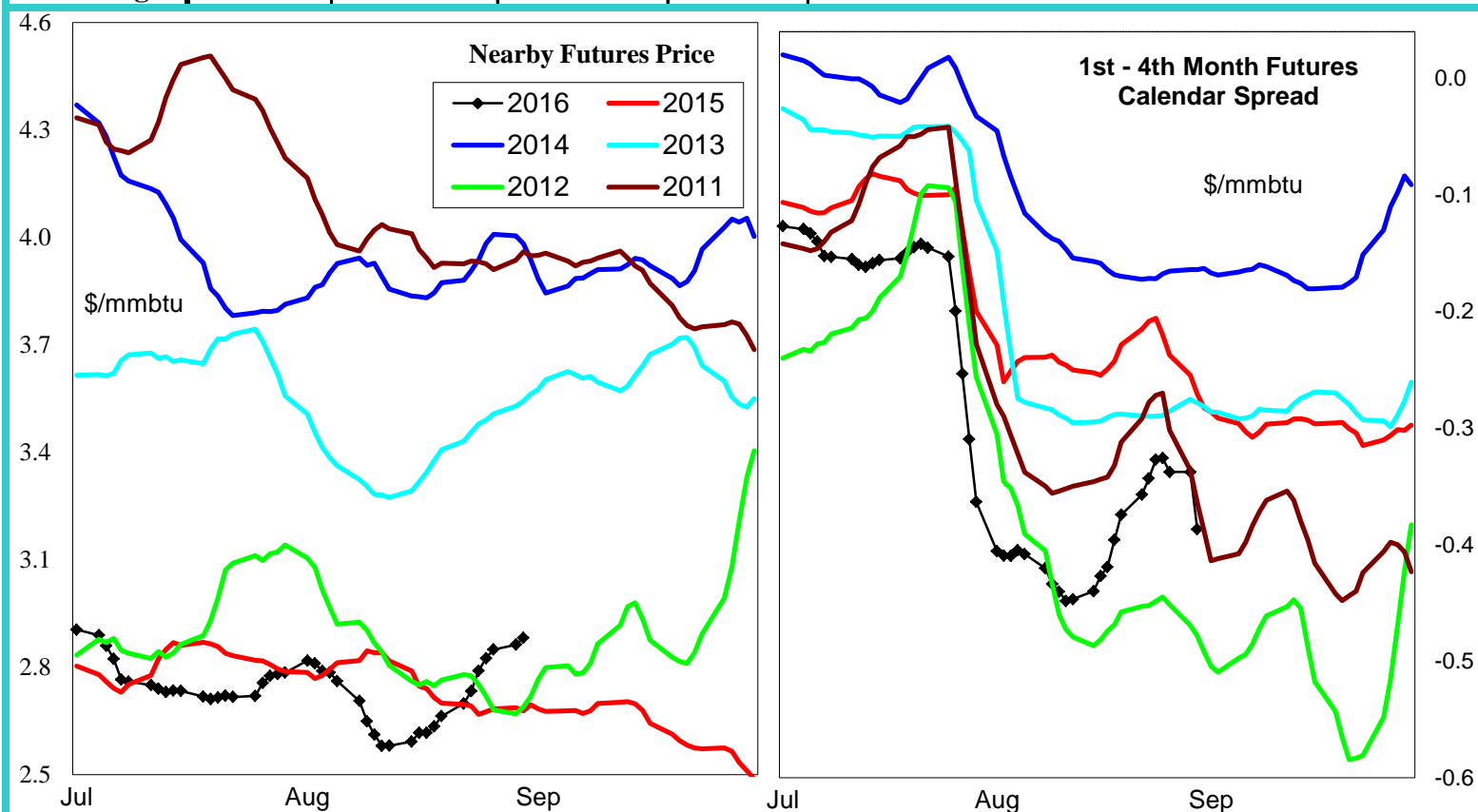
For the week ending:

19-Aug-16

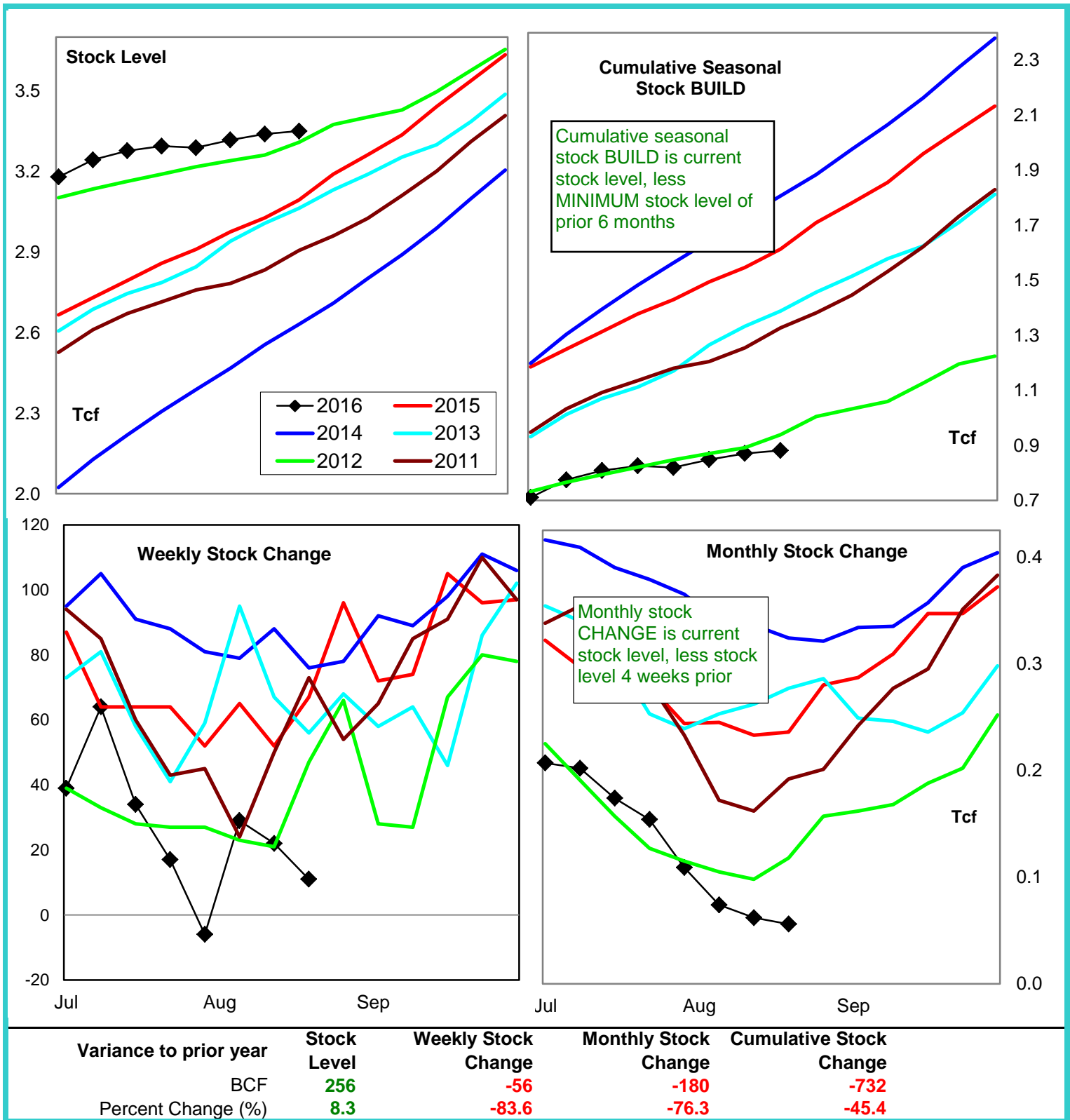
Stock Trends for the week ending:					Seasonal Trends in Stocks			
Week ending:	19-Aug-16							
Region	Weekly Stocks					Cumulative Stock Change		
	Bcf	Change vs prior:		Bcf		Change vs prior year		
		Week Bcf	Year (%)			Bcf	%	
U.S. Total	3,350	11	8.3		U.S. Total	882	-732	-83.0
East	1,650	26	10.4		East	704	-281	-39.9
West	529	-1	0.2		West	129	-27	-20.9
Producing	1,171	-14	9.3		Producing	151	-396	-262.3

### Futures Market Price Trends

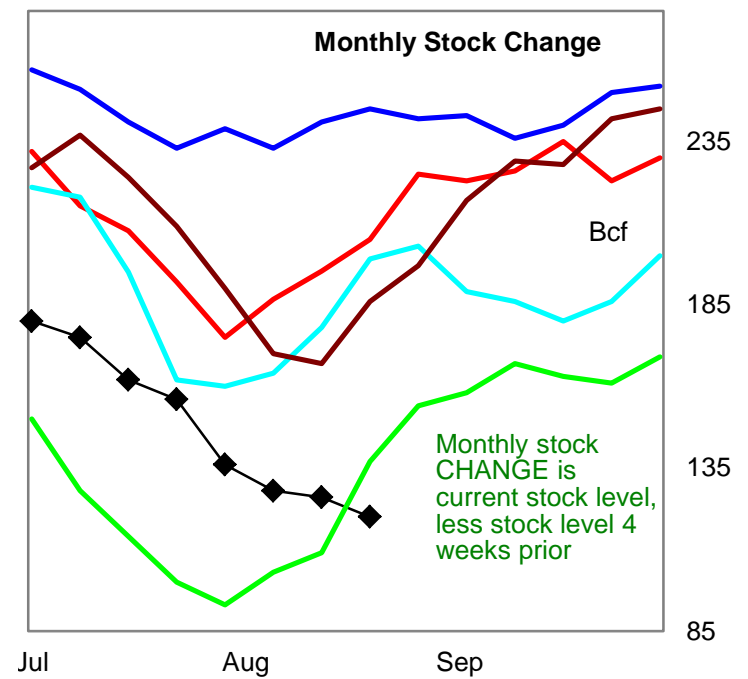
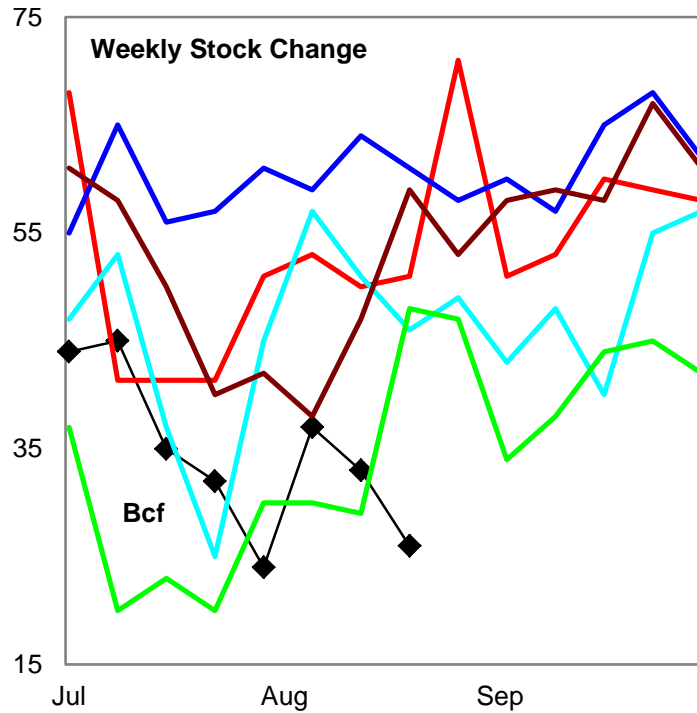
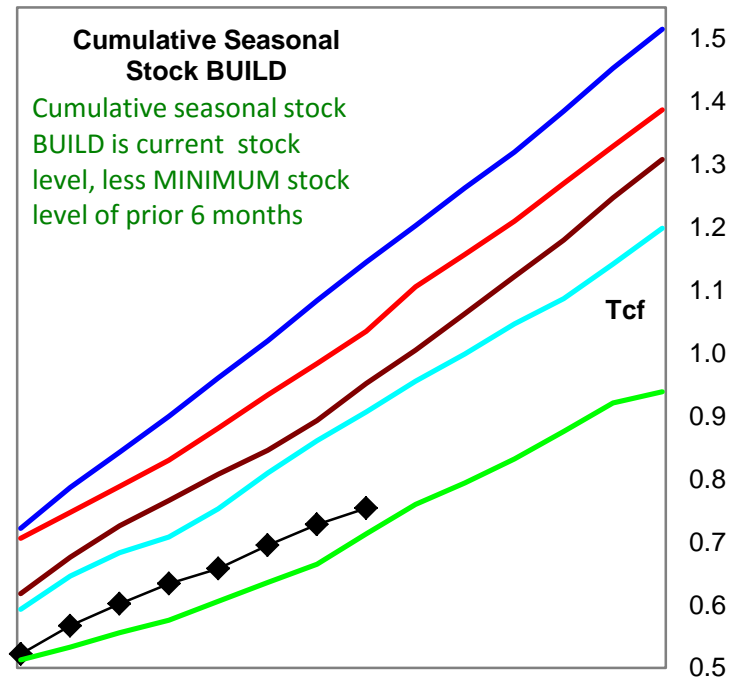
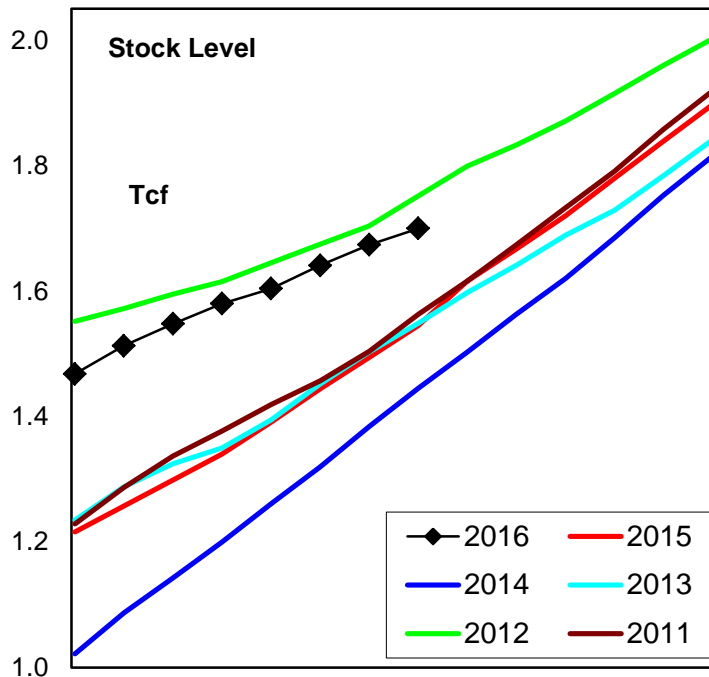
Date:	29-Aug-16	Change vs prior week, month, year		
		23-Aug-16	2-Aug-16	4-Sep-15
1st month Futures	2.88	0.09	0.04	0.12
% change	xxxxx	3.1	1.5	4.5



# United States Natural Gas Stock Trends

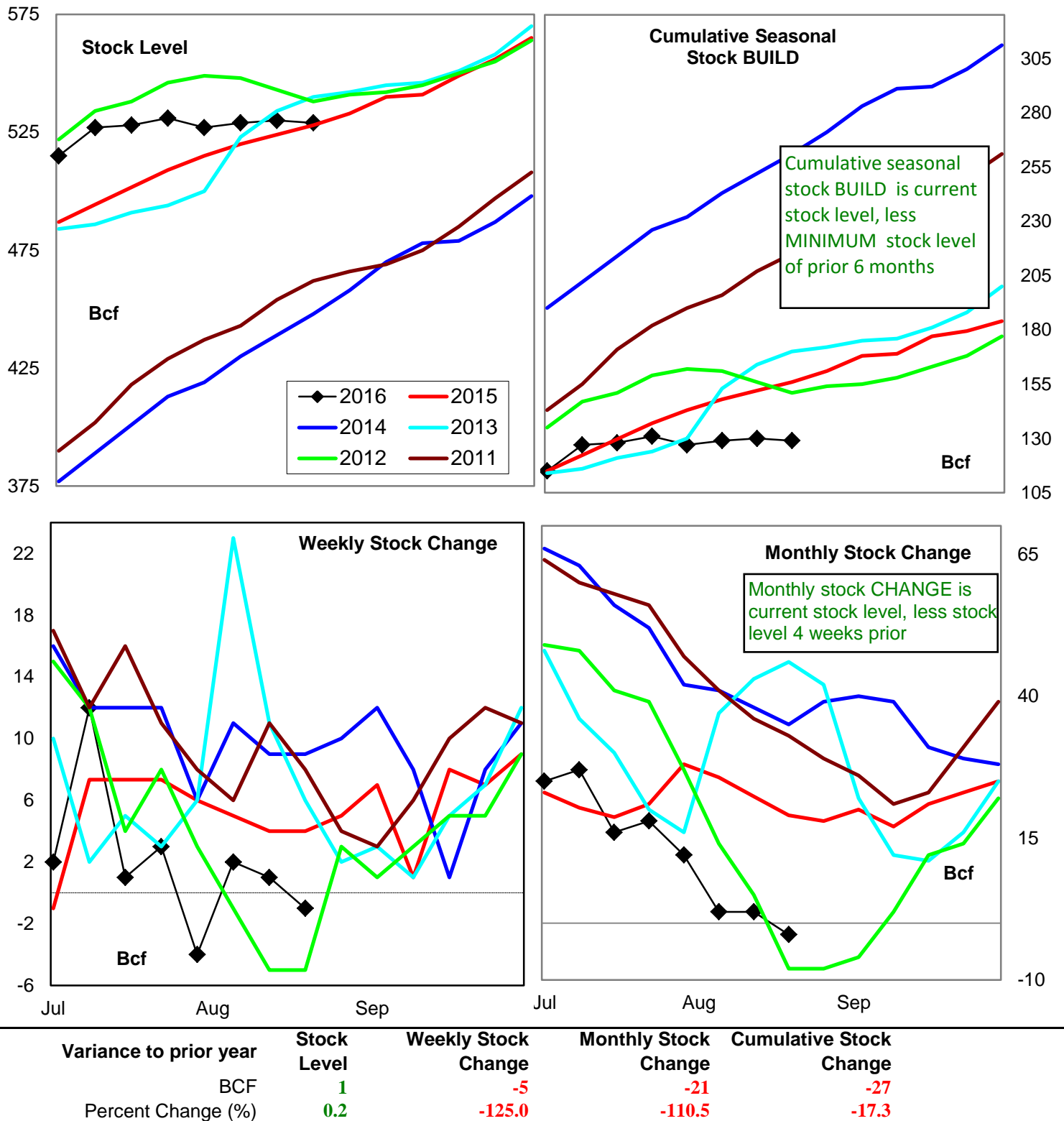


# Natural Gas East Region Stock Trends

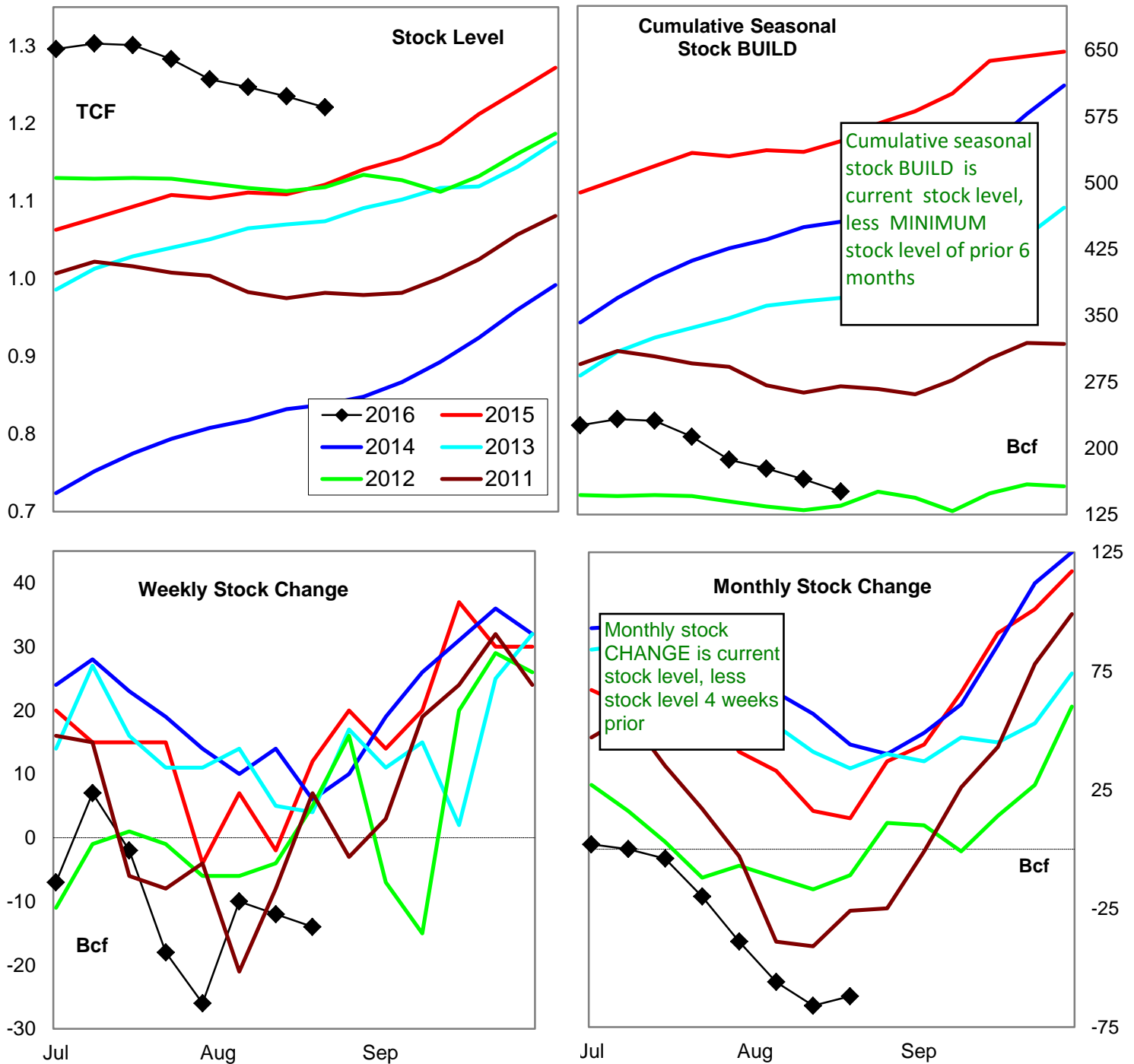


Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	155	-25	-85	-281
Percent Change (%)	10.4	-49.0	-41.5	-28.5

# Natural Gas West Region Stock Trends

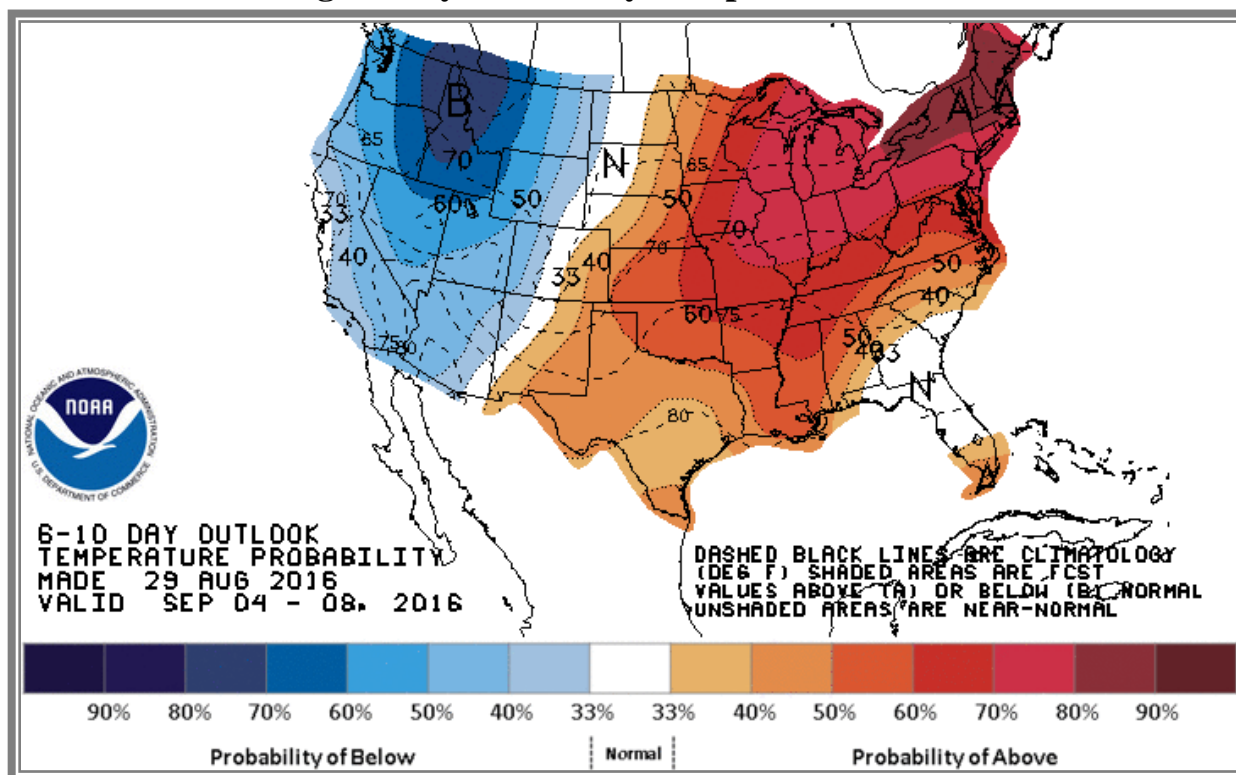


# Natural Gas Producing Region Stock Trends

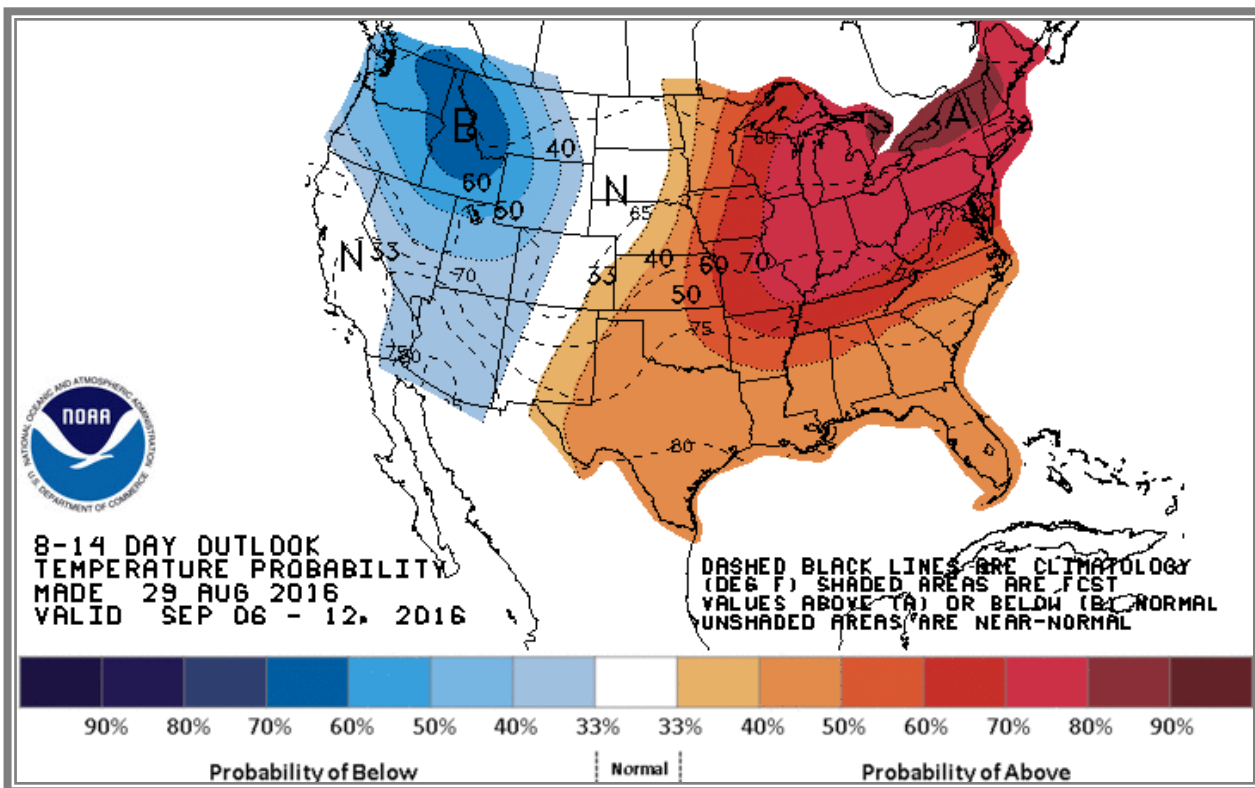


Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	100	-26	-75	-396
Percent Change (%)	9.3	-216.7	-576.9	-72.4

## 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

