

Volume 370 March 31, 2011

Market April natural gas futures expired Tuesday at \$.4240 per therm; May is now the front month. Natural gas traded mixed this week supported mainly by late season cold weather but is dropping after the storage report. Crude oil and other energy liquids are influenced higher by the unrest in the Middle East. Gas production levels due mostly to on-shore shale drilling are causing an over-supply condition; gas is now being exported as LNG. Industrial demand is recovering slowly. Natural gas is attractive to fix at this time to protect this year and beyond. The North American rig count is 880 this week. After a general rise in count starting a year ago the rig count has leveled off and increased 5 this week.

The Crude oil price for May is higher this week at \$106.22 per barrel. Heating oil is higher at \$3.10 per gal. Unleaded gasoline futures are higher this week at \$3.11 and gasoline at the pump is around \$3.59...in Indiana. The natural gas storage report today was an injection of 12 BCF. Storage is 12 BCF lower than last year but 68 BCF higher than the 5 year average.

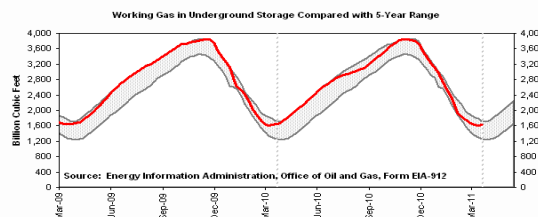


Above Graph – May 2011 NYMEX gas futures

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,624	1,636	1,556

The total of 1,624 BCF is an increase of 12 BCF from last week.



Above graph - storage levels as of 3-31-11

Comparative Fuels: Futures Prices for May

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.4245	\$.4245
Propane (gal)	\$1.34	\$1.46
Crude Oil (barrel)	\$106.22	
Heating Oil (gal)	\$3.10	\$2.23
Unleaded Gas (gal)	\$3.11	

North American Natural Gas Rig Count:

This week	880
Last week	875
Year Ago this week	941

NYMEX Futures Price for Winter

Nov 2011-Mar 2012 \$\$.5253 per therm.

NYMEX Futures Price for 1 YR

May 2011-Apr 2012 \$\$.5191 per therm.

NGI for March 2011 \$3950

Weather Thu: Partly cloudy. High 46F. Winds NNE at 5 to 10 mph. **Fri:** Cloudy with rain and snow early changing to all rain and becoming intermittent late. High 47F. S winds shifting to WNW at 10 to 20 mph. **Sat:** Times of sun and clouds. Highs in the upper 40s and lows in the mid 30s. **Sun:** Showers. Highs in the mid 40s and lows in the low 40s. **Mon:** Chance of showers. Highs in the mid 40s and lows in the upper 30s.

