

Volume 429 June 7, 2012

Market- The natural gas market traded lower this week and over-supply is keeping prices low; but warm weather and hurricane threats could push prices higher. This week was another storage injection. We still have more gas in storage than last year and the 5 year average. The US gas traditional rig count was a decrease this week of 6 and horizontal drilling decreased 8 rigs. Prices continue to be tempered by flat industrial demand; but the economy is improving. Gas production levels due mostly to shale drilling are still strong and exports continue. Natural gas is very attractive to fix at this time.

The Crude oil price for July is lower this week at \$84.96 per barrel. Heating oil is lower at \$2.66 per gal. Unleaded gasoline futures are lower this week at \$2.68 and gasoline at the pump is around \$3.69...in Indiana. The natural gas storage report today was an injection of 62 BCF; storage is **713BCF higher** than last year and **687 BCF higher** than the 5 year average.



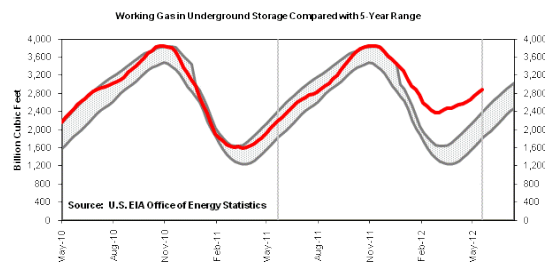
Above Graph – July 2012 NYMEX gas futures

Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	79	86	89	91	88
Low	63	67	69	73	71

Storage Statistics: (BCF) Billion Cubic Ft	This Week	Last Year	5 Year Ave.
	2,877	2,164	2,190

The total is an increase of 62 BCF from last week.



Above Graph - Storage levels as of 6-7-12

Comparative Fuels: Futures Prices for July	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.271	\$2.271
Propane (gal)	\$8.000	\$8.720
Crude Oil (barrel)	\$84.96	
Heating Oil (gal)	\$2.66	\$1.95
Unleaded Gas (gal)	\$2.68	

North American Traditional Nat. Gas Rig Count:

This week	588
Last week	594
Year Ago this week	887

US Horizontal Rig Count:

This week	1183
Last week	1191
Year Ago this week	1051

NGI for June 2012 **\$2.600**

