

Volume 430 June 14, 2012

Market- The natural gas market traded higher this week and is up after the storage report this morning. Over-supply is keeping prices low; but warmer weather is pushing 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 23 and horizontal drilling decreased 6 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 \$83.26 per barrel. Heating oil is lower at \$2.62 per gal. Unleaded gasoline futures are lower this week at \$2.66 and gasoline at the pump is around \$3.69...in Indiana. The natural gas storage report today was an injection of 67 BCF; storage is **708BCF higher** than last year and **666 BCF higher** than the 5 year average.



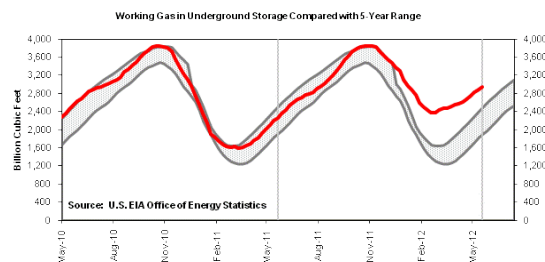
Above Graph – July 2012 NYMEX gas futures

Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	86	92	94	89	93
Low	66	69	73	70	74

Storage Statistics: (BCF) Billion Cubic Ft	This Week	Last Year	5 Year Ave.
	2,944	2,236	2,278

The total is an increase of 67 BCF from last week.



Above Graph - Storage levels as of 6-14-12

Comparative Fuels: Futures Prices for July	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.396	\$2.396
Propane (gal)	\$7.623	\$8.309
Crude Oil (barrel)	\$83.26	
Heating Oil (gal)	\$2.62	\$1.90
Unleaded Gas (gal)	\$2.66	

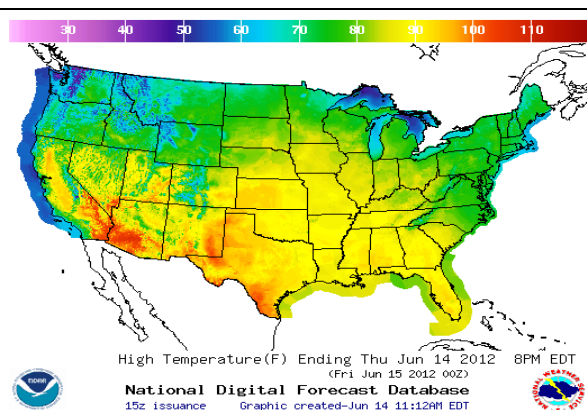
North American Traditional Nat. Gas Rig Count:

This week	565
Last week	588
Year Ago this week	889

US Horizontal Rig Count:

This week	1177
Last week	1183
Year Ago this week	1065

NGI for June 2012 \$2.600



High Temperature(F) Ending Thu Jun 14 2012 8PM EDT
(Fri Jun 15 2012 00Z)
National Digital Forecast Database
15z issuance Graphic created-Jun 14 11:12AM EDT