

Volume 431 June 21, 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 keeping prices supported. Next week cooler temperatures could cause prices to fall again. 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 3 and horizontal drilling decreased 15 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 \$80.10 per barrel. Heating oil is lower at \$2.56 per gal. Unleaded gasoline futures are lower this week at \$2.49 and gasoline at the pump is around \$3.59...in Indiana. The natural gas storage report today was an injection of 62 BCF; storage is **680BCF higher** than last year and **641 BCF higher** than the 5 year average.



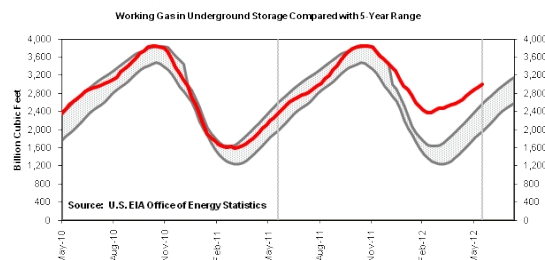
Above Graph – July 2012 NYMEX gas futures

Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	83	83	83	86	74
Low	67	66	69	64	62

Storage Statistics: (BCF) Billion Cubic Ft	This Week	Last Year	5 Year Ave.
	3,006	2,326	2,365

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



Above Graph - Storage levels as of 6-21-12

Comparative Fuels: Futures Prices for July	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.546	\$2.546
Propane (gal)	\$8.300	\$9.047
Crude Oil (barrel)	\$80.10	
Heating Oil (gal)	\$2.56	\$1.84
Unleaded Gas (gal)	\$2.49	

North American Traditional Nat. Gas Rig Count:

This week	562
Last week	565
Year Ago this week	870

US Horizontal Rig Count:

This week	1162
Last week	1177
Year Ago this week	1061

NGI for June 2012 **\$2.600**

