

Volume 445 September 27, 2012

Market- October natural gas futures expired Wednesday at \$.3023 per therm; November is now the front month. The natural gas market traded mixed to higher this week. Weather factors across the country have subsided so natural gas going to fuel gas peaking power has decreased. Over-supply is keeping prices low; but gas in storage is coming back in line as seen on the graph to the right. We still have more gas in storage than last year and the five-year average. The US gas traditional rig count was an increase this week of 6 and horizontal drilling increased 16 rigs. Gas production levels due mostly to shale drilling are still strong. Natural gas is very attractive to fix at this time.

The Crude oil price for November is higher this week at \$92.33 per barrel. Heating oil is higher at \$3.16 per gal. Unleaded gasoline futures are higher this week at \$3.14 and gasoline at the pump is around \$3.99...in Indiana. The natural gas storage report this week was an injection of 80BCF; storage is **296BCF higher** than last year and **282 BCF higher** than the 5 year average.



Above Graph – Nov 2012 NYMEX gas futures

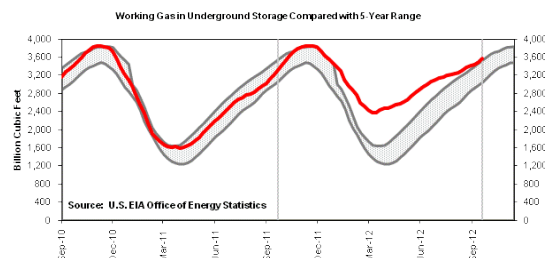
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	67	67	74	64	73
Low	53	51	54	46	54

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,576	3,280	3,294

The total is an increase of 80BCF from last week.



Above Graph - Storage levels as of September 27

Comparative Fuels: Futures Prices for Nov

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.3283	\$.3283
Propane (gal)	\$.8750	\$.9537
Crude Oil (barrel)	\$92.33	
Heating Oil (gal)	\$3.16	\$2.27
Unleaded Gas (gal)	\$3.14	

North American Traditional Nat. Gas Rig Count:

This week	454
Last week	448
Year Ago this week	912

US Horizontal Rig Count:

This week	1149
Last week	1133
Year Ago this week	1140

NGI for Sep 2012 **\$.2760**

