

Volume 449 November 1, 2012

Market- November natural gas futures expired Monday at \$.3471 per therm; December is now the front month. The natural gas market traded somewhat lower this week as seen in the graph below. The once over-supply of gas in storage is coming back in line as seen on the graph to the right; but we still have more gas in storage than last year and the five-year average. The US gas traditional rig count was a decrease this week of 11 and horizontal drilling decreased 9 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 December is higher this week at \$86.70 per barrel. Heating oil is lower at \$3.04 per gal. Unleaded gasoline futures are higher this week at \$2.65 and gasoline at the pump is around \$3.29...in Indiana. The natural gas storage report this week was an injection of 65BCF; storage is **136BCF higher** than last year and **259 BCF higher** than the 5 year average.



Above Graph – Dec 2012 NYMEX gas futures

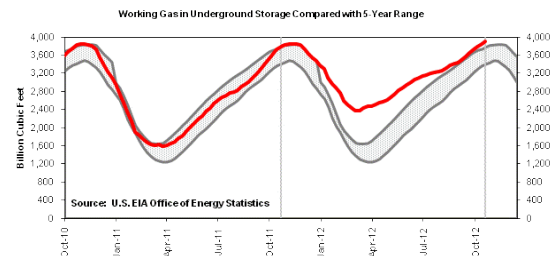
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	52	50	46	45	46
Low	33	40	39	34	34

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,908	3,772	3,649

The total is an increase of 65BCF from last week.



Above Graph - Storage levels as of November 1

Comparative Fuels: Futures Prices for Dec

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.3677	\$.3677
Propane (gal)	\$.9550	\$1.038
Crude Oil (barrel)	\$86.70	
Heating Oil (gal)	\$3.04	\$2.18
Unleaded Gas (gal)	\$2.65	

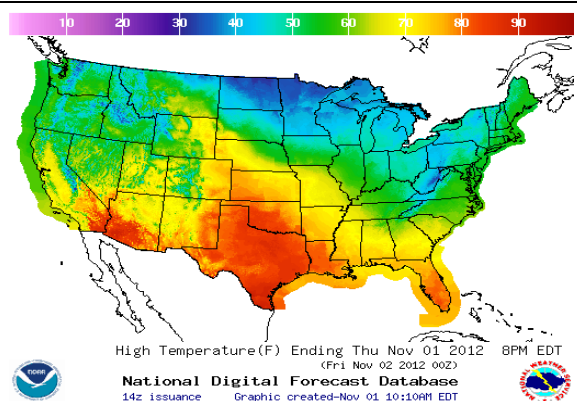
North American Traditional Nat. Gas Rig Count:

This week	416
Last week	427
Year Ago this week	934

US Horizontal Rig Count:

This week	1105
Last week	1114
Year Ago this week	1155

NGI for Nov 2012 estimated **\$3.775**



High Temperature (F) Ending Thu Nov 01 2012 8PM EDT
(Fri Nov 02 2012 00Z)
National Digital Forecast Database
14z issuance Graphic created Nov 01 10:10AM EDT