

Volume 457 January 4, 2013

Market- Natural gas futures traded lower this week as weather near normal without any extreme cold. Prices are moving higher this morning after the storage report showing a large withdrawal. Above normal weather is coming in the long term forecast for next week. The once over-supply of gas in storage is coming back in range as seen on the graph to the right; although we still have more gas in storage than last year and more gas in storage compared to the five-year average. The US gas traditional rig count was an increase this week of 2 and horizontal drilling increased 6 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 February is higher this week at \$92.67 per barrel. Heating oil is lower at \$3.01 per gal. Unleaded gasoline futures are lower this week at \$2.76 and gasoline at the pump is around \$3.19...in Indiana. The natural gas storage report this week was a withdrawal of 135BCF; storage is **23BCF higher** than last year and **389 BCF higher** than the 5 year average.



Above Graph – Feb 2013 NYMEX gas futures

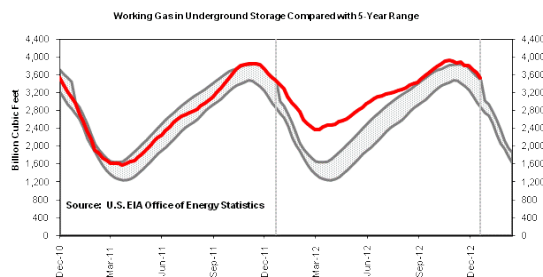
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	31	36	38	33	38
Low	17	24	28	24	30

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,517	3,494	3,128

The total is a decrease of 135 BCF from last week.



Above Graph - Storage levels as of January 4

Comparative Fuels: Futures Prices for Feb

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.3264	\$.3264
Propane (gal)	\$.896	\$.9766
Crude Oil (barrel)	\$92.67	
Heating Oil (gal)	\$3.01	\$2.16
Unleaded Gas (gal)	\$2.76	

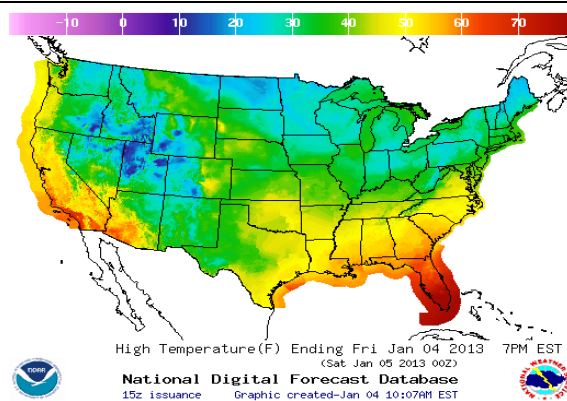
North American Traditional Nat. Gas Rig Count:

This week	431
Last week	429
Year Ago this week	809

US Horizontal Rig Count:

This week	1111
Last week	1105
Year Ago this week	1167

NGI for Jan 2013 \$.3520



High Temperature (F) Ending Fri Jan 04 2013 7PM EST
 (Sat Jan 05 2013 00Z)
 National Digital Forecast Database
 15z issuance Graphic created-Jan 04 10:07AM EST