Nordic Energy

ENERGY MATTERS NATURAL GAS NEWSLETTER

Volume 459 **January 17, 2013**

Market- Natural gas futures traded higher this week as cold weather across the country increased demand and prices. Below normal temps next week will keep prices higher. Prices are moving higher this morning after the storage report showing a large withdrawal. 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 compared to the five-year average. The US gas traditional rig count was a decrease this week of 5 and horizontal drilling increased 7 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 \$95.11 per barrel. Heating oil is lower at \$3.02 per gal. Unleaded gasoline futures are lower this week at \$2.77 and gasoline at the pump is around \$3.39...in Indiana. The natural gas storage report this week was a withdrawal of 148BCF; storage is 147BCF lower than last year but 316 **BCF higher** than the 5 year average.



Above Graph - Feb 2013 NYMEX gas futures

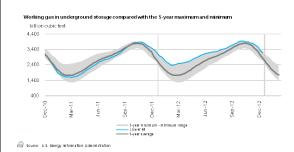
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	29	41	43	22	16
Low	19	33	12	10	11

Storage Statistics: (BCF) Billion Cubic Ft.

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This Week	Last Year	5 Year Ave.
3,168	3,215	2,852

The total is a decrease of 148 BCF from last week.



Above Graph - Storage levels as of January 17

Comparative Fuels: Futures Prices for Feb

Price Compared to Nat Gas					
Natural Gas (therm)	\$.3434	\$.3434			
Propane (gal)	\$.803	\$.9753			
Crude Oil (barrel)	\$95.11				
Heating Oil (gal)	\$3.02	\$2.17			
Unleaded Gas (gal)	\$2,77				

North American Traditional Nat. Gas Rig Count:

This week	434
Last week	439
Year Ago this week	791

US Horizontal Rig Count:

This week	1119
Last week	1112
Year Ago this week	1161

NGI for Jan 2013 \$.3520

