Nordic Energy
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ENERGY MATTERS NATURAL GAS NEWSLETTER

Volume 468 March 21, 2013

Market- Natural gas futures traded higher again this week as continued below normal cold weather across the northern areas of the country increased demand. Prices are moving lower this morning after the storage report. The once over-supply of gas in storage is coming back in range (blue line) as seen on the graph to the right; storage this year is below last year levels although we still have more gas in storage than compared to the five-year average. The US gas traditional rig count was an increase this week of 24 and horizontal drilling increased 1 rig. 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 April is higher this week at $93.15 per barrel. Heating oil is lower at $2.99 per gal. Unleaded gasoline futures are lower this week at $3.10 and gasoline at the pump is around $3.89…in Indiana. The natural gas storage report this week was a withdrawal of 62CF; storage is **502BCF lower** than last year but **162 BCF higher** than the 5 year average.

Above Graph – April 2013 NYMEX gas futures

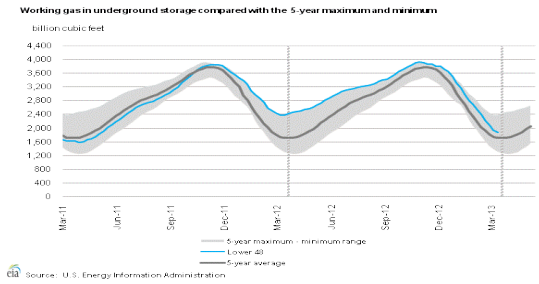
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	34	39	38	36	37
Low	20	28	32	30	29

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,876	2,378	1,714

The total is a decrease of 62 BCF from last week.



Above Graph - Storage levels as of March 21

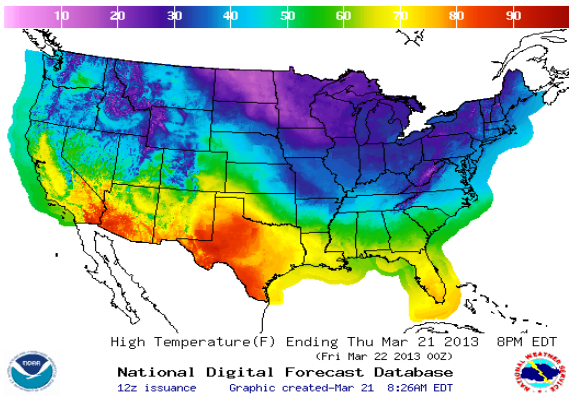
Comparative Fuels: Futures Prices for Apr

	Price	Compared to Nat Gas
Natural Gas (therm)	**$.3955**	**$.3955**
Propane (gal)	**$.905**	**$.9864**
Crude Oil (barrel)	**$93.15**	
Heating Oil (gal)	**$2.99**	**$2.15**
Unleaded Gas (gal)	**$3.10**	

North American Traditional Nat. Gas Rig Count:

This week	431
Last week	407
Year Ago this week	663

US Horizontal Rig Count:

This week	1131
Last week	1130
Year Ago this week	1180

NGI Chicago for Mar 2013 $.3540