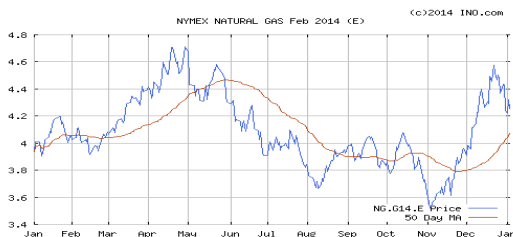


Volume 509 January 3, 2014

Market- January natural gas futures expired last week at \$.4407 per therm; February is now the front month. Natural gas continues to trade at the highest levels in the past 7 months due to cold weather across the northern and eastern areas of the country. Coal to natural gas switching and winter weather continues to keep prices supported in addition to global increasing demand for new natural gas LNG. There was a large withdrawal from storage reported this morning. The once over-supply of gas in storage is now at average levels as seen on the graph to the right; storage right now is below last year levels and below five-year average. The US gas traditional rotary rig count decreased 2 rigs and horizontal drilling increased 2 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 Feb is lower this week at \$95.18 per barrel. Heating oil is lower at \$2.98 per gal. Unleaded gasoline futures are lower this week at \$2.69 and gasoline at the pump is around \$3.35...in Indiana. The natural gas storage report this week was a withdrawal of 97BCF; storage is **562BCF lower** than last year and **289BCF below** than the 5 year average.



Above Graph – Feb 2014 NYMEX gas futures

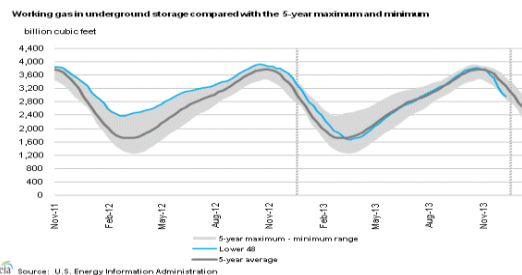
Extended Temperature Forecast: Chicago Area

	Fri	Sat	Sun	Mon	Tue
High	19	32	15	-5	1
Low	11	14	-7	-12	-5

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,974	3,536	3,263

The total is a decrease of 97 BCF from last week.



Source: U.S. Energy Information Administration

Above Graph - Storage levels as of January 3

Comparative Fuels: Futures Prices for Feb

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.4268	\$.4268
Propane (gal)	\$1.26	\$1.37
Crude Oil (barrel)	\$95.18	
Heating Oil (gal)	\$2.98	\$2.14
Unleaded Gas (gal)	\$2.69	

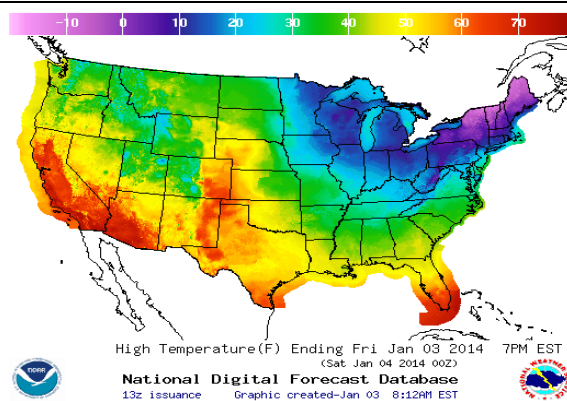
North American Traditional Nat. Gas Rig Count:

This week	372
Last week	374
Year Ago this week	439

US Horizontal Rig Count:

This week	1148
Last week	1146
Year Ago this week	1112

NGI Chicago for Jan 2014 **\$4830**



High Temperature (F) Ending Fri Jan 03 2014 7PM EST
(Sat Jan 04 2014 00Z)
National Digital Forecast Database
13z issuance Graphic created-Jan 03 8:12PM EST