

Volume 516 February 27, 2014

Market- March natural gas futures expired Wed at \$.4855 per therm; April is now the front month. Natural gas prices continue to trade very high in the front months. Rapidly depleting natural gas storage inventories, natural gas prices for daily supplies for the month of Feb and Mar are still high. There have been 25 gas critical days in 2014. Prices are also supported by global increasing demand for Liquefied Natural Gas (LNG). There was a large withdrawal from storage reported again this morning. Gas is now at below average storage levels as seen on the graph to the right and is below last year levels and below five-year average. The US gas traditional rotary rig count increased 5 rigs and horizontal drilling decreased 1 rig. Gas production levels due to shale drilling are still strong although many wells are frozen. Natural gas is very attractive to fix at this time.

The Crude oil price for April is lower this week at \$102.17 per barrel. Heating oil is lower at \$3.13 per gal. Unleaded gasoline futures are lower this week at \$2.78 and gasoline at the pump is around \$3.57...in Indiana. The natural gas storage report this week was a withdrawal of **95BCF**; storage is **905BCF lower** than last year and **711BCF below** than the 5 year average.



Above Graph – Apr 2014 NYMEX gas futures

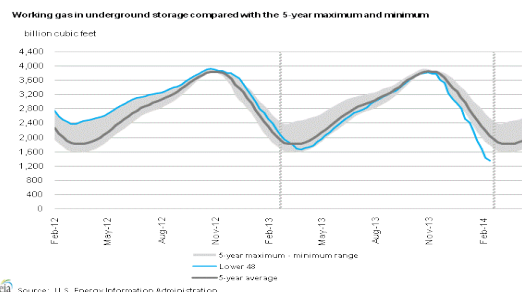
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	9	22	29	25	24
Low	-7	15	17	16	-2

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,348	2,253	2,059

The total is a decrease of 95 BCF from last week.



Above Graph - Storage levels as of February 27

Comparative Fuels: Futures Prices for Apr

	Price	Compared to Nat Gas
Natural Gas (therm)	\$ 4.524	\$ 4.524
Propane (gal)	\$ 1.29	\$ 1.41
Crude Oil (barrel)	\$ 102.17	
Heating Oil (gal)	\$ 3.13	\$ 2.25
Unleaded Gas (gal)	\$ 2.78	

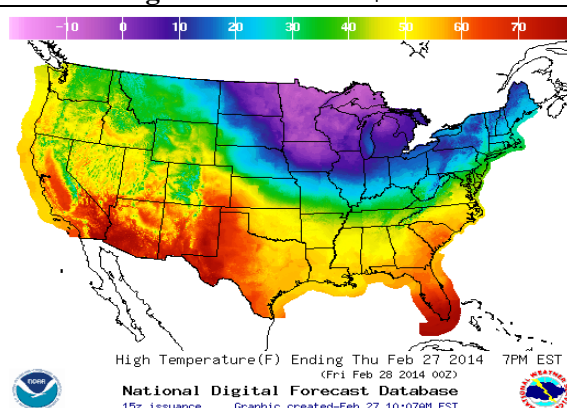
North American Traditional Nat. Gas Rig Count:

This week	342
Last week	337
Year Ago this week	428

US Horizontal Rig Count:

This week	1182
Last week	1183
Year Ago this week	1140

NGI Chicago for Feb 2014 \$**.7980**



High Temperature (F) Ending Thu Feb 27 2014 7PM EST
(Fri Feb 28 2014 00Z)
National Digital Forecast Database
15c Issuance Graphic created Feb 27 10:07AM EST