Nordic Energy
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ENERGY MATTERS NATURAL GAS NEWSLETTER

Volume 518 March 13, 2014

Market- Natural gas prices continue to trade high for the next 12 months…but with some easing as the weather starts to warm up. Natural gas storage inventories are rapidly depleting and are at record lows. Prices for daily supplies for the month of March are still high. There have been 38 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 10 rigs and horizontal drilling increased 21 rigs. Gas production levels due to shale drilling are still strong. Natural gas is very attractive to fix now and for next winter.

The Crude oil price for April is lower this week at $98.25 per barrel. Heating oil is lower at $2.92 per gal. Unleaded gasoline futures are lower this week at $2.93 and gasoline at the pump is around $3.49…in Indiana. The natural gas storage report this week was a withdrawal of **195BCF**; storage is **958BCF lower** than last year and **858BCF lower** than the 5 year average.

Above Graph – Apr 2014 NYMEX gas futures

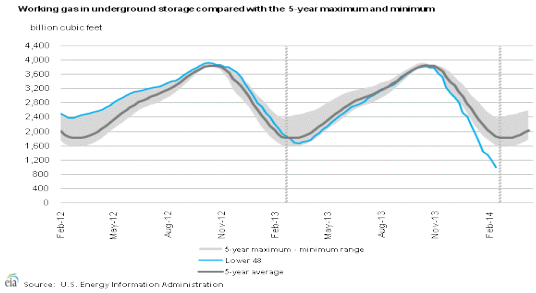
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	39	52	45	32	37
Low	33	29	23	17	26

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,001	1,959	1,859

The total is a decrease of 195 BCF from last week.



Above Graph - Storage levels as of March 13

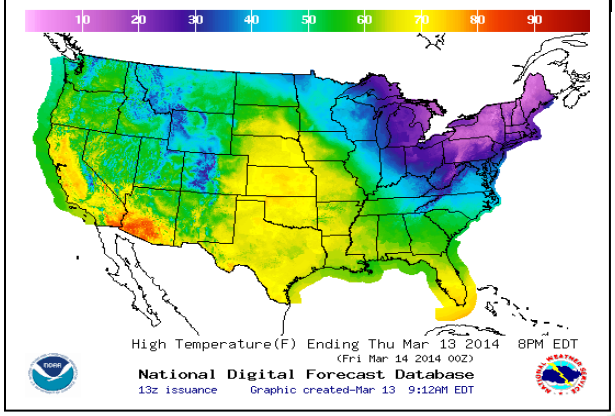
Comparative Fuels: Futures Prices for Apr

	Price	Compared to Nat Gas
Natural Gas (therm)	**$.4385**	**$.4385**
Propane (gal)	**$1.09**	**$1.19**
Crude Oil (barrel)	**$98.25**	
Heating Oil (gal)	**$2.92**	**$2.08**
Unleaded Gas (gal)	**$2.93**	

North American Traditional Nat. Gas Rig Count:

This week	345
Last week	335
Year Ago this week	407

US Horizontal Rig Count:

This week	1,202
Last week	1,181
Year Ago this week	1,130

NGI Chicago for Mar 2014 $1.082