

Volume 529 June 5, 2014

**Market-** Natural gas prices were higher and continued to stay strong this week as warm weather and power plant outages caused demand for gas for electric generation. Uncertainty long term about the storage levels will keep prices supported. There was a strong but expected storage injection reported this morning and prices traded higher. However, natural gas storage inventories are at record lows as seen on the graph to the right and are below last year levels and below five-year average. Prices are also supported by global increasing demand for Liquefied Natural Gas (LNG). The US gas traditional rotary rig count increased 1 rig and horizontal drilling increased 8 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 July is lower this week at \$102.49 per barrel. Heating oil is lower at \$2.88 per gal. Unleaded gasoline futures are lower this week at \$2.96 and gasoline at the pump is around \$3.79...in Indiana. The natural gas storage report this week was an injection of **119BCF**; storage is **737BCF lower** than last year and **896BCF lower** than the 5 year average.



Above Graph – July 2014 NYMEX gas futures

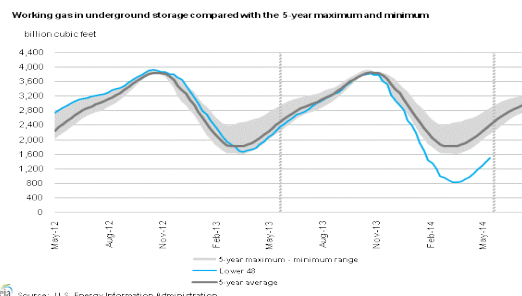
### Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
<b>High</b>	75	80	75	69	73
<b>Low</b>	52	57	60	52	58

### Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,499	2,236	2,395

The total is an increase of 119 BCF from last week.



Above Graph - Storage levels as of June 5

### Comparative Fuels: Futures Prices for July

	Price	Compared to Nat Gas
Natural Gas (therm)	<b>\$0.4692</b>	<b>\$0.4692</b>
Propane (gal)	<b>\$1.03</b>	<b>\$1.13</b>
Crude Oil (barrel)	<b>\$102.49</b>	
Heating Oil (gal)	<b>\$2.88</b>	<b>\$2.06</b>
Unleaded Gas (gal)	<b>\$2.96</b>	

### North American Traditional Nat. Gas Rig Count:

This week	326
Last week	325
Year Ago this week	354

### US Horizontal Rig Count:

This week	1,251
Last week	1,243
Year Ago this week	1,089

**NGI Chicago for June 2014 \$0.4650**

