

Volume 531 June 19, 2014

Market- Natural gas prices traded mixed this week then traded lower after the storage report. Warm weather and power plant outages caused demand for gas for electric generation to stay strong in the East and far South regions. 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 lower. 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 decreased 10 rigs and horizontal drilling decreased 2 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 higher this week at \$106.61 per barrel. Heating oil is higher at \$3.05 per gal. Unleaded gasoline futures are higher this week at \$3.12 and gasoline at the pump is around \$3.79...in Indiana. The natural gas storage report this week was an injection of **113BCF**; storage is **706BCF lower** than last year and **851BCF lower** than the 5 year average.



Above Graph – July 2014 NYMEX gas futures

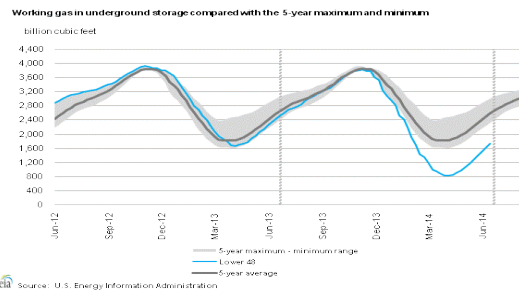
**Extended Temperature Forecast:
Chicago Area**

	FRI	SAT	SUN	MON	TUE
High	89	86	90	91	80
Low	65	66	69	66	58

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,719	2,425	2,570

The total is an increase of 113 BCF from last week.



Above Graph - Storage levels as of June 19

Comparative Fuels: Futures Prices for July

	Price	Compared to Nat Gas
Natural Gas (therm)	\$4.583	\$4.583
Propane (gal)	\$1.04	\$1.14
Crude Oil (barrel)	\$106.61	
Heating Oil (gal)	\$3.05	\$2.19
Unleaded Gas (gal)	\$3.12	

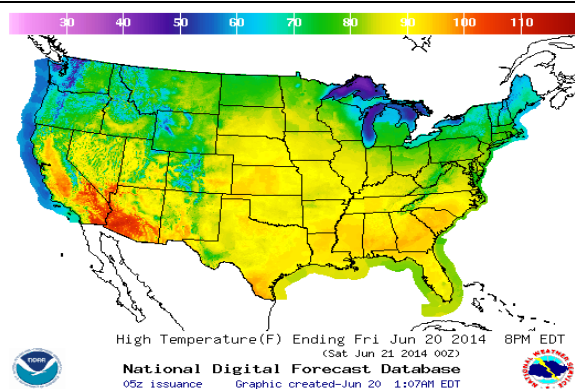
North American Traditional Nat. Gas Rig Count:

This week	310
Last week	320
Year Ago this week	353

US Horizontal Rig Count:

This week	1,248
Last week	1,250
Year Ago this week	1,086

NGI Chicago for June 2014 \$4.650



High Temperature (F) Ending Fri Jun 20 2014 8PM EDT
(Sat Jun 21 2014 00Z)
National Digital Forecast Database
05z issuance Graphic created Jun 20 1:07AM EDT