

Volume 542 September 4, 2014

Market- Natural gas prices traded higher early in the week; then lower through today. Hot weather across the country Eastern part of the country is supporting prices. Trading was lower after the storage report this morning with an expected injection but higher than last year and the 5 year average. Hotter weather now and next week is putting pressure on prices with gas going for increased electric generation. Uncertainty about gas storage levels is weakening as the deficit is shrinking every week. 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 8 rigs and horizontal drilling increased 9 rigs. Gas production levels due to shale drilling are still strong. Natural gas is very attractive to fix for winter and beyond..

The Crude oil price for Oct is lower this week at \$94.56 per barrel. Heating oil is lower at \$2.84 per gal. Unleaded gasoline futures are lower this week at \$2.60 and gasoline at the pump is around \$3.39...in Indiana. The natural gas storage report this week was an injection of **79BCF**; storage is **471 BCF lower** than last year and **495BCF lower** than the 5 year average.



Above Graph—Oct 2014 NYMEX gas futures

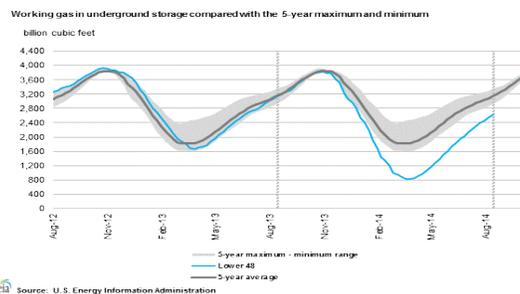
**Extended Temperature Forecast:
Chicago Area**

	FRI	SAT	SUN	MON	TUE
High	82	82	72	75	76
Low	74	63	55	56	60

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,709	3,180	3,204

The total is an increase of 79 BCF from last week.



Source: U.S. Energy Information Administration

Above Graph - Storage levels as of 9-4-14

Comparative Fuels: Futures Prices for Oct

	Price	Compared to Nat Gas
Natural Gas (therm)	\$3.831	\$3.831
Propane (gal)	\$1.02	\$1.112
Crude Oil (barrel)	\$94.56	
Heating Oil (gal)	\$2.84	\$2.04
Unleaded Gas (gal)	\$2.60	

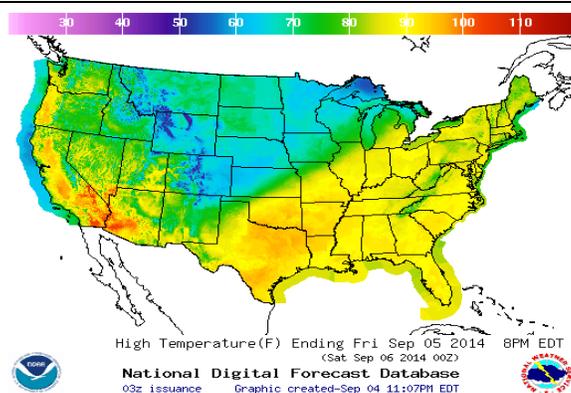
North American Traditional Nat. Gas Rig Count:

This week	338
Last week	330
Year Ago this week	380

US Horizontal Rig Count:

This week	1,330
Last week	1,321
Year Ago this week	1,028

NGI Chicago for Sep 2014 \$4.000



High Temperature(F) Ending Fri Sep 05 2014 8PM EDT (Sat Sep 06 2014 00Z)
National Digital Forecast Database
03z issuance Graphic created-Sep 04 11:07PM EDT