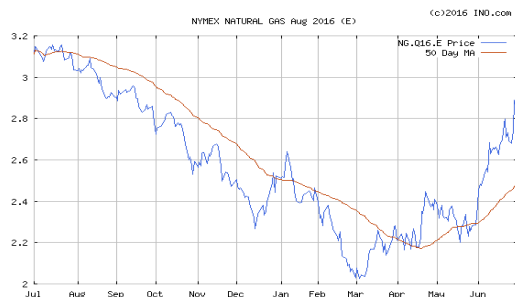


Volume 617 June 30, 2016

Market- July natural gas futures expired Tuesday at \$.2917 per therm; August is now the front month. Prices continue trading higher this week and are trading higher for all months today after the storage report was an injection lower than expectations. Upward pressure results from the hot weather causing more gas to be used for electric generation. Downward pressure results from storage levels above last year and above the five-year average. Additional upward pressure on natural gas prices results from exported liquefied natural gas (LNG). Rig counts for both traditional and horizontal have dropped significantly over the last 2 years indicating continued ample supply of natural gas. Natural gas storage inventories are higher than last year and slightly higher than the five-year average as seen on the graph to the right. The US gas traditional rotary rig count increased 4 rigs and horizontal drilling decreased 1 rig. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for Aug is lower this week at \$48.98 per barrel. Heating oil is higher at \$1.51 per gal. Unleaded gasoline futures are lower this week at \$1.50 and gasoline at the pump is around \$2.29...in Indiana. The natural gas storage report this week was an injection of 42BCF; storage is **582BCF higher** than last year and **637BCF higher** than the 5 year average.



Above Graph—Aug 2016 NYMEX gas futures

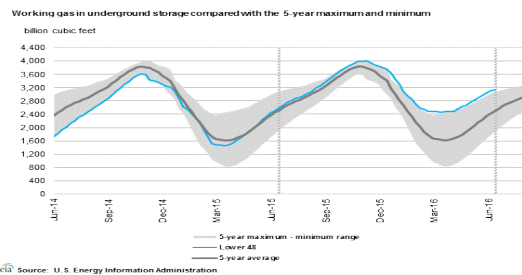
**Extended Temperature Forecast:
Chicago Area**

	THU	FRI	SAT	SUN	MON
High	82	74	80	78	78
Low	60	59	64	65	66

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,140	2,558	2,503

The total is an increase of 42 BCF from last week.



Above Graph - Storage levels as of 6-30-16

Comparative Fuels: Futures Prices for Aug

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.2870	\$.2870
Propane (gal)	\$.5180	\$.5640
Crude Oil (barrel)	\$48.98	
Heating Oil (gal)	\$1.510	\$1.080
Unleaded Gas (gal)	\$1.50	

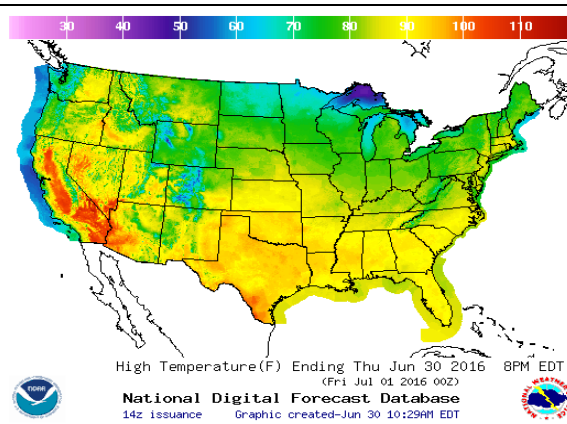
North American Traditional Nat. Gas Rig Count:

This week	90
Last week	86
Year Ago this week	228

US Horizontal Rig Count:

This week	325
Last week	326
Year Ago this week	654

NGI Chicago for June 2016 \$1.940



High Temperature (F) Ending Thu Jun 30 2016 8PM EDT
(Fri Jul 01 2016 00Z)
National Digital Forecast Database
14Z Issuance Graphic created-Jun 30 10:29AM EDT