

**Volume 628 September 15, 2016**

**Market-** Prices traded higher this week and is trading slightly higher today after the storage report was an injection into storage lower than expected. 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 increased production from fewer wells and continued ample supply of natural gas. Natural gas storage inventories are much higher than last year and much 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 increased 1 rig. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for October is lower this week at \$44.53 per barrel. Heating oil is lower at \$1.40 per gal. Unleaded gasoline futures are lower this week at \$1.38 and gasoline at the pump is around \$2.17...in Indiana. The natural gas storage report this week was an injection of 62BCF; storage is **184BCF higher** than last year and **299BCF higher** than the 5 year average.



Above Graph—Oct 2016 NYMEX gas futures

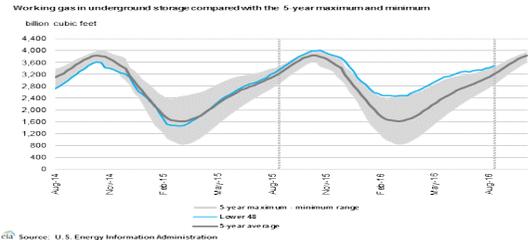
**Extended Temperature Forecast: Chicago Area**

	THU	FRI	SAT	SUN	MON
<b>High</b>	76	80	80	78	81
<b>Low</b>	63	67	60	60	63

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

This Week	Last Year	5 Year Ave.
3,499	3,315	3,200

The total is an increase of 62 BCF from last week.



Above Graph - Storage levels as of 9-15-16

**Comparative Fuels: Futures Prices for Oct**

	Price	Compared to Nat Gas
Natural Gas (therm)	<b>\$2.902</b>	<b>\$2.902</b>
Propane (gal)	<b>\$4.88</b>	<b>\$5.319</b>
Crude Oil (barrel)	<b>\$44.53</b>	
Heating Oil (gal)	<b>\$1.40</b>	<b>\$1.007</b>
Coal (CLRP) (ton)	<b>\$40.00</b>	<b>\$2.978</b>
Unleaded Gas (gal)	<b>\$1.38</b>	

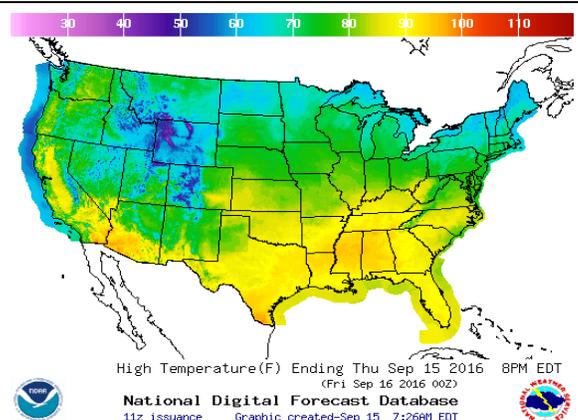
**North American Traditional Nat. Gas Rig Count:**

This week	92
Last week	88
Year Ago this week	196

**US Horizontal Rig Count:**

This week	396
Last week	395
Year Ago this week	648

**NGI Chicago for September 2016 \$2810**



High Temperature (F) Ending Thu Sep 15 2016 8PM EDT (Fri Sep 16 2016 00Z)

National Digital Forecast Database  
11z issuance Graphic created-Sep 15 7:26AM EDT