

**Volume 632 October 13, 2016**

**Market-** Prices traded higher this week and are trading higher today after the storage report was an injection into storage lower than expected levels. Gas production right now is the lowest since 2014 causing prices to rise. Downward pressure results from storage levels above last year and above the five year average. 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 decreased 2 rigs and horizontal drilling increased 6 rigs. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for November is lower this week at \$50.36 per barrel. Heating oil is lower at \$1.58 per gal. Unleaded gasoline futures are lower this week at \$1.48 and gasoline at the pump is around \$2.29...in Indiana. The natural gas storage report this week was an injection of **79BCF**; storage is **56BCF** higher than last year and **192BCF** higher than the 5 year average.



Above Graph—Nov 2016 NYMEX gas futures

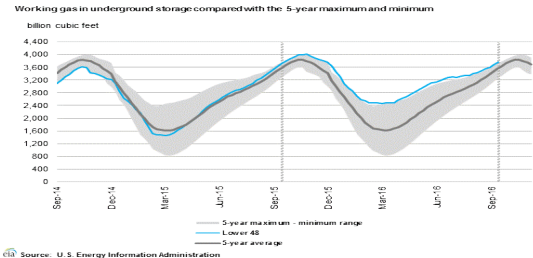
**Extended Temperature Forecast: Chicago Area**

	THU	FRI	SAT	SUN	MON
<b>High</b>	58	64	73	79	75
<b>Low</b>	40	46	59	60	58

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

This Week	Last Year	5 Year Ave.
3,759	3,703	3,567

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



Above Graph - Storage levels as of 10-13-16

**Comparative Fuels: Futures Prices for Nov**

	Price	Compared to Nat Gas
Natural Gas (therm)	\$0.3342	\$0.3342
Propane (gal)	\$0.58	\$0.6322
Crude Oil (barrel)	\$50.36	
Heating Oil (gal)	\$1.58	\$1.136
Coal (CLRP) (ton)	\$40.00	\$2.978
Unleaded Gas (gal)	\$1.48	

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

This week	94
Last week	96
Year Ago this week	189

**US Horizontal Rig Count:**

This week	413
Last week	407
Year Ago this week	598

**NGI Chicago for October 2016 \$2960**

