

Volume 641 December 22, 2016

Market- Cold weather across the northern area of the country continues to support prices. Natural gas is trading just a bit higher this morning after the storage report was a withdrawal from storage a bit higher than expected levels. Crude oil, heating oil and propane are all higher. Storage levels are now lower than last year but 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. The US gas traditional rotary rig count increased 1 rig and horizontal drilling increased 9 rigs. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for January is higher this week at \$52.91 per barrel. Heating oil is higher at \$1.66 per gal. Unleaded gasoline futures are higher this week at \$1.60 and gasoline at the pump is around \$2.29...in Indiana. The natural gas storage report this week was a withdrawal of **209BCF**; storage is **226BCF lower** than last year and **78BCF higher** than the 5 year average.



Above Graph—Jan 2017 NYMEX gas futures

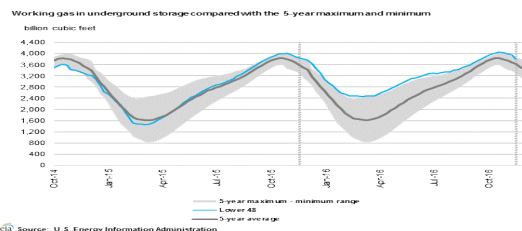
Extended Temperature Forecast: Chicago Area

	THU	FRI	SAT	SUN	MON
High	34	38	36	48	45
Low	25	30	31	43	24

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,597	3,823	3,519

The total is a decrease of 209 BCF from last week.



Above Graph - Storage levels as of 12-22-16

Comparative Fuels: Futures Prices for Jan

	Price	Compared to Nat Gas
Natural Gas (therm)	\$ 3.532	\$ 3.532
Propane (gal)	\$.625	\$.6812
Crude Oil (barrel)	\$ 52.91	
Heating Oil (gal)	\$ 1.66	\$ 1.193
Coal (CLRP) (ton)	\$ 40.00	\$ 2.978
Unleaded Gas (gal)	\$ 1.60	

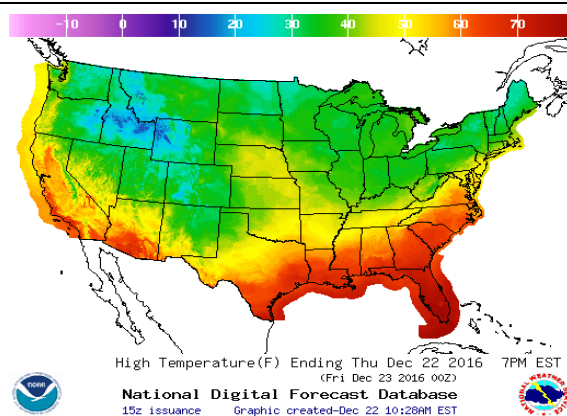
North American Traditional Nat. Gas Rig Count:

This week	126
Last week	125
Year Ago this week	168

US Horizontal Rig Count:

This week	512
Last week	503
Year Ago this week	559

NGI Chicago for December 2016 \$3.250



High Temperature (F) Ending Thu Dec 22, 2016 7PM EST
(F1 Dec 23 2016 00Z)
National Digital Forecast Database
15z Issuance Graphic created-Dec 22 10:26AM EST