

Volume 646 January 26, 2017

Market- Cold but warmer than normal weather across the northern area of the country continues to keep prices low; but colder temps are forecasted over the next 10 days. Natural gas is trading higher this morning after the storage report was a withdrawal at expected levels. Crude oil, heating oil and propane are all high but stable. Storage levels are now lower than last year and lower than 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 6 rigs and horizontal drilling increased 22 rigs. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for February is higher this week at \$53.89 per barrel. Heating oil is higher at \$1.64 per gal. Unleaded gasoline futures are lower this week at \$1.54 and gasoline at the pump is around \$2.09...in Indiana. The natural gas storage report this week was a withdrawal of **119BCF**; storage is **348BCF lower** than last year and **20BCF lower** than the 5 year average.



Above Graph—Feb 2017 NYMEX gas futures

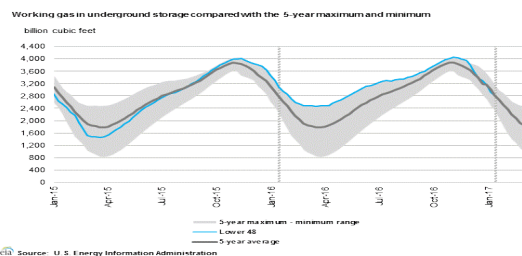
Extended Temperature Forecast: Chicago Area

	THU	FRI	SAT	SUN	MON
High	34	29	30	28	33
Low	24	22	19	17	23

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,798	3,146	2,818

The total is a decrease of 243 BCF from last week.



Above Graph - Storage levels as of 1-26-17

Comparative Fuels: Futures Prices for Feb

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.3483	\$.3483
Propane (gal)	\$.771	\$.8404
Crude Oil (barrel)	\$53.89	
Heating Oil (gal)	\$1.64	\$1.179
Coal (CLRP) (ton)	\$40.00	\$.2978
Unleaded Gas (gal)	\$1.45	

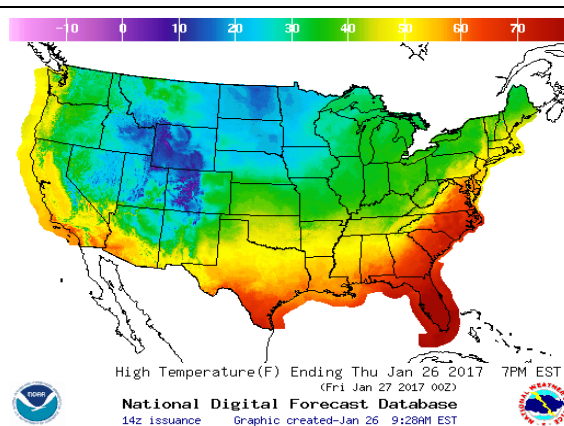
North American Traditional Nat. Gas Rig Count:

This week	142
Last week	136
Year Ago this week	127

US Horizontal Rig Count:

This week	559
Last week	537
Year Ago this week	500

NGI Chicago for January 2017 \$4160



High Temperature (F) Ending Thu Jan 26 2017 7PM EST
(Fri Jan 27 2017 00Z)

National Digital Forecast Database
14z issuance Graphic created-Jan 26 9:28AM EST