



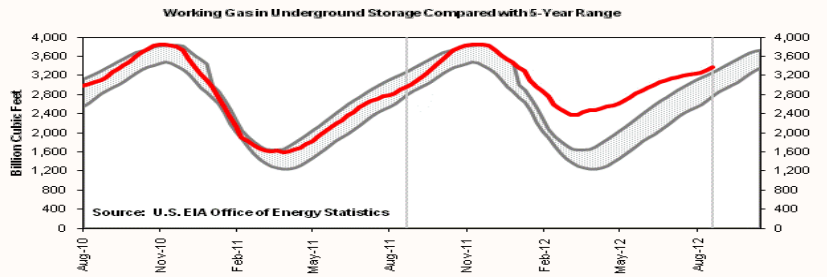
### Market Update & Outlook



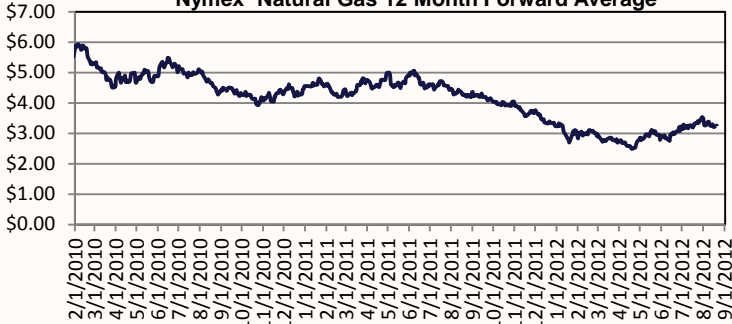
#### Weather:

- ❖ A surge of hotter air across the region will send temperatures 5-15 degrees above average.
- ❖ Most areas will see dry, sunny and very warm to hot weather on this Friday.
- ❖ Some spots will threaten record highs today.
- ❖ Many spots will have poor air quality (including New York, Philadelphia, Baltimore, Washington, Providence, and others)
- ❖ Highs will mostly be in the 80s and 90s.
- ❖ Scattered T-Storms will develop along a front across northern New England.
- ❖ A few severe storms are possible in far northern parts of New York, Vermont, New Hampshire, and Maine.

**Storage to compare with 5 year range:** Working gas in storage was 3,374 Bcf as of Friday, August 24, 2012, according to EIA estimates. This represents a net increase of 66 Bcf from the previous week. Stocks were 429 Bcf higher than last year at this time and 361 Bcf above the 5-year average of 3,013 Bcf. In the East Region, stocks were 109 Bcf above the 5-year average following net injections of 47 Bcf.



#### Nymex Natural Gas 12 Month Forward Average



**Market Watch:** At the NYMEX, the September 2012 contract (which expired yesterday) ended the week down significantly, declining from \$2.826 per MMBtu last Wednesday to \$2.634 per MMBtu yesterday, a decrease of 19.2 cents per MMBtu. Prices dropped steadily throughout the week, falling to \$2.614 per MMBtu on Tuesday, but rose yesterday to finish the week down 6.8 percent. The 12-Month Strip (average of September 2012 to August 2013 contracts) closed yesterday at \$3.163 per MMBtu, down 15.3 cents per MMBtu (4.6 percent) for the week. The October contract, which moved into the near-month position today, dropped steadily from \$2.863 per MMBtu last Wednesday before rebounding yesterday to close the week at \$2.685 per MMBtu, down 6.2 percent for the week.

Check out our new website at [www.rileynaturalgas.com](http://www.rileynaturalgas.com)

#### Natural Gas Nymex Trading 8/30/12

Month	High	Low	Last	Change
Oct '12	\$2.748	\$2.748	\$2.748	\$0.063
Nov '12	\$2.920	\$2.919	\$2.919	\$0.052
Dec '12	\$3.186	\$3.186	\$3.186	\$0.049
Jan '13	\$3.325	\$3.325	\$3.325	\$0.048
Feb '13	\$3.344	\$3.344	\$3.344	\$0.049
Mar '13	\$3.335	\$3.335	\$3.335	\$0.049
Apr '13	\$3.328	\$3.295	\$3.328	\$0.050
May '13	\$3.364	\$3.330	\$3.364	\$0.048

#### Crude Oil Nymex Trading 8/30/12

Month	High	Low	Last	Change
Oct '12	\$94.62	\$94.55	\$94.62	(\$0.87)
Nov '12	\$94.96	\$94.96	\$94.96	(\$0.85)
Dec '12	\$95.31	\$95.31	\$95.31	(\$0.83)
Jan '13	\$95.76	\$95.76	\$95.76	(\$0.79)
Feb '13	\$96.14	\$96.14	\$96.14	(\$0.74)
Mar '13	\$96.40	\$96.40	\$96.40	(\$0.67)
Apr '13	\$96.51	\$96.51	\$96.51	(\$0.57)
May '13	\$96.49	\$96.49	\$96.49	(\$0.48)

#### September Indices

September Nymex - \$2.634  
Columbia Gas Transmission- TBD  
Dominion Transmission- TBD  
Indices are the first of the month Index as published by Inside F.E.R.C.'s Gas Market Report.

#### Natural Gas Nymex Strip Prices

Strip	High	Low	Last	Change
6 mo	\$3.143	\$3.143	\$3.143	\$0.052
12 mo	\$3.278	\$3.273	\$3.278	\$0.050
Summer 12	\$2.748	\$2.748	\$2.748	\$0.063
Winter 12-13	\$3.222	\$3.222	\$3.222	\$0.049