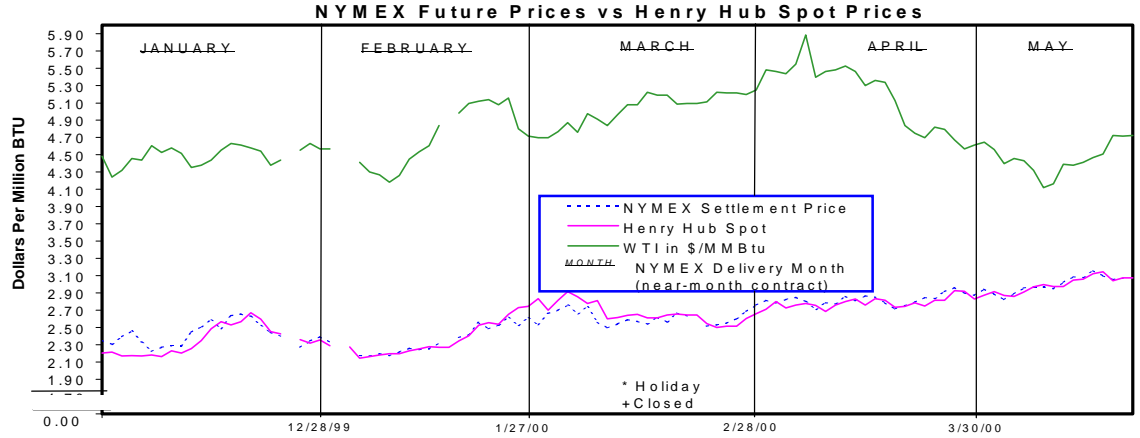
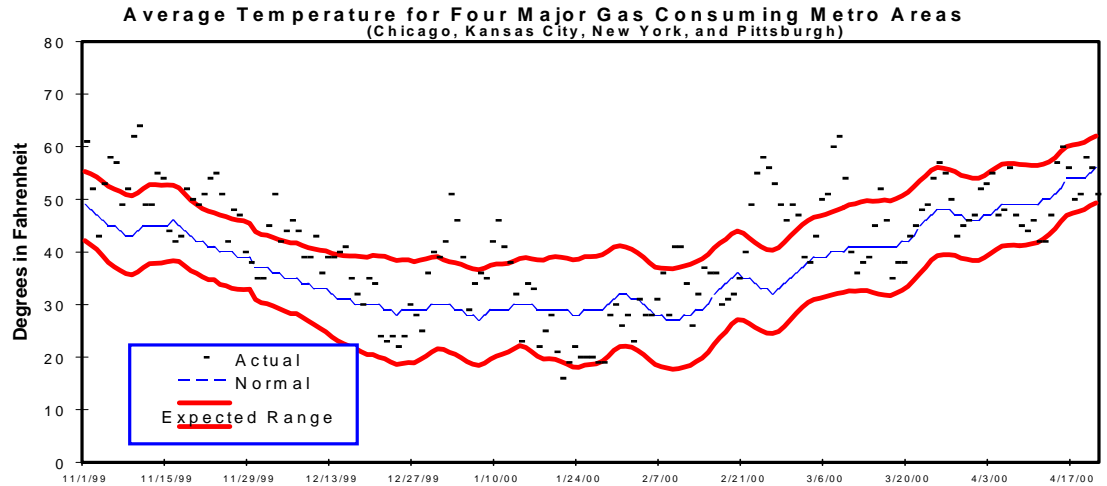


HENRY HUB PRICE (\$ per MMBtu)		
SPOT	FUTURES	
April	May	
Del	Del	
4/17	3.10-3.15	3.158
4/18	3.13-3.16	3.098
4/19	3.03-3.05	3.055
4/20	3.06-3.09	3.073
4/21	3.06-3.09	Closed



Note: The Henry Hub spot price is from the GAS DAILY and is the midpoint of their high and low price for a day. The WTI price, in dollars per barrel, is the "sell price" from the GAS DAILY, and is converted to \$/MMBtu using a conversion factor of 5.80 MMBtu per barrel. The dates marked by vertical lines are the NYMEX near-month contract settlement dates.

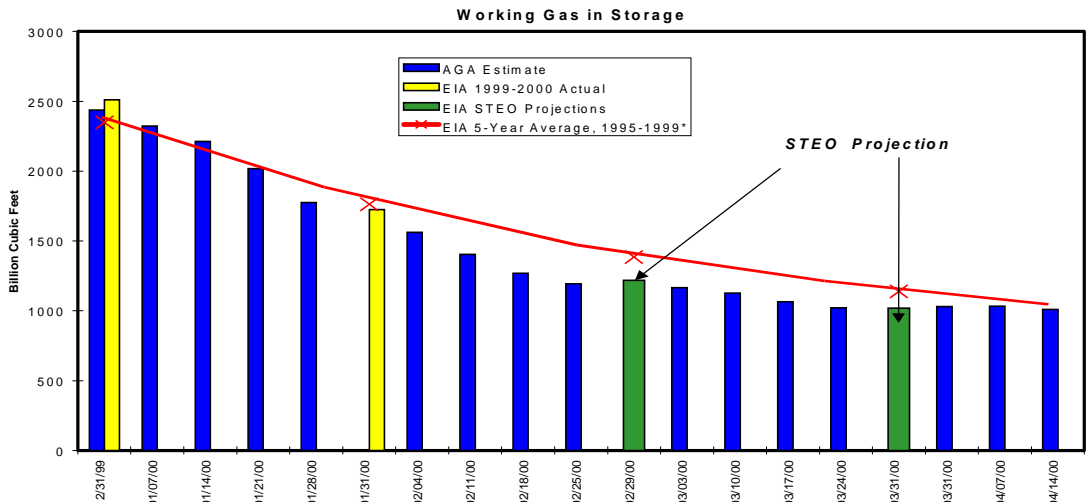
Average Temperature for Four Major Gas Consuming Areas			
	Actual	Normal	Diff
4/15	60	52	8
4/16	56	54	2
4/17	50	54	-4
4/18	51	54	-3
4/19	58	54	4
4/20	56	55	1
4/21	51	56	-5



The bounds are computed by adding and subtracting from the average temperatures for the last 10 years an amount equal to twice an estimate of the standard deviation for temperatures on a day.

Working Gas Volume as of 4/14/2000		
	BCF	% Full
EAST	417	23
WEST	269	53
Prod Area	322	34
U. S.	1008	31

Source: AGA



*The data showing the EIA 5-year historical high inventory levels have been replaced with the EIA 5-year average inventory levels for 1995-1999.

The NYMEX futures contract for May delivery at the Henry Hub opened bid week on Monday, April 24, at \$3.110 per MMBtu, \$0.048 less than the previous Monday's settlement price but still \$0.21 more than the closing price for the April contract (\$2.90). The May near-month futures contract moved down most days last week after last Monday's settlement price of \$3.158 per MMBtu to end trading on Thursday at \$3.073 (the NYMEX was closed on Good Friday). The composite average temperatures in the four cities monitored for this report (Chicago, Kansas City, New York, and Pittsburgh) returned to a more normal range during last week in contrast to the previous week's unseasonably cooler temperatures. The increase in temperatures had little or no impact on spot prices at most major market locations. Prices at the Henry Hub ended the week up 2 cents at \$3.08 per MMBtu while those at several regional markets moved up between 3 and 5 cents per MMBtu. The spot price of West Texas Intermediate crude oil moved up each day last week as it traded for \$27.40 per barrel on Friday or about \$4.72 per MMBtu.

Storage: The refill season was put on hold temporarily as 25 Bcf (America Gas Association estimate) was withdrawn during the week ended Friday, April 14—a reverse from the 2 Bcf in net additions during the first week of April and the first weekly net withdrawal in April since 1996. The unseasonably cool temperatures during the second week of April in many parts of the Midwest and the Northeast (see Temperature graph) would have led to higher gas demand. Spot prices at the Henry Hub ranged from \$2.99 to \$3.06 per MMBtu during that week (see NGWMU of 4/17/2000). Since prices for the NYMEX futures contracts through October were selling in a range of \$3.078 to \$3.119 per MMBtu, there was little economic incentive to hold or acquire gas for future use. With this latest AGA estimate, net additions through the first half of April are now a negative 23 Bcf. The return of more seasonal temperatures during the third week of April should result in the resumption of net stock injections, but unless injections surge substantially, it is likely that total additions for April will not be much above the 10-year low of 18 Bcf in 1992.

Spot Prices: Despite a return to normal spring-time temperatures last week, spot prices at most major market locations remained at their highest level in almost 8 months. As the weather-related demand in the Midwest and Northeast likely decreased, a key factor contributing to relatively high gas prices seems to be the higher petroleum prices, however, some regional price differences were observed. Prices ranged from a low of \$2.72 per MMBtu in the Rockies to a high of \$3.08 at the Henry Hub. Oversupply operational flow orders (OFO) were in effect in much of California, which impacted prices there and in regional supply markets. In contrast to increases elsewhere, prices at the state border remained steady near \$2.95 per MMBtu, and prices at upstream supply locations such as Kern River in the Rockies and the Kingsgate crossing at the Canadian border declined during the week.

Futures Prices: The general increase in futures market prices in recent months was interrupted last week as the settlement price for the near-month contract, which closes on Wednesday, April 26, declined most days with a fall on Wednesday of over 10 cents per MMBtu (see Price graph) to \$3.055. The price recovered slightly on Thursday and ended trading for the week at \$3.073 per MMBtu, which is basically unchanged from last Friday's price of \$3.078 per MMBtu. Prices for all months between now and the beginning of the next heating season moved up and traded in a tight range of less than 5 cents with the peak for October at \$3.119 per MMBtu. Key influences on the sustained price level during the non-heating season include: the industry's need for an almost 2 Tcf stock build, forecasts by EIA and others calling for 3 to 5 percent growth in gas demand during the rest of this year, and lingering concern about the near-term potential of domestic natural gas production (much of the projected additional supply needed is expected to come from imports which are projected to increase by 5 percent in 2000 to 3.6 Tcf).

Summary: Spot prices on all markets remain well above those seen recently for this time of the year. On the futures market, the May contract, similar to the April contract, appears positioned to set a record high for the calendar month since NYMEX began trading natural gas in 1991. For the first time since 1996, net weekly withdrawals occurred during April, but the stock build is expected to resume in the third week of the month.