

Newstracker:

-Natural gas spot prices fell at most locations from Wednesday, March 1, to Wednesday, March 8 (the Report Week), during which the Henry Hub spot price fell 9 cents to \$2.50/MMBtu.

-The price of the April 2023 NYMEX natural gas futures contract price decreased 26 cents to \$2.551/MMBtu for the Report Week. The price of the 12-month strip averaging April 2023 through March 2024 futures contracts declined 14.2 cents to \$3.385/MMBtu. International natural gas futures prices decreased this Report Week, with LNG cargoes in East Asia decreasing 55 cents to a weekly average of \$14.21/MMBtu and prices at TTF in the Netherlands decreasing \$1.44 to a weekly average of \$13.66/MMBtu.

-Net natural gas withdrawals from storage totaled 84 Bcf for the week ending March 3, compared with the five-year average net withdrawals of 101 Bcf and last year's net withdrawals of 126 Bcf during the same week. Working natural gas stocks totaled 2,030 Bcf, which is 21% (359 Bcf) more than the five-year average and 32% (493 Bcf) more than last year at this time.

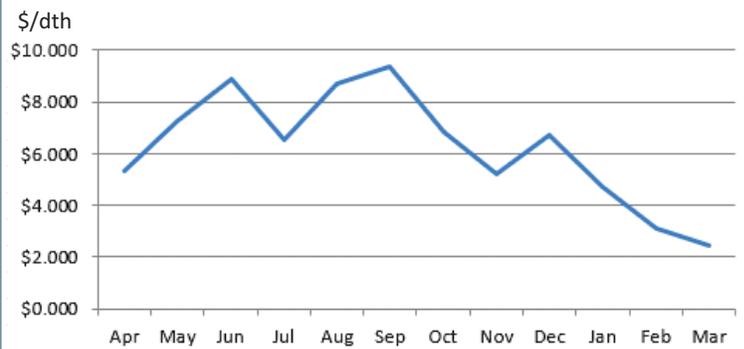
-Total US consumption of natural gas fell by 6.7% (6.1 Bcf/d) compared with the previous Report Week, as the number of total degree days across the Lower 48 states fell by 13% compared with last report week. Natural gas consumed for power generation declined by 4.2% (1.3 Bcf/d) week over week. Industrial sector consumption decreased by 1.2% (0.3 Bcf/d) week over week, and consumption in the residential and commercial sectors declined by 12.7% (4.6 Bcf/d). Natural gas exports to Mexico increased 1.3% (0.1 Bcf/d). Natural gas deliveries to U.S. LNG export facilities (LNG pipeline receipts) averaged 13.2 Bcf/d, or 0.6 Bcf/d higher than last Report Week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 2 cents/MMBtu, averaging \$8.18/MMBtu for the week ending March 8. Brent crude oil prices rose 2%, while propane prices rose 6%, resulting in a 5% decrease in the propane discount relative to crude oil.

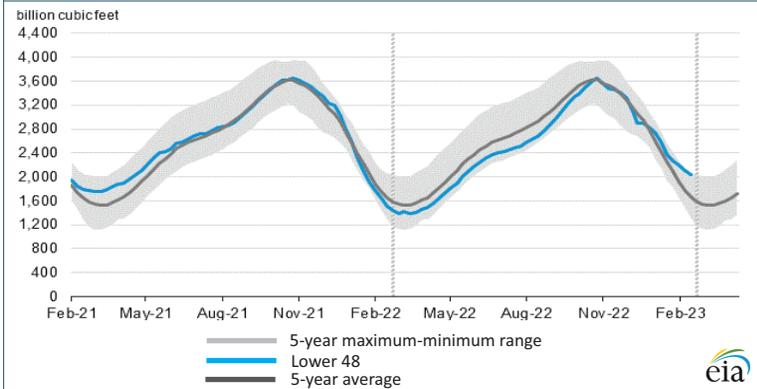
-For the week ending Tuesday, February 28, the natural gas rig count increased by 3 rigs from a week ago to 154 rigs. The number of oil-directed rigs decreased by 8 from a week ago to 592 rigs. The total rig count, which includes 3 miscellaneous rigs, stands at 749, which is 99 more rigs than last year at this time.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Apr 2022 - Mar 2023:



Working natural gas in underground storage as of Mar. 3, 2023



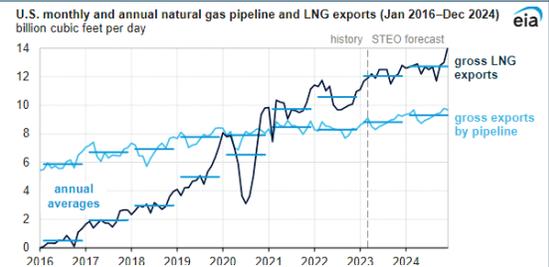
Forward 12-month NYMEX natural gas strip price - Apr23-Mar24:

Process Load-weighted \$3.385/dth - w/o/w = ▼\$0.142
 Typical Heat Load-weighted \$3.658/dth - w/o/w = ▼\$0.120

Liquefied natural gas will continue to lead growth in US natural gas exports:

Exports of LNG will continue to drive growth in US natural gas exports over the next two years: the US Energy Information Administration (EIA) forecasts that US LNG exports will average 12.1 Bcf/d in 2023, a 14% (1.5 Bcf/d) increase compared with 2022, and by an additional 5% (0.7 Bcf/d) in 2024.

EIA projects that US LNG exports will rise because of high global demand as LNG will continue to displace pipeline natural gas exports from Russia to Europe. So far this year, mild winter temperatures and fuller-than-average storage resulted in reduced LNG prices, which could be an incentive to import more LNG, especially in the price-sensitive countries of Southeast Asia. The Freeport LNG export terminal's return to service and the new LNG export projects that will be commissioned by the end of 2024 fully support the forecasted increases in exports. The Freeport LNG terminal is one of seven US LNG export facilities; it can produce 2.14 Bcf/d of LNG on a peak day. Prior to the full shutdown of the facility in June 2022, exports from the facility averaged 1.9 Bcf/d from January 2021 through May 2022. Because of the Freeport shutdown, US LNG exports declined to an average 10.0 Bcf/d from June 2022 through December 2022, after peaking at 11.7 Bcf/d in March. When the new Calcasieu Pass LNG export facility was commissioned, it partially offset the decline in exports from Freeport LNG; exports from Calcasieu Pass have averaged 1.2 Bcf/d since June 2022. This year, once all three trains at Freeport LNG return to service, EIA forecasts US LNG exports to exceed 12 Bcf/d, and the US will remain the world's largest LNG exporter. EIA forecasts that US LNG exports will increase further, to approximately 14 Bcf/d, by December 2024 because new LNG export projects under construction will start operations by then. US natural gas exports by pipeline are expected to grow by 0.5 Bcf/d in both 2023 and 2024, mainly because of increased exports to Mexico. Several new pipelines in Mexico are scheduled to come online in 2023-24, along with the Sur de Texas-Tuxpan underwater pipeline to supply the proposed floating liquefaction (FLNG) project off the east coast of Mexico.



“Clear out your garage and turn it into a gym. There’s no home improvement you can make that’ll benefit you more.” -Greg Glassman¹

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¹<https://www.positivethoughtsquote.com/2020/06/greg-glassman-quotes.html>