

Newstracker:

-Natural gas spot prices fell in the Northeast and Midwest but rose on the West Coast and in the Rockies this Report Week (Wednesday, January 30 to Wednesday, February 6). Henry Hub spot prices fell from \$2.96 per million British thermal units (MMBtu) to \$2.56/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the March 2019 natural gas futures contract decreased 19¢, from \$2.854/MMBtu to \$2.662/MMBtu, during the Report Week. The price of the 12-month strip averaging March 2019 through February 2020 futures contracts declined 13¢/MMBtu to \$2.812/MMBtu.


- Net natural gas withdrawals from storage totaled 237 Bcf for the week ending February 1, compared with the five-year (2014-18) average net withdrawals of 150 Bcf and last year's net withdrawals of 116 Bcf during the same week. Working gas stocks totaled 1,960 Bcf, which is 415 Bcf (17%) lower than the five-year average and 135 Bcf (6%) lower than last year at this time.

- U.S. consumption of natural gas fell by 15% compared with the previous report week, according to data from PointLogic Energy. In the residential and commercial sectors, consumption declined by 21% as space heating demand receded. Natural gas consumed for power generation declined by 11% week over week. Industrial sector consumption decreased by 7% week over week. Natural gas exports to Mexico decreased 3%.

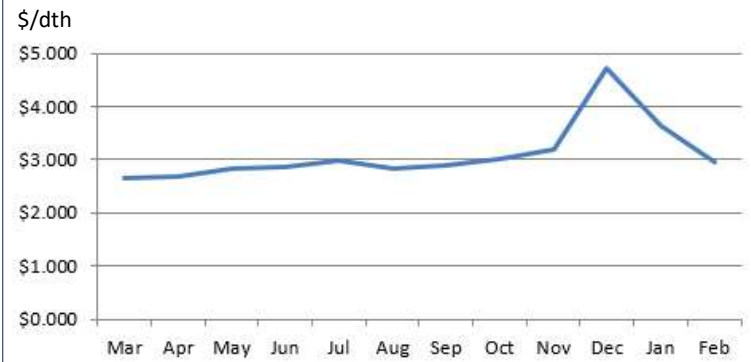
- U.S. LNG exports in January have set another record with 37 exported cargoes (28 from Sabine Pass, 6 from Cove Point, and 3 from Corpus Christi), exceeding the previous record in December of 36 exported cargoes.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 6¢/MMBtu, averaging \$6.72/MMBtu for the week ending February 6. The price of natural gasoline, ethane, propane, butane, and isobutane all rose, by 8%, 2%, 3%, 2%, and 1%, respectively.

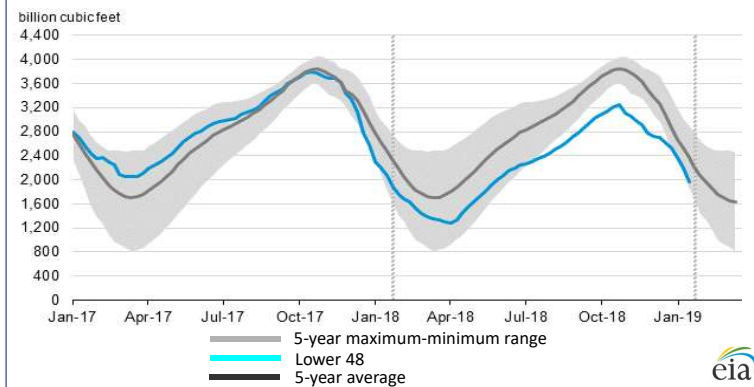
According to Baker Hughes, for the week ending Tuesday, January 29, the natural gas rig count increased by 1 to 198. The number of oil-directed rigs fell by 15 to 847. The total rig count decreased by 14, and it now stands at 1,045.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Mar 2018 - Feb 2019:



Working natural gas in underground storage as of Feb. 1, 2019



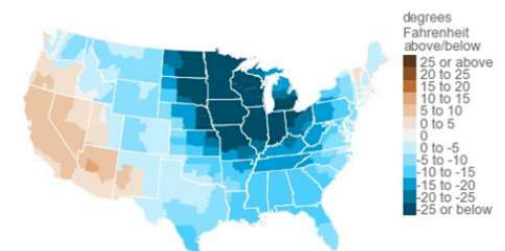
Forward 12-month NYMEX natural gas strip price - Mar19-Feb20:


Process Load-weighted \$2.812/dth - w/o/w = ▼\$0.134
 Typical Heat Load-weighted \$2.868/dth - w/o/w = ▼\$0.135

Polar vortex breaks records in natural gas consumption:

Cold weather and a polar vortex blanketed much of the Lower 48 states from January 29-31, resulting in record US natural gas consumption. Estimated total natural gas demand posted a new single-day record on January 30, topping the previous record set on January 1, 2018. Total estimated consumption by the power, industrial, and residential/commercial sectors and total estimated natural gas exports reached 145.9 billion cubic feet (Bcf) on January 30, compared with the previous record of 143.9 Bcf set in 2018, according to data from PointLogic Energy. According to the National Oceanic and Atmospheric Administration (NOAA), daily temperatures in the Lower 48 states averaged 28° Fahrenheit (F) for the week ending January 31, which was 6°F lower than the 30-year average for the same period and 11°F lower than year-ago levels. The Midwest was the most heavily affected, with temperatures that were lower than normal by 25°F or more for three consecutive days. Estimated use of natural gas by the residential and commercial sectors spiked to 70.9 Bcf on January 30, the third-largest residential and commercial daily consumption of natural gas on record, according to PointLogic Energy. The previous record was set on two days in January 2014 during another polar vortex event. Natural gas trade was also affected during the cold weather event. Net Canadian imports of natural gas during the polar vortex averaged 7.2 billion cubic feet per day (Bcf/d) according to PointLogic Energy, an increase of 1.4 Bcf/d from levels in early January 2019. US pipeline exports to Canada decreased, with some pipelines - the Empire pipeline in Western New York and the Great Lakes Transmission pipeline in Michigan - reversing flows and importing natural gas to serve U.S. population centers. Some delivery day natural gas prices were affected by the weather, although price spikes were more muted than in previous cold weather events. Prices returned close to normal the day after the event (February 1). Northeast regional prices spiked the most, averaging \$6.95/MMBtu, with a high of \$9.95/MMBtu.

Average departure from normal temperatures on January 30 degrees Fahrenheit



Excerpted from 

“A goal is not always meant to be reached, it often serves simply as something to aim at.” -Bruce Lee¹