

Newstracker:

-Natural gas spot prices rose at most locations from Wednesday, August 14 to Wednesday, August 21 (the Report Week). For the Report Week, Henry Hub spot prices rose from \$2.15 per million British thermal units (MMBtu) to \$2.25/MMBtu.

-At the New York Mercantile Exchange (Nymex), the price of the September 2019 natural gas futures contract increased 3¢, from \$2.143/MMBtu last Wednesday to \$2.170/MMBtu from open to close of the Report Week. The price of the 12-month strip averaging September 2019 through August 2020 futures contracts climbed 1¢/MMBtu to \$2.329/MMBtu.

- Net natural gas injections into storage totaled 59 Bcf for the week ending August 16, compared with the five-year (2014-18) average net injections of 51 Bcf and last year's net injections of 47 Bcf during the same week. Working gas stocks totaled 2,797 Bcf, which is 103 Bcf (4%) lower than the five-year average and 369 Bcf (15%) more than last year at this time. The average rate of net natural gas injections into storage is 31% higher than the five-year average so far in the refill season (April through October). If the rate of injections into storage matched the five-year average of 10.4 Bcf/d for the remainder of the refill season, total inventories would be 3,589 Bcf on October 31, which is 103 Bcf lower than the five-year average of 3,692 Bcf for that time of year.

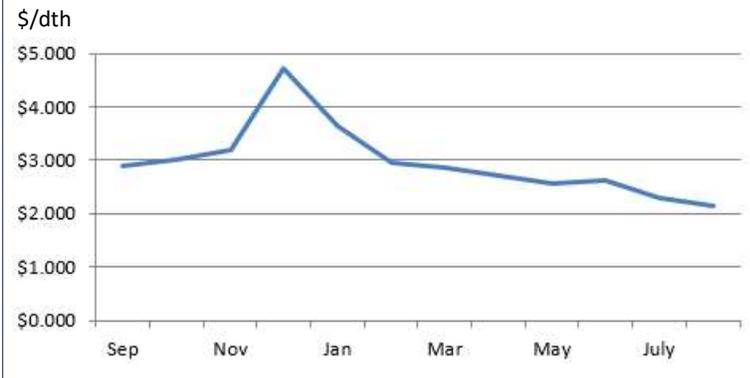
- Total U.S. consumption of natural gas was unchanged from the previous report week, averaging 70.7 Bcf/d according to data from PointLogic Energy. Natural gas consumed for power generation declined by 1% week over week. Industrial sector consumption increased by 1% week over week. In the residential and commercial sectors, consumption increased by 2%. Natural gas exports to Mexico increased 1%.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 23¢/MMBtu, averaging \$4.10/MMBtu for the week ending August 21. The price of ethane, propane, butane, and isobutane fell by 2%, 5%, 11%, and 19%, respectively. The price of natural gasoline rose by 2%.

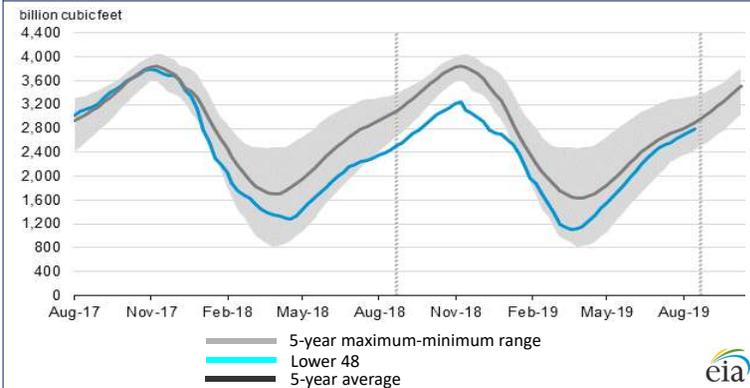
-According to Baker Hughes, for the week ending Tuesday, August 13, the natural gas rig count decreased by 4 to 165. The number of oil-directed rigs rose by 6 to 770. The total rig count increased by 1, and it now stands at 935.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Sep 2018 - Aug 2019:



Working natural gas in underground storage as of August 16, 2019



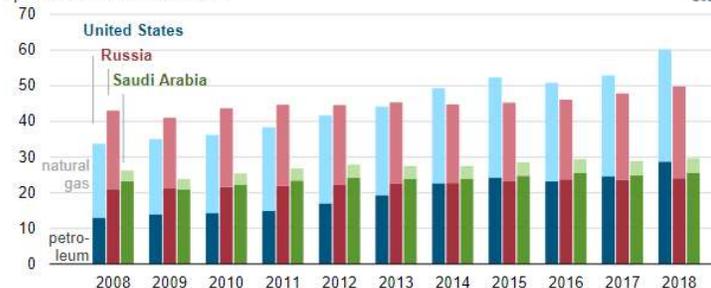
Forward 12-month NYMEX natural gas strip price - Sep19-Aug20:

Process Load-weighted \$2.317/dth - w/o/w = ▼\$0.006
 Typical Heat Load-weighted \$2.373/dth - w/o/w = ▼\$0.009

Natural:

US petroleum and natural gas production increased by 16% and by 12%, respectively, in 2018, and these totals combined established a new production record. The US surpassed Russia in 2011 to become the world's largest producer of natural gas and surpassed Saudi Arabia in 2018 to become the world's largest producer of petroleum. Last year's increase in the US was one of the largest absolute petroleum and natural gas production increases from a single country in history. For the US and Russia, petroleum and natural gas production is almost evenly split; Saudi Arabia's production heavily favors petroleum. Petroleum production is composed of several types of liquid fuels, including crude oil and lease condensate, natural gas plant liquids (NGPLs), and bitumen. The US produced 28.7 quadrillion British thermal units (quads) of petroleum in 2018, which was composed of 80% crude oil and condensate and 20% NGPLs.

Estimated petroleum and natural gas production in selected countries
 quadrillion British thermal units



US crude oil production increased by 17% in 2018, setting a new record of nearly 11.0 million barrels per day (b/d), equivalent to 22.8 quadrillion British thermal units (Btu) in energy terms. Production in the Permian region of western Texas and eastern New Mexico contributed to most of the growth in U.S. crude oil production. The US also produced 4.3 million b/d of NGPLs in 2018, equivalent to 5.8 quadrillion Btu. US NGPL production has more than doubled since 2008, when the market for NGPLs began to expand. US dry natural gas production increased by 12% in 2018 to 28.5 billion cubic feet per day (Bcf/d), or 31.5 quadrillion Btu, reaching a new record high for the second year in a row. Ongoing growth in liquefied natural gas export capacity and the expanded ability to reach new markets have supported increases in US natural gas production.

Excerpted from 

“You can never do a kindness too soon, for you never know how soon it will be too late.” -Ralph Waldo Emerson¹