

Newstracker:

-Natural gas spot price movements were mixed from Wednesday, November 13, to Wednesday, November 20 (the Report Week). The Henry Hub spot price fell from \$2.62 per million British thermal units (MMBtu) to \$2.47/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the December 2019 natural gas futures contract decreased 4¢, from \$2.600/MMBtu to \$2.559/MMBtu from start to finish of the Report Week. The price of the 12-month strip averaging December 2019 through November 2020 futures contracts declined 6¢/MMBtu to \$2.427/MMBtu.


-The net natural gas withdrawal from storage totaled 94 Bcf for the week ending November 15, compared with the five-year (2014-18) average net withdrawal of 32 Bcf and last year's net withdrawal of 109 Bcf during the same week. Working natural gas stocks totaled 3,638 Bcf, which is 60 Bcf (2%) lower than the five-year average and 506 Bcf (16%) more than last year at this time.

-Total U.S. consumption of natural gas fell by 5% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation declined by 7% week over week. Industrial sector consumption decreased by 1% week over week. In the residential and commercial sectors, consumption declined by 5%. Natural gas exports to Mexico were the same as last week, averaging 5.3 Bcf/d.

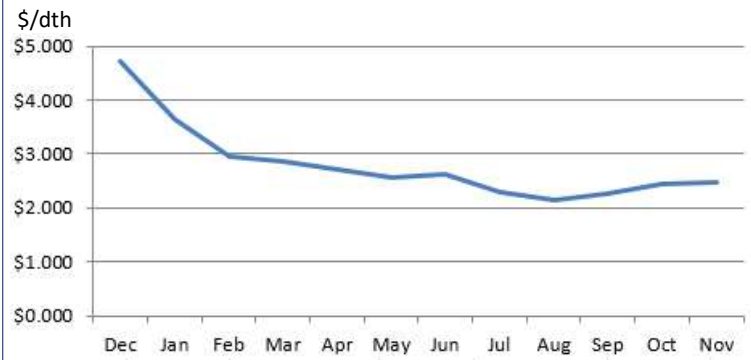
-According to data from IHS Markit, the average total supply of natural gas remained the same as in the previous report week, averaging 100.2 Bcf/d. Dry natural gas production grew by 1% compared with the previous report week. Average net imports from Canada decreased by 17% from last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 9¢/MMBtu, averaging \$5.78/MMBtu for the week ending November 20. The price of isobutane fell by 2%. The prices of ethane, natural gasoline, and propane rose by 1%, 2%, and 4%, respectively. The price of butane remained flat week over week.

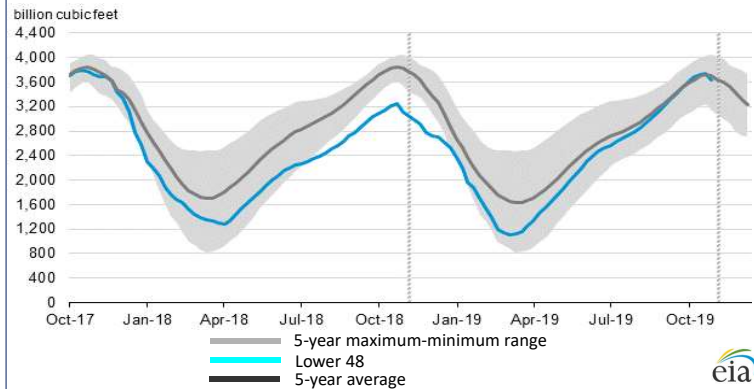
-According to Baker Hughes, for the week ending Tuesday, November 12, the natural gas rig count decreased by 1 to 129. The number of oil-directed rigs fell by 10 to 674. The total rig count decreased by 11, and it now stands at 806.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Dec 2018 - Nov 2019:



Working natural gas in underground storage as of Nov. 15, 2019

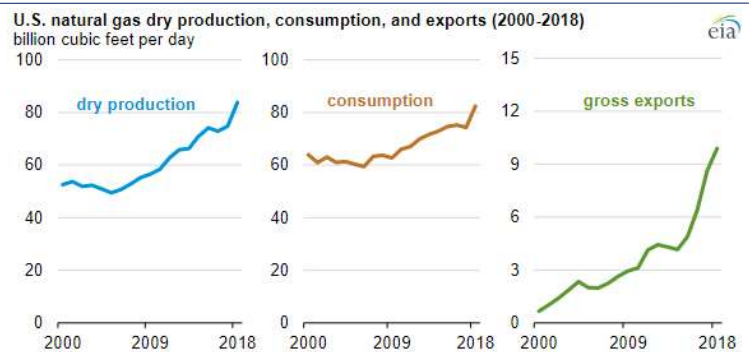



Forward 12-month NYMEX natural gas strip price - Dec19-Nov20:

Process Load-weighted \$2.427/dth - w/o/w = ▼\$0.060
 Typical Heat Load-weighted \$2.482/dth - w/o/w = ▼\$0.065

US natural gas production, consumption and exports set new records in 2018 :

The US set new records in natural gas production, consumption, and exports in 2018. In 2018, dry natural gas production increased by 12%, reaching a record-high average of 83.8 billion cubic feet per day (Bcf/d). This increase was the largest percentage increase since 1951 and the largest ever volumetric increase. Natural gas consumption increased by 11% in 2018, driven by increased usage in the electric power sector. Natural gas gross exports totaled 10.0 Bcf/d in 2018 (14% more than the 2017 total of 8.6 Bcf/d), fueled by several new liquefied natural gas (LNG) export facilities that came online in 2018. US natural gas consumption grew in each end-use sector. Demand for natural gas as a home heating fuel was greater in 2018 than in 2017 because of slightly colder weather during most of the winter. Similarly, the hot summer of 2018 increased demand for air conditioning and, therefore, electricity much of which was fueled by natural gas. US electric power sector consumption of natural gas grew by 14% in 2017, more than in any other end-use sector. US natural gas production growth was concentrated in the Appalachian, Permian, and Haynesville regions. Pennsylvania and Ohio, states that overlay the Appalachian Basin, had the first- and third-largest year-over-year increases for 2018, increasing by 2.0 Bcf/d and 1.7 Bcf/d, respectively. Louisiana had the second-largest volumetric increase in dry production, increasing by 1.8 Bcf/d as a result of increased production from the Haynesville shale formation. Texas remained the top natural gas-producing state, with a production level of 18.7 Bcf/d, as a result of continued drilling activity in the Permian Basin in western Texas and eastern New Mexico.



Excerpted from 

“Where there is shouting, there is no true knowledge.” -Leonardo da Vinci¹

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¹https://www.brainyquote.com/quotes/leonardo_da_vinci_379159