

Newstracker:

-Natural gas spot prices rose at most locations from Wednesday, December 11 to Wednesday, December 18 (the Report Week). The Henry Hub spot price fell from \$2.26 per million British thermal units (MMBtu) to \$2.24/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the January 2020 natural gas futures contract increased 4¢, from \$2.243/MMBtu to \$2.286/MMBtu from start to finish of the Report Week. The price of the 12-month strip averaging January 2020 through December 2020 futures contracts climbed 2¢/MMBtu to \$2.294/MMBtu.


-The net natural gas withdrawal from storage totaled 107 Bcf for the week ending December 13, compared with the five-year (2014-18) average net withdrawal of 112 Bcf and last year's net withdrawal of 132 Bcf during the same week. Working natural gas stocks totaled 3,411 Bcf, which is 9 Bcf lower (0%) than the five-year average and 618 Bcf (22%) more than last year at this time.

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

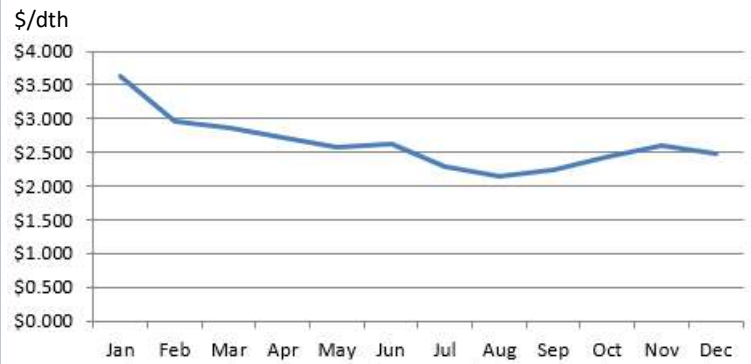
-US LNG exports increase week over week as seventeen LNG vessels (eight from Sabine Pass, two each from Corpus Christi, Cove Point, Cameron, and Freeport, and one from Elba Island) with a combined LNG-carrying capacity of 59 Bcf departed the US between December 12 and December 18.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 2¢/MMBtu, averaging \$5.58/MMBtu for the week ending December 18. The prices of natural gasoline, propane, and isobutane fell by 1%, 1%, and 2%, respectively. The price of butane rose by 4%. -- The price of ethane remained flat week over week.

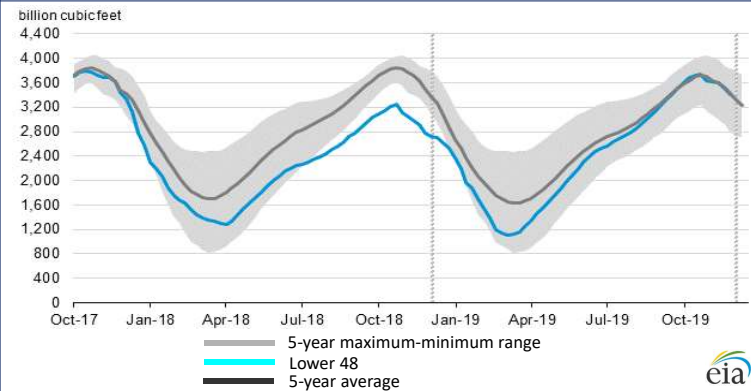
According to Baker Hughes, for the week ending Tuesday, December 10, the natural gas rig count decreased by 4 to 129. The number of oil-directed rigs rose by 4 to 667. The total rig count stayed at 799, the lowest level since March 2017.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Jan 2019 - Dec 2019:



Working natural gas in underground storage as of Dec. 13, 2019




Forward 12-month NYMEX natural gas strip price - Jan20-Dec20:

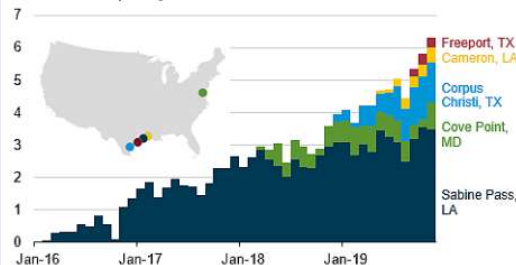
Process Load-weighted \$2.294/dth - w/o/w = ▲\$0.019
 Typical Heat Load-weighted \$2.310/dth - w/o/w = ▲\$0.020

Vessel loadings show record levels of US LNG exports in October and November:

US exports of liquefied natural gas (LNG) set two consecutive records in October and November 2019. LNG exports averaged 5.8 billion cubic feet per day (Bcf/d) with 52 exported cargoes in October and 6.3 Bcf/d with 55 exported cargoes in November, according to EIA estimates based on the shipping data provided by Bloomberg Finance, L.P. From January through November 2019, US LNG exports averaged 4.8 Bcf/d, 61% higher than in 2018 (3.0 Bcf/d annual average), as the US became the third-largest LNG exporter in the world. Two new facilities Cameron LNG and Freeport LNG placed their first liquefaction units (referred to as trains) in service this year. Corpus Christi LNG commissioned its second train in July. Elba Island started LNG production from the first five of its Moveable Modular Liquefaction System (MMLS) units and is currently loading first export cargo. Natural gas feedstock deliveries to US LNG export facilities have been the fastest growing consumption sector for US natural gas in 2019, increasing by 2.8 Bcf/d between January and November, based on pipeline flow data provided by IHS Markit. Feedstock deliveries exceeded 6 Bcf/d for the first time in July, averaged 7.4 Bcf/d in November, and exceeded 8.3 Bcf/d in the second week of December. From January through November 2019, EIA estimates that capacity utilization of US liquefaction facilities averaged 93% baseload, or 81% peak. Cheniere Energy, the operator of Sabine Pass and Corpus Christi LNG terminals, filed applications to increase operational capacity of Sabine Pass and Corpus Christi based on technical upgrades that have optimized the operational performance of the facilities. Cameron LNG ramped up baseload production capacity to 77% in November, and Freeport LNG, since commissioning Train 1 in September, ramped up production to 50% in October and November. Because commissioning new liquefaction trains is done gradually over time, utilization of the facilities in the first several months of operations typically remains below 50%.

Excerpted from 

U.S. LNG exports by liquefaction terminal (Feb 2016 – Nov 2019)
 billion cubic feet per day



“Tell me and I forget. Teach me and I remember. Involve me and I learn.” -Benjamin Franklin¹