

## Newstracker:

-Natural gas spot prices fell at most locations for the period Wednesday, April 8 to Wednesday, April 15 (the Report Week). The Henry Hub spot price fell from \$1.80 per million British thermal units (MMBtu) to \$1.64/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the May 2020 natural gas futures contract decreased 19¢, from \$1.783/MMBtu to \$1.598/MMBtu from start to finish of the Report Week. The price of the 12-month strip averaging May 2020 through April 2021 futures contracts declined 5¢/MMBtu to \$2.299/MMBtu.

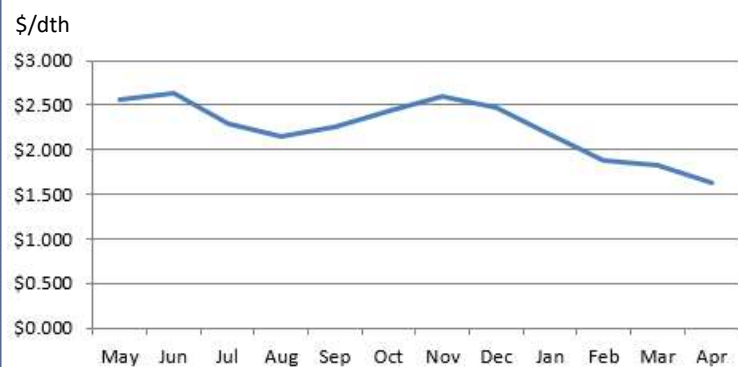
- The net injections into storage totaled 73 Bcf for the week ending April 10, compared with the five-year (2015-19) average net injections of 27 Bcf and last year's net injections of 73 Bcf during the same week. Working natural gas stocks totaled 2,097 Bcf, which is 370 Bcf (21%) more than the five-year average and 876 Bcf (72%) more than last year at this time.

-Total US consumption of natural gas rose by 3% compared with the previous report week, according to data from IHS Markit. Natural gas consumed in the residential and commercial sectors increased by 9% as a result of cooler temperatures. The power generation sector was flat, averaging 25.9 Bcf/d. Industrial sector consumption remained unchanged, averaging 20.8 Bcf/d. Natural gas exports to Mexico decreased 8%. US LNG exports increased week over week, as seventeen LNG vessels with a combined LNG-carrying capacity of 61 Bcf departed the US between April 9 and April 15, 2020, according to shipping data provided by MarineTraffic.com.

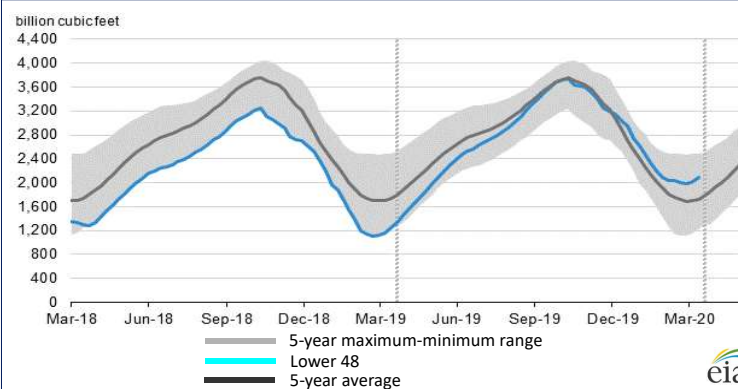
-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 31¢/MMBtu, averaging \$2.82/MMBtu for the week ending April 15. The price of natural gasoline fell by 2%. The prices of propane, ethane, butane, and isobutane rose by 9%, 11%, 18%, and 18%, respectively. The increase in NGPL values was a result of the rise in crude oil prices during the report week and international NGPL demand remaining robust, allowing prices to correct after significant price declines in past weeks.

-According to Baker Hughes, for the week ending Tuesday, April 7, the natural gas rig count decreased by 4 to 96, the lowest level since October 2016. The number of oil-directed rigs remained constant at 562. The total rig count decreased by 4, and it now stands at 660. Excerpted from eia

## Monthly NYMEX Natural Gas Settle Price: May 2019 - Apr 2020:



## Working natural gas in underground storage as of Apr. 10, 2020



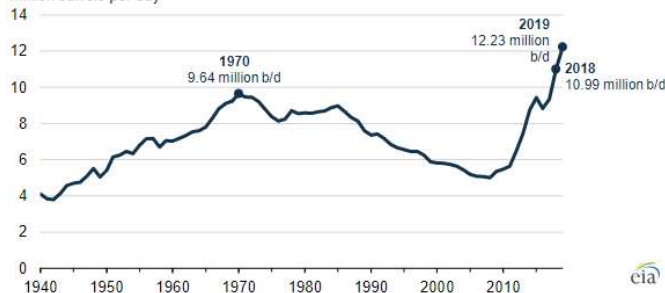
## Forward 12-month NYMEX natural gas strip price - May20-Apr21:

Process Load-weighted \$2.299/dth - w/o/w = ▼\$0.047  
 Typical Heat Load-weighted \$2.555/dth - w/o/w = ▼\$0.010

## US Crude oil production grew 11% in 2019, surpassing 12 million barrels per day:

Annual US crude oil production reached a record level at 12.23 million barrels per day (b/d) in 2019, 11%, more than 2018 levels. The 2019 growth rate was down from a 17% growth rate in 2018. In November 2019, monthly US crude oil production averaged 12.86 million b/d, the highest monthly production in US history. U.S. crude oil production has increased significantly during the past 10 years, driven mainly by production from tight rock formations developed using horizontal drilling and hydraulic fracturing to extract hydrocarbons. Texas continues to produce more crude oil than any other state or region of the US, accounting for 41% of the national total in 2019. Texas's production increase of almost 660,000 b/d in 2019 was 53% of the total US increase for the

U.S. crude oil production (1940-2019)  
million barrels per day



year. Several other US states or regions set production records in 2019. New Mexico enjoyed a 36% production increase. This increase was the second-largest state-level growth in 2019 and accounted for 20% of the total US increase. In the Offshore Federal Gulf of Mexico, crude oil production grew by 126,000 b/d in 2019, leading to the area's highest annual average production of 1.88 million b/d. The Offshore Federal Gulf of Mexico was the second-largest crude oil producing region in the United States in 2019. Colorado and North Dakota also set record production levels in 2019. Oklahoma increased its production in 2019 but did not surpass its record production of 613,000 b/d set in 1967. Increases in these states and regions more than offset production declines elsewhere. Alaska's crude oil production decreased for the second year in a row, and California's production declined for the fifth year in a row. Excerpted from eia

“The happiness of your life depends upon the quality of your thoughts: therefore, guard accordingly, and take care that you entertain no notions unsuitable to virtue and reasonable nature.” -Marcus Aurelius<sup>1</sup>

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<sup>1</sup>https://www.brainyquote.com/quotes/marcus\_aurelius\_121534