

Newstracker:

-Natural gas spot prices were mixed at most locations for the period of Wednesday, April 22 to Wednesday, April 29 (the Report Week). The Henry Hub spot price fell from \$1.87 per million British thermal units (MMBtu) to \$1.70/MMBtu from open to close of the Report Week.


-At the New York Mercantile Exchange (Nymex), the May 2020 natural gas futures contract expired Tuesday, April 28 at \$1.794/MMBtu, down 15¢/MMBtu from the previous Wednesday. The June 2020 contract price decreased to \$1.869/MMBtu, down 18¢/MMBtu from the previous Wednesday. The price of the 12-month strip averaging June 2020 through May 2021 futures contracts declined 7¢/MMBtu to \$2.535/MMBtu.

-Net natural gas injections into storage totaled 70 Bcf for the week ending April 24, compared with the five-year (2015-19) average net injections of 74 Bcf and last year's net injections of 114 Bcf during the same week. Working natural gas stocks totaled 2,210 Bcf, which is 360 Bcf (19%) more than the five-year average and 783 Bcf (55%) more than last year at this time.

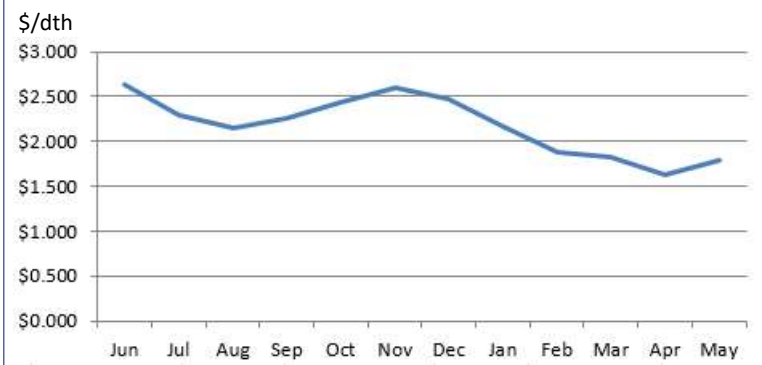
-Total U.S. consumption of natural gas fell by 3.8% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation declined by 1.9% week over week. In the residential and commercial sectors, consumption declined by 8.5% with seasonal temperatures. Industrial sector consumption decreased by 1.1% week over week. Natural gas exports to Mexico increased 2.7%. US LNG exports decreased week over week, as eleven LNG vessels with a combined LNG-carrying capacity of 39 Bcf departed the US between April 23 and April 29, 2020, according to shipping data compiled by Bloomberg.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 7¢/MMBtu, averaging \$3.09/MMBtu for the week ending April 29. The price of ethane rose by 18%. The prices of propane, butane, isobutane, and natural gasoline, fell by 1%, 3%, 5%, and 7%, respectively.

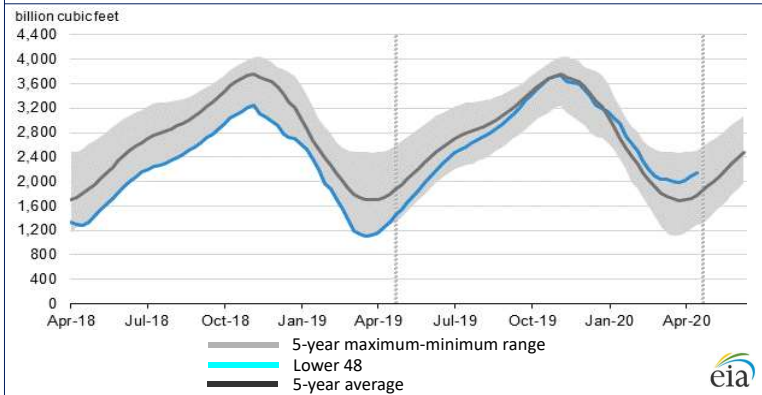
-According to Baker Hughes, for the week ending Tuesday, April 21, the natural gas rig count decreased by 4 to 85. The number of oil-directed rigs fell by 60 to 378. The total rig count decreased by 64, and it now stands at 465.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Jun 2019 - May 2020:



Working natural gas in underground storage as of Apr. 24, 2020



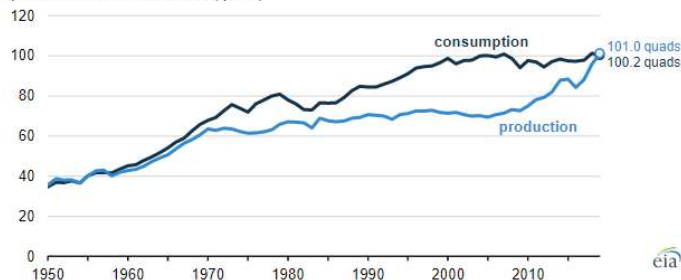
Forward 12-month NYMEX natural gas strip price - Jun20-May21:

Process Load-weighted \$2.535/dth - w/o/w = ▼\$0.067
 Typical Heat Load-weighted \$2.765/dth - w/o/w = ▼\$0.042


In 2019, US energy production exceeded consumption for the first time in 62 years:

In 2019, for the first time since 1957, annual energy production exceeded energy consumption in the US. The US produced 101.0 quadrillion British thermal units (quads) of energy and consumed 100.2 quads last year. After both energy production and consumption hit record highs in 2018, US energy production in 2019 grew 5.7%, and energy consumption decreased by 0.9%. US energy production has grown substantially during the past decade, largely a result of increases in crude oil and natural gas production from hydraulic fracturing and horizontal drilling. In 2019, US crude oil and natural gas plant liquids (NGPL) production set record highs, surpassing their previous highs set in 2018. US renewable energy production remained fairly constant between 2018 and 2019. In contrast, US coal production declined for the third year in a row, reaching its lowest point since 1974. US nuclear electric power production has remained steady for the past two decades. US energy consumption has remained in a relatively narrow range in the past two decades, ranging between 96 quads and 102 quads. Petroleum has accounted for the largest share of US energy consumption since 1950, even though it has fallen nearly 9% from its peak in 2005. Since 2008, US coal consumption has decreased nearly 50%, primarily because coal has been displaced by natural gas and renewables in the electricity sector. US natural gas consumption has increased by about 35% since 2000 and reached an all-time high in 2019. Renewable energy consumption in the US which includes renewable-powered electricity generation, biofuels, and biomass has grown by 88% during the same period, and its share of consumption was nearly the same as coal in 2019.

U.S. total energy production and consumption (1950-2019)
quadrillion British thermal units (quads)



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“Positive thinking will let you do everything better than negative thinking.” -Zig Ziglar¹