
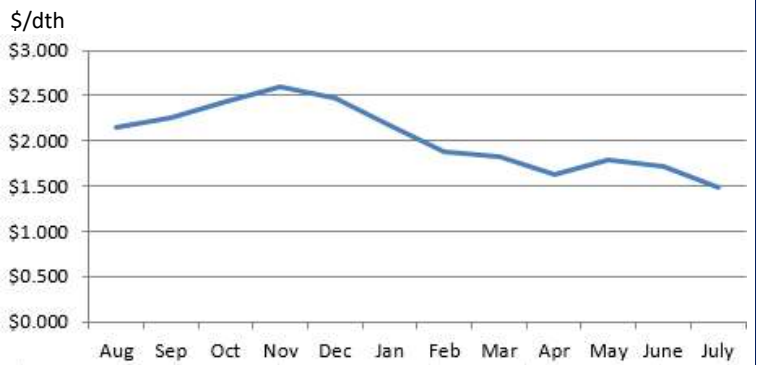


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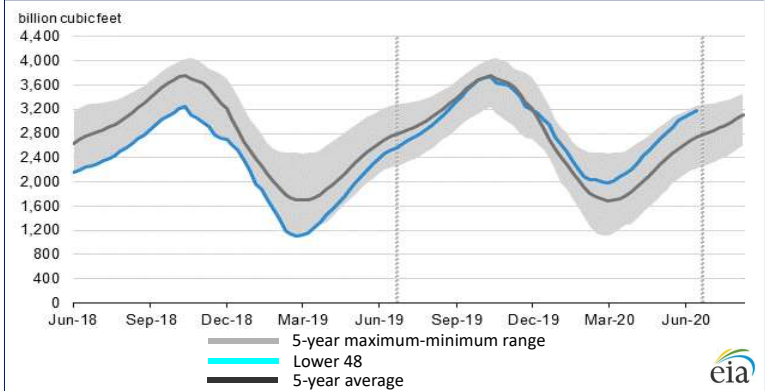
- Natural gas spot prices fell at most locations from Wednesday, July 8 to Wednesday, July 15 (the Report Week). The Henry Hub spot price fell from \$1.79 per million British thermal units (MMBtu) to \$1.71/MMBtu from open to close of the Report Week.
- At the New York Mercantile Exchange (Nymex), the price of the August 2020 natural gas futures contract decreased 5¢, from \$1.824/MMBtu to \$1.778/MMBtu during the term of the Report Week. The price of the 12-month strip averaging August 2020 through July 2021 futures contracts declined 2¢/MMBtu to \$2.421/MMBtu.
- Net natural gas injections into storage totaled 45 Bcf for the week ending July 10, compared with the five-year (2015-19) average net injections of 63 Bcf and last year's net injections of 67 Bcf during the same week. Working natural gas stocks totaled 3,178 Bcf, which is 436 Bcf (16%) more than the five-year average and 663 Bcf (26%) more than last year at this time.
- Total US consumption of natural gas rose by 0.9% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation climbed by 1.2% week over week as power generation steadily increased since mid-June. Power burn hit 43.6 Bcf/d on 7-9-20, the highest daily level since August 2019 before falling back to near 40 Bcf/d by the middle of the report week. Industrial sector consumption increased by 1.3% week over week. In the residential and commercial sectors, consumption declined by 1.3%. Natural gas exports to Mexico increased 5.9%.
- US LNG exports decreased week over week as four liquefied natural gas (LNG) vessels with a combined LNG-carrying capacity of 15 Bcf departed the US between July 9 and July 15, 2020, according to shipping data provided by Marine Traffic.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 23¢/MMBtu, averaging \$4.78/MMBtu for the week ending July 15. The prices of natural gasoline, ethane, isobutane, propane, and butane all rose, by 12%, 8%, 7%, 2%, and 1%, respectively.
- According to Baker Hughes, as of July 7, the natural gas rig count decreased by 1 to 75. The number of oil-directed rigs fell by 4 to 181. The total rig count decreased by 5, and it now stands at 258.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Aug 2019 - Jul 2020:



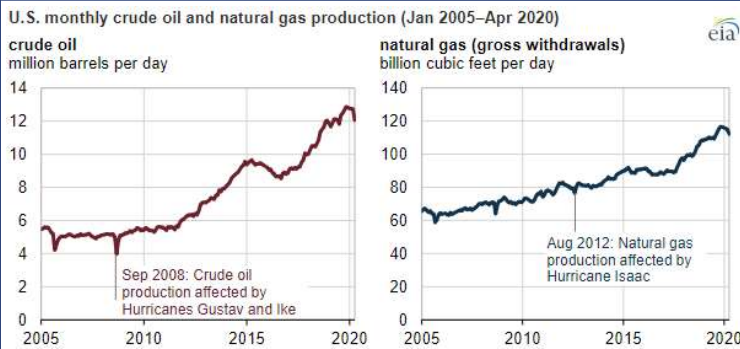
Working natural gas in underground storage as of July 10, 2020



Forward 12-month NYMEX natural gas strip price - Aug20-Jul21:


Process Load-weighted \$2.421/dth - w/o/w = ▼\$0.024
 Typical Heat Load-weighted \$2.608/dth - w/o/w = ▼\$0.014

US crude oil and natural gas production in April had biggest monthly decreases since 2008 and 2012, respectively:



Production of crude oil and natural gas decreased in the US in April 2020 by 670,000 barrels per day (b/d) and 2.6 billion cubic feet per day (Bcf/d), respectively. Production declines of that magnitude usually arise only in natural disasters such as hurricanes: the drop in US crude oil production in April was the largest since September 2008 when Hurricanes Gustav and Ike caused production to fall by 1.03 million b/d. The April 2020 decline in natural gas production was the largest monthly decrease since Hurricane Isaac-related shut-ins in August 2012. April was the first full month to be affected by the low crude oil and natural gas prices related to the sudden drop in petroleum demand associated with coronavirus (COVID-19) mitigation efforts. The declining market led oil and natural gas operators to shut-in wells and limit the number of wells brought online, lowering the output for the major oil- and natural gas-producing regions.

The US Energy Information Administration (EIA) forecasts that US crude oil production will average 11.6 million barrels per day (b/d) in 2020. These levels would be 0.6 million b/d lower than the 2019 average of 12.2 million b/d. EIA forecasts that US marketed natural gas production which it defines as gross withdrawals of natural gas less natural gas used for repressuring reservoirs, quantities vented or flared, and nonhydrocarbon gases removed in treating or processing operations will continue to decline for the remainder of 2020.

Excerpted from 

"I've been to Iraq three times. I've been to Afghanistan, I've been quite a few places, and I want to tell you something, these kids, they're the best we've got. They're the best Americans, they're the most loyal Americans we've got. And we owe them when they come back.." -Charlie Daniels¹