

Newstracker:

-Natural gas spot prices rose at most locations from Wednesday, September 30 to Wednesday, October 7 (the Report Week), with the Henry Hub spot price rising from \$1.63 per million British thermal units (MMBtu) to \$2.03/MMBtu.

-At the New York Mercantile Exchange (Nymex), the price of the November 2020 natural gas futures contract increased 8¢, from \$2.527/MMBtu to \$2.606/MMBtu from open to close of the Report Week. The price of the 12-month strip averaging November 2020 through October 2021 futures contracts climbed 2¢/MMBtu to \$2.919/MMBtu.

-Net natural gas injections into storage totaled 75 Bcf for the week ending October 2, compared with the five-year (2015-19) average net injections of 86 Bcf and last year's net injections of 102 Bcf during the same week. Working natural gas stocks totaled 3,831 Bcf, which is 394 Bcf (11%) more than the five-year average and 444 Bcf (13%) more than last year at this time.

-Total US consumption of natural gas rose by 6.9% compared with the previous report week, according to data from IHS Markit. In the residential and commercial sectors, consumption increased by 49.3%. Natural gas consumed for power generation declined by 2.1% week over week. Industrial sector consumption increased by 2.0% week over week. Natural gas exports to Mexico decreased 6.7%. Natural gas deliveries to U.S. liquefied natural gas (LNG) export facilities (LNG pipeline receipts) averaged 7.3 Bcf/d, or 0.8 Bcf/d higher than last week.

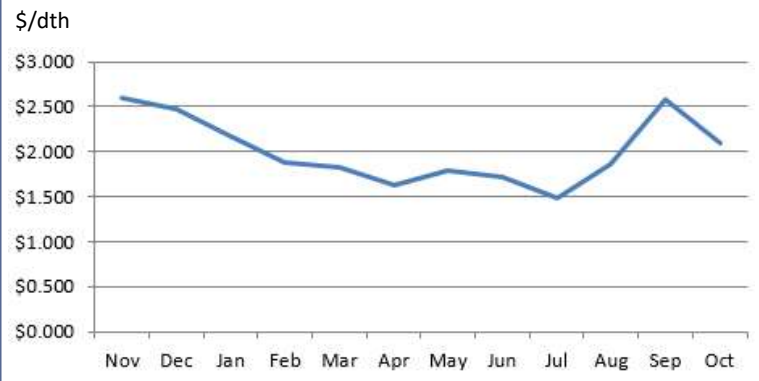
-US LNG exports were flat week over week, as fourteen LNG vessels with a combined LNG-carrying capacity of 52 Bcf departed the US between October 1 and October 7, according to shipping data provided by Marine Traffic.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, remained flat at \$4.82/MMBtu. The prices of propane and butane fell by 1% and 3%, respectively. The prices of natural gasoline, ethane, and isobutane rose by 1%, 1%, and 2%, respectively.

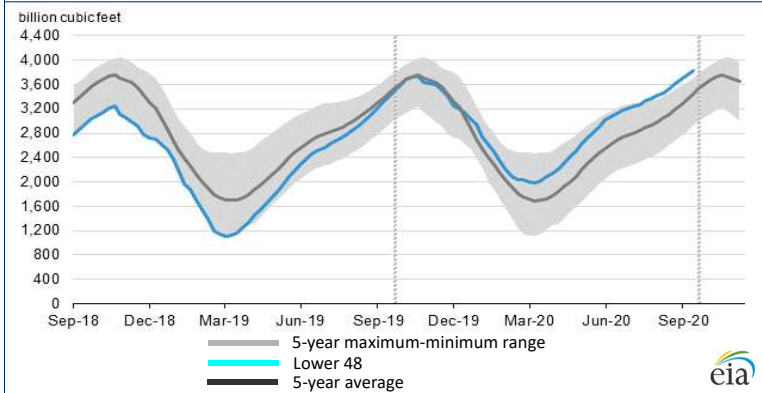
-According to Baker Hughes, for the week ending Tuesday, September 29, the natural gas rig count decreased by 1 to 74. The number of oil-directed rigs rose by 6 to 189. The total rig count increased by 5, and it now stands at 266.

Excerpted from eia

Monthly NYMEX Natural Gas Settle Price: Nov 2019 - Oct 2020:



Working natural gas in underground storage as of October 2, 2020



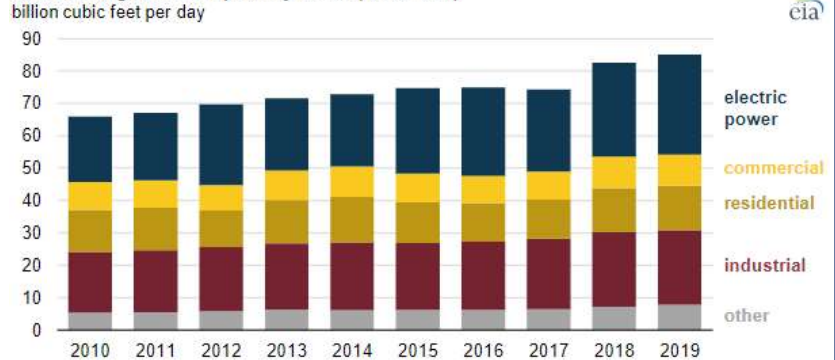
Forward 12-month NYMEX natural gas strip price - Nov20-Oct21:

Process Load-weighted \$2.919/dth - w/o/w = ▲\$0.019
 Typical Heat Load-weighted \$3.029/dth - w/o/w = ▲\$0.027

US natural gas production, consumption and exports set new records in 2019:

In 2019, US dry natural gas production increased by 10%, reaching a record-high average of 93.1 billion cubic feet per day (Bcf/d). US natural gas consumption increased by 3%, led by greater use of natural gas in the electric power sector. Natural gas gross exports increased 29% to 12.8 Bcf/d. Increased use of natural gas by the electric power sector drove US natural gas consumption growth. The electric power sector consumed 7% more natural gas in 2019 than in 2018. As US natural gas production increased, the volume of natural gas exports both through pipelines and as liquefied natural gas (LNG) increased for the fifth consecutive year to an annual average of 12.8 Bcf/d. U.S. LNG exports accounted for most of this increase. The US continued to export more natural gas than it imported in 2019, and net natural gas exports averaged 5.2 Bcf/d. In 2019, the US also exported more natural gas by pipeline than it imported for the first time since at least 1985, mainly because of increased pipeline capacity to send natural gas to Canada and Mexico. In 2019, dry natural gas production increased by 10%, or 8.7 Bcf/d, reaching a record high of 93.1 Bcf/d for the year. This increase was the second-largest volumetric increase since at least 1930 and second only to 2018's increase. The two largest natural gas-producing states, Texas and Pennsylvania also had the two largest increases in natural gas production in 2019, 15% and 10% respectively.

U.S. natural gas consumption by sector (2010-2019)



Excerpted from eia

“The evil that men do lives after them; the good is oft interred with their bones..” -William Shakespeare¹