

Newstracker:

-Natural gas spot prices fell at most locations from Wednesday, December 2 to Wednesday, December 9 (the Report Week). The Henry Hub spot price fell from \$2.70 per million British thermal units (MMBtu) to \$2.45/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the January 2021 natural gas futures contract decreased 34¢ for the Report Week, from \$2.780/MMBtu to \$2.442/MMBtu. The price of the 12-month strip averaging January 2021 through December 2021 futures contracts declined 20¢/MMBtu to \$2.576/MMBtu.

-Net natural gas withdrawals from storage totaled 91 Bcf for the week ending December 4, compared with the five-year (2015-19) average net withdrawals of 61 Bcf and last year's net withdrawals of 57 Bcf during the same week. Working natural gas stocks totaled 3,848 Bcf, which is 260 Bcf (7%) more than the five-year average and 309 Bcf (9%) more than last year at this time.

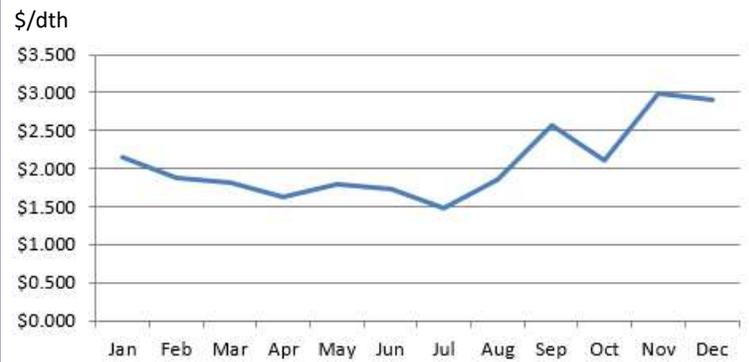
-Total US consumption of natural gas rose by 11.5% compared with the previous Report Week, according to data from IHS Markit. Natural gas consumed for power generation climbed by 9.4% week over week. In the residential and commercial sectors, consumption increased by 20.7% as a result of low average U.S. temperatures of between 35 degrees to 45 degrees Fahrenheit. Industrial sector consumption increased by 2.1% week over week. Natural gas exports to Mexico decreased 1.7%. Natural gas deliveries to US LNG export facilities averaged 11.2 Bcf/d, or 0.89 Bcf/d higher than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 5¢/MMBtu, averaging \$5.39/MMBtu for the week ending December 9. The prices of ethane, isobutane, and butane fell by 6%, 7%, and 9%, respectively. The prices of natural gasoline and propane rose by 4% and 5%, respectively.

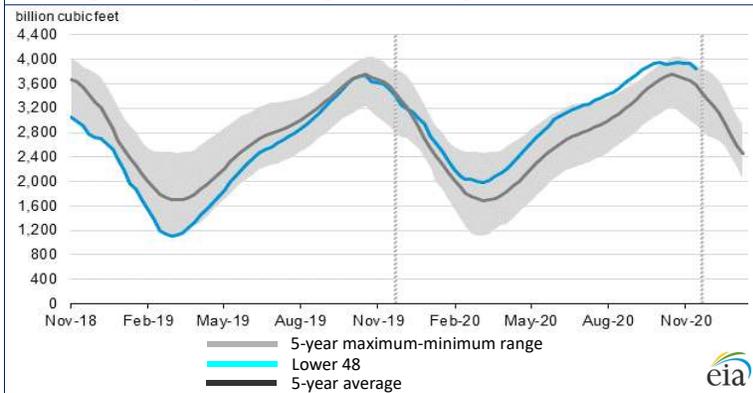
-According to Baker Hughes, for the week ending Tuesday, December 1, the natural gas rig count decreased by 2 to 75. The number of oil-directed rigs rose by 5 to 246. The total rig count increased by 3, and it now stands at 323.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Jan 2020 - Dec 2020:



Working natural gas in underground storage as of December 4, 2020



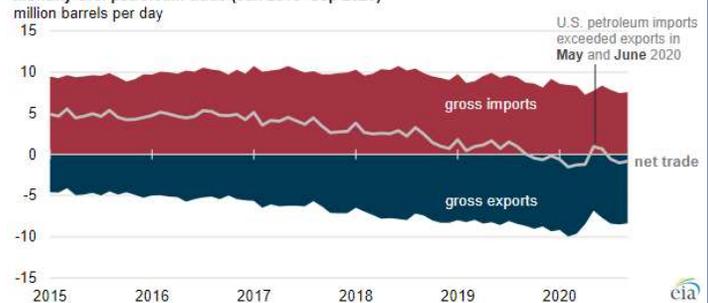
Forward 12-month NYMEX natural gas strip price - Jan21-Dec21:

Process Load-weighted \$2.576/dth - w/o/w = ▼\$0.197
 Typical Heat Load-weighted \$2.565/dth - w/o/w = ▼\$0.230

The US briefly returned to net importer status for petroleum earlier this year:

The US imported more crude oil and petroleum products than it exported in May and June of this year, briefly reversing the 15-year-long trend toward becoming a net petroleum exporter. After being a net petroleum exporter for seven consecutive months from October 2019 through April 2020, the US became a net importer in May and June. The brief return to net imports was a result of declines in both US crude oil production and in refinery runs that resulted in lower gross crude oil and petroleum product exports because of lower global petroleum demand and economic responses to COVID-19. In April 2020, US consumption of petroleum fell to its lowest level in decades as responses to the COVID-19 pandemic led to significant declines in travel. As petroleum demand fell, both domestically and internationally, US refineries decreased crude oil processing and produced smaller volumes of petroleum products. The decrease in global petroleum consumption led to a sharp decline in US petroleum product exports. US gross exports of petroleum products fell for three consecutive months, from a record high of 6.3 million b/d in February to 3.9 million b/d in May. This change in petroleum product exports was the main factor in the overall shift in US petroleum trade from net exports to net imports in May and June. Since then, gross petroleum product exports increased to 5.1 million b/d in September. US gross exports of crude oil, which declined in May and June, increased to 3.2 million b/d for September, a level less than the record high of 3.7 million b/d set in February 2020. Gross imports of crude oil, however, have resumed their long-term decline and most recently totaled 5.4 million b/d for September, the lowest monthly value since March 1992.

Monthly U.S. petroleum trade (Jan 2015–Sep 2020)



Excerpted from 

“I think this is the most extraordinary collection of talent, of human knowledge, that has ever been gathered at the White House - with the possible exception of when Thomas Jefferson dined alone.” -John F. Kennedy¹

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¹<https://www.brainyquote.com/topics/thomas-jefferson-quotes>