

Newstracker:

-Natural gas spot prices rose at most locations Wednesday, December 9 to Wednesday, December 16 (the Report Week), with the Henry Hub spot price rising from \$2.45 per million British thermal units (MMBtu) to \$2.67/MMBtu.

-At the New York Mercantile Exchange (Nymex), the price of the January 2021 natural gas futures contract increased 24¢, from \$2.442/MMBtu to \$2.677/MMBtu from open to close of the Report Week. The price of the 12-month strip averaging January 2021 through December 2021 futures contracts climbed 20¢/MMBtu to \$2.780/MMBtu.

-Net natural gas withdrawals from storage totaled 122 Bcf for the week ending December 11, compared with the five-year (2015-19) average net withdrawals of 105 Bcf and last year's net withdrawals of 97 Bcf during the same week. Working natural gas stocks totaled 3,726 Bcf, which is 243 Bcf (7%) more than the five-year average and 284 Bcf (8%) more than last year at this time.

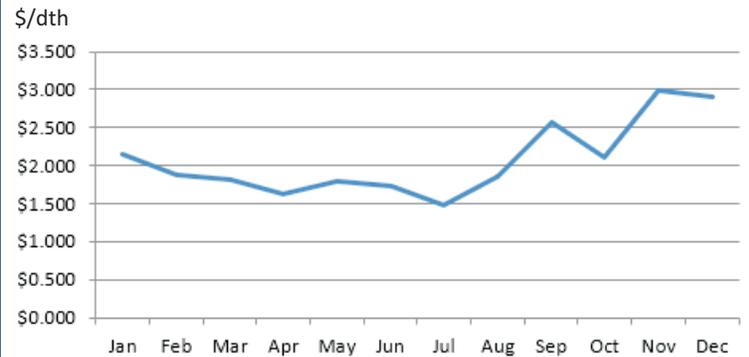
-Total US consumption of natural gas rose by 0.4% compared with the previous Report Week, according to data from IHS Markit. On December 16, total demand reached a daily high of 124.8 Bcf/d, the highest level for this heating season. Natural gas consumption in the residential and commercial sectors increased by 3.9%, and power generation consumption declined by 4.4% week over week. Industrial sector consumption increased by 0.9% week over week. Natural gas exports to Mexico decreased 0.1%. Natural gas deliveries to U.S. liquefied natural gas (LNG) export facilities (LNG pipeline receipts) averaged 11.0 Bcf/d, which is 0.2 Bcf/d lower than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 21¢/MMBtu, averaging \$5.60/MMBtu for the week ending December 16. The prices of propane, isobutane, ethane, butane, and natural gasoline, all rose, by 1%, 1%, 4%, 8%, and 9%, respectively.

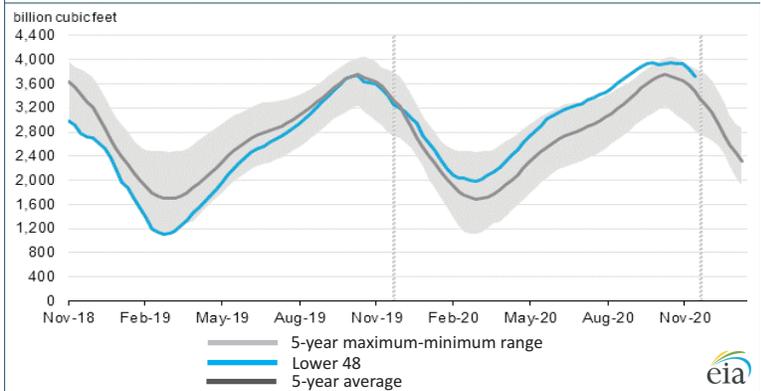
-According to Baker Hughes, for the week ending Tuesday, December 8, the natural gas rig count increased by 4 to 79. The number of oil-directed rigs rose by 12 to 258. The total rig count increased by 15, and it now stands at 338.

Excerpted from 

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



Working natural gas in underground storage as of December 11, 2020



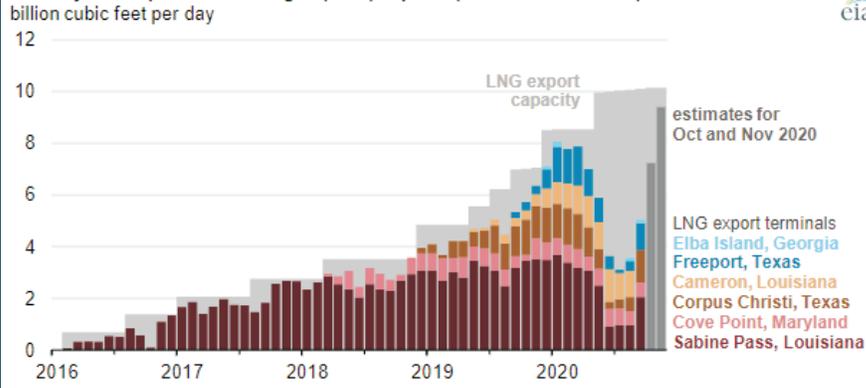
Forward 12-month NYMEX natural gas strip price - Jan21-Dec21:

Process Load-weighted \$2.780/dth - w/o/w = ▲\$0.205
 Typical Heat Load-weighted \$2.771/dth - w/o/w = ▲\$0.206

US liquefied natural gas exports set a record in November:

During the summer of 2020, monthly exports of liquefied natural gas (LNG) from the United States were the lowest in 26 months but have since increased, and in November, estimated LNG exports surpassed the previous record set in January 2020. In the December 2020 Short-Term Energy Outlook, the U.S. Energy Information Administration (EIA) estimated that November U.S. LNG exports reached 9.4 billion cubic

Monthly U.S. liquefied natural gas (LNG) exports (Jan 2016–Nov 2020)



feet per day (Bcf/d), which was 93% of peak LNG export capacity utilization. Several factors contributed to the increase in U.S. LNG exports in recent months.

International natural gas and LNG prices increased in Asia and Europe because global natural gas demand increased after COVID-19 restrictions were eased and global LNG supply fell due to unplanned outages at LNG export facilities in Australia, Malaysia, Qatar, Norway, Nigeria, and Trinidad and Tobago. In addition, 2.7 Bcf/d of new U.S. LNG export capacity was added in 2020, and several U.S. LNG terminals affected by hurricanes and annual maintenance have resumed LNG shipments.

Excerpted from 

“Well, everybody faces the fact there really aren't many records stores around to just go and browse. Maybe browse online, yet that tactile feel of flipping through a stack of vinyl remains one of life's simple pleasures.” -Billy Gibbons¹

This newsletter is provided to you for informational purposes only. The Legacy Energy Group, LLC makes no representations or warranties concerning the accuracy of the information contained herein and assumes no liability for any errors or omissions in the content herein. It is not intended to provide advice or recommendation. The Legacy Energy Group, LLC is a Virginia limited liability company with offices in Virginia and Michigan, and serves clients throughout the United States and Canada.

©1999-2020 The Legacy Energy Group, LLC

¹https://www.brainyquote.com/quotes/billy_gibbons_505595