

Newstracker:

-Natural gas spot prices rose at most locations from Wednesday, January 6 to Wednesday, January 13 (the Report Week). The Henry Hub spot price rose from \$2.70 per million British thermal units (MMBtu) to \$2.75/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the February 2021 natural gas futures contract increased 1¢, from \$2.716/MMBtu to \$2.727/MMBtu from start to finish of the Report Week. The price of the 12-month strip averaging February 2021 through January 2022 futures contracts remained the same for this Report Week at \$2.841/MMBtu.


-Net natural gas withdrawals from storage totaled 134 Bcf for the week ending January 8, compared with the five-year (2016-2020) average net withdrawals of 161 Bcf and last year's net withdrawals of 91 Bcf during the same week. Working natural gas stocks totaled 3,196 Bcf, which is 218 Bcf (7%) more than the five-year average and 126 Bcf (4%) more than last year at this time.

-Total US consumption of natural gas rose by 5.7% compared with the previous Report Week, according to data from IHS Markit. Natural gas consumed for power generation climbed by 9.6% week over week. In the residential and commercial sectors, consumption increased by 5.2%. Industrial sector consumption increased by 2.2% week over week. Natural gas exports to Mexico increased 8.3%. Natural gas deliveries to U.S. liquefied natural gas (LNG) export facilities (LNG pipeline receipts) averaged 10.8 billion cubic feet per day (Bcf/d), or 0.22 Bcf/d lower than last week.

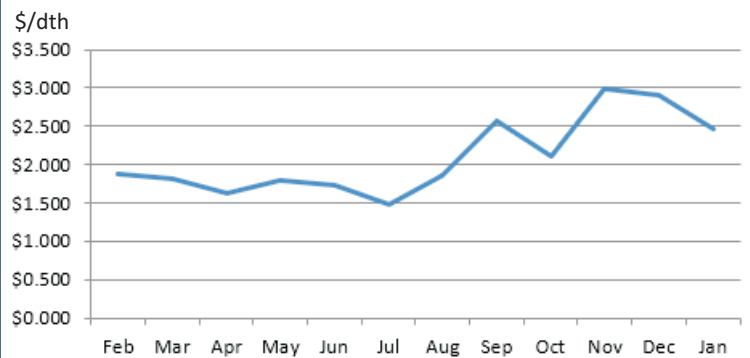
-According to data from IHS Markit, the average total supply of natural gas fell by 0.8% compared with the previous report week. Dry natural gas production decreased by 0.9% compared with the previous report week. Average net imports from Canada increased by 2.0% from last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 50¢/MMBtu, averaging \$7.01/MMBtu for the week ending January 13. The prices of ethane, isobutane, natural gasoline, propane, butane all rose.

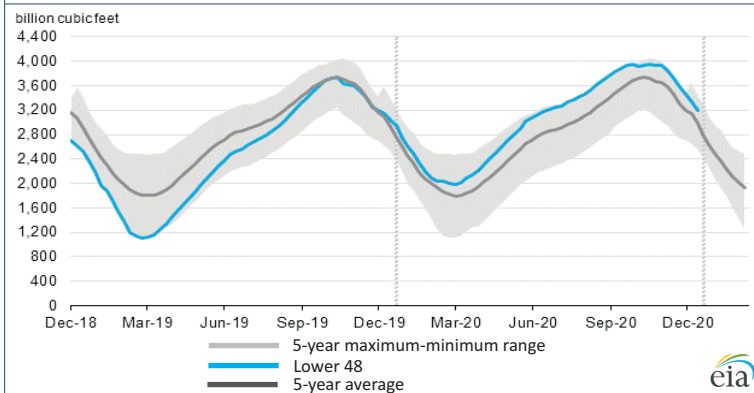
-According to Baker Hughes, for the week ending Tuesday, January 5, the natural gas rig count increased by 1 to 84. The number of oil-directed rigs rose by 8 to 275. The total rig count increased by 9, and it now stands at 360.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Feb 2020 - Jan 2021:



Working natural gas in underground storage as of January 8, 2021



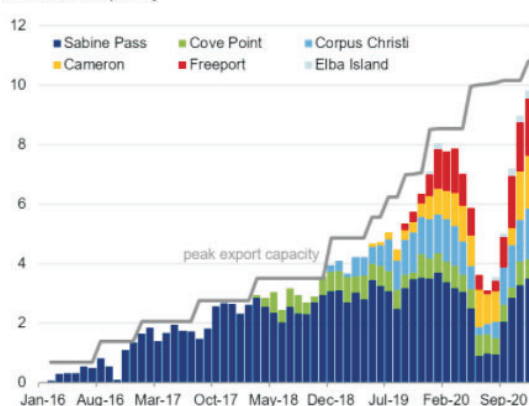
Forward 12-month NYMEX natural gas strip price - Feb21-Jan22:

Process Load-weighted \$2.841/dth - w/o/w = ▲\$0.004
 Typical Heat Load-weighted \$2.868/dth - w/o/w = ▲\$0.003

US LNG exports set another record in December:

US liquefied natural gas (LNG) exports set a new record in December after a record-breaking November 2020, averaging 9.8 billion cubic feet per day (Bcf/d). Several factors have contributed to higher levels of US LNG exports in recent months. LNG demand increased due to colder-than-normal winter temperatures

U.S. liquefied natural gas exports by terminal (Jan 2016–Dec 2020)
billion cubic feet per day



in key Asian LNG-consuming markets. Moreover, supplies of LNG decreased because of unplanned outages at LNG export facilities in Australia, Malaysia, Qatar, Norway, Nigeria, and Trinidad and Tobago. Reduction in LNG supply led to higher international natural gas and LNG prices in Asia and Europe, attracting higher volumes of flexible LNG supplies from the US. Since mid-October, natural gas and LNG prices in global spot and futures markets have exceeded prices in crude oil-indexed long-term LNG contracts. Although deliveries under long-term contracts (which account for 70% of global LNG trade) have been increasing since September 2020, supply shortages caused by unplanned outages at various LNG export facilities worldwide reduced contractual export volumes. Higher global prices and reduced exports under term contracts resulted in higher export volumes of flexible LNG, particularly from the United States. The majority of US LNG export contracts do not have fixed destinations in contractual clauses, allowing exporters of US LNG to ship it on a spot and short-term basis to the highest-priced markets worldwide. Since June 2020, more than 50% of US LNG exports went to countries in Asia, about 30% to countries in Europe, and the remaining volumes to countries in the Middle East, Africa, and Latin America. US LNG exports are forecasted to remain at record-high levels this winter by a 30% increase over 2020.

Excerpted from 

“What’s another word for Thesaurus?” -Steven Wright¹