

**Newstracker:**

-Natural gas spot prices were relatively flat at most locations from Wednesday, February 24 to Wednesday, March 3 (the Report Week) with most hubs rising less than \$0.10/MMBtu. The Henry Hub spot price rose from \$2.75 per MMBtu to \$2.84/MMBtu for the Report Week.


-At the NYMEX, the March 2021 natural gas futures contract expired 2-24-21 at \$2.854/MMBtu. The April 2021 contract price increased to \$2.816/MMBtu, up 2¢/MMBtu from open to close of the Report Week. The price of the 12-month strip averaging April 2021 through March 2022 futures contracts climbed 2¢/MMBtu to \$2.988/MMBtu.

-Net natural gas withdrawals from storage totaled 98 Bcf for the week ending February 26, compared with the 5-year (2016-2020) average net withdrawals of 81 Bcf and last year's net withdrawals of 119 Bcf during the same week. Working natural gas stocks totaled 1,845 Bcf, which is 178 Bcf (9%) lower than the 5-year average and 277 Bcf (13%) lower than last year.

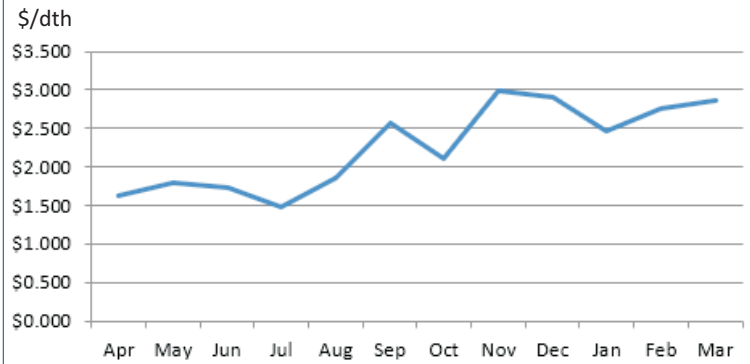
-Total US natural gas consumption fell by 12.8% compared with the previous Report Week. The residential and commercial sectors led demand declines with a combined decline of 22.4%. Natural gas consumed for power generation declined by 5.2% week over week. Industrial sector consumption decreased by 4.2% week over week. Total exports increased. Pipeline natural gas exports to Mexico increased 8.4% to approximately 5.5 Bcf/d, nearing levels reported prior to the second week of February. Natural gas deliveries to US LNG export facilities reached their highest levels since the week of February 10, averaging 9.8 Bcf/d; 2.3 Bcf/d higher than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 2¢/MMBtu, averaging \$8.03/MMBtu for the week ending March 3. The price of ethane declined 7%, reflecting lower average natural gas prices, which fell 34% from last week's average. Prices of natural gasoline and propane fell by 1%. The prices of butane and isobutane rose by 8% and 6%, respectively, as a result of strong demand for motor gasoline blending.

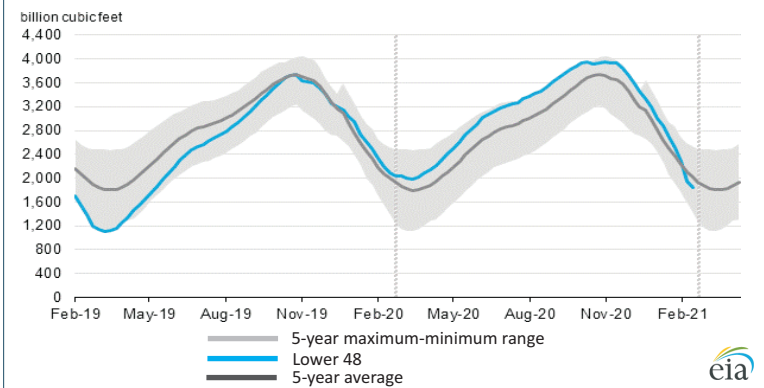
-According to Baker Hughes, for the week ending Tuesday, February 23, the natural gas rig count increased by 1 to 92. The number of oil-directed rigs rose by 4 to 309. The total rig count increased by 5. At 402, the total rig count is now at the highest level since the first week of May 2020.

Excerpted from 

**Monthly NYMEX Natural Gas Settle Price: Mar 2020 - Feb 2021:**



**Working natural gas in underground storage as of February 26, 2021**

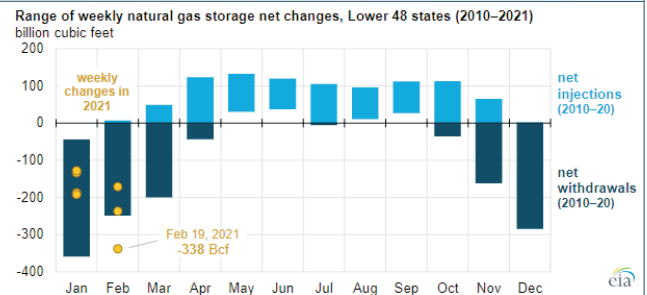



**Forward 12-month NYMEX natural gas strip price - Apr21-Mar22:**

Process Load-weighted \$2.988/dth - w/o/w = ▲\$0.023  
 Typical Heat Load-weighted \$3.041/dth - w/o/w = ▲\$0.021

**Near-record cold temperatures drive near-record withdrawals from working natural gas stocks:**

Net withdrawals from underground natural gas storage facilities totaled 338 billion cubic feet (Bcf) for the week ending February 19, 2021, the second-largest weekly total net withdrawals ever reported for the Lower 48 states and exceeding the historical five-year average net withdrawals for the week by 218 Bcf (182%). Last week's withdrawals were 21 Bcf lower than the all-time weekly record withdrawal of 359 Bcf, which was reported for the week ending January 5, 2018. As a result, working gas stocks fell to less than the five-year average by 161 Bcf. Natural gas consumption in each of the main demand sectors increased during the Report Week. Residential and commercial consumption averaged 62 billion cubic feet per day (Bcf/d) during the Report Week, the second-highest level in history after the record level of 64 Bcf/day reported for the week ending January 5, 2018. Electric power consumption of natural gas surpassed 33 Bcf/d, setting a new record winter high. In addition, industrial sector demand set a new record high of 28 Bcf/d. The colder winter temperatures since late January prompted some of the largest natural gas storage withdrawal activity since the 2017-18 heating season. Total net withdrawals from underground natural gas storage facilities totaled 938 Bcf in the past four weeks (January 22-February 19). The cumulative withdrawals made up the third-largest four-week total reported since 2010, exceeded only by the record-setting 2013-14 and the 2017-18 heating seasons. In fact, two of the 15 largest weekly net withdrawals from storage occurred in the past two weeks. The surplus to the five-year average natural gas inventory level has fallen in recent weeks because of higher natural gas storage withdrawals. The surplus to the five-year average last peaked at 244 Bcf on January 22. However, since then, net withdrawals have exceeded the five-year average. Working gas stocks are now 161 Bcf lower than the five-year average, the first deficit since December 2019.



Excerpted from 

“Movies are the bad habits that corrupted our century.” -Ben Hecht<sup>1</sup>