
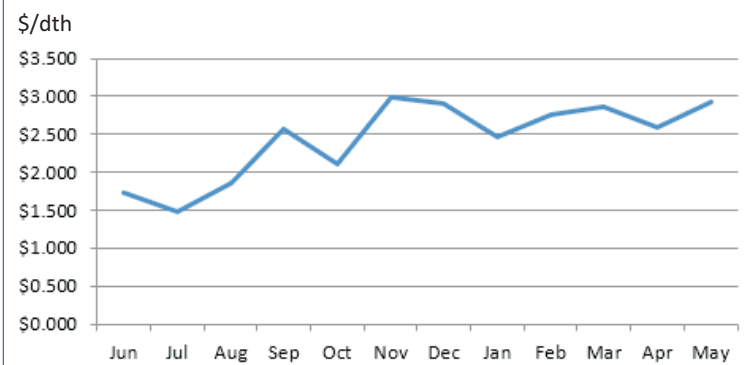


Newstracker:

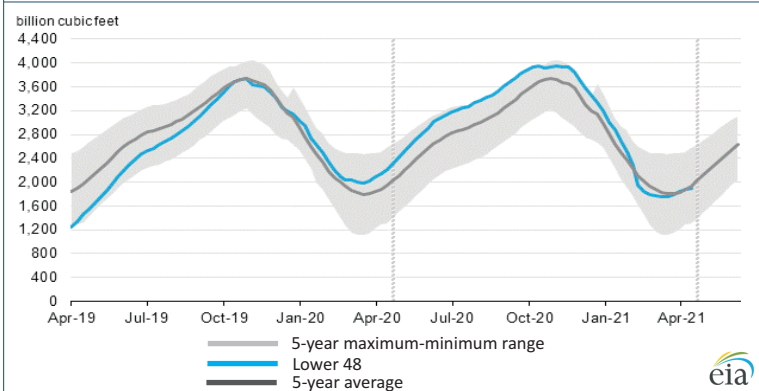
- Natural gas spot prices rose in most regions of the US from Wednesday, April 21 to Wednesday, April 28 (Report Week). The Henry Hub spot price rose from \$2.65/MMBtu to \$2.93/MMBtu to close the Report Week.
- At NYMEX, the May 2021 natural gas futures contract expired on April 28 at \$2.925/MMBtu, up 23¢/MMBtu from the previous Wednesday. The June 2021 contract price increased to \$2.960/MMBtu, up 18¢/MMBtu from the previous Wednesday. The price of the 12-month strip averaging June 2021 through May 2022 futures contracts climbed 11¢/MMBtu to \$2.990/MMBtu.
- Net natural gas injections into storage totaled 15 Bcf for the week ending April 23, compared with the five-year (2016-2020) average net injections of 67 Bcf and last year's net injections of 66 Bcf during the same week. Working natural gas stocks totaled 1,898 Bcf, which is 40 Bcf (2%) lower than the five-year average and 302 Bcf (14%) lower than last year at this time.
- Total US consumption of natural gas fell by 5.9% for the Report Week, according to data from IHS Markit. Natural gas consumed for power generation climbed by 1.5%. Industrial sector consumption decreased by 3.0%. Residential and commercial consumption declined by 17.7% in response to seasonally rising temperatures across the Lower 48 states. Natural gas exports to Mexico decreased 4.7% to a level that is 28.1% higher than the same week last year. Natural gas deliveries to US LNG export facilities averaged above 11.0 Bcf/d for the seventh week in a row at 11.3 Bcf/d, or 0.29 Bcf/d lower than last week.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 21¢/MMBtu, averaging \$7.07/MMBtu for the week ending April 28. The average weekly price of natural gasoline fell by 1%. The price of ethane increased 5%, in response to rising demand for petrochemical feedstock use and anticipated increased exports. Prices of propane, butane, and isobutane rose by 3%, 5%, and 5%, respectively, also in response to elevated exports. Propane exports remain strong and averaged nearly 1.2 million b/d for the four weeks ending April 23.
- According to Baker Hughes, for the week ending Tuesday, April 20, the natural gas rig count remained steady at 94, the highest number since April 9, 2020. The number of oil-directed rigs fell by 1 to 343. The total rig count decreased by 1, and it now stands at 438.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Jun 2020 - May 2021:



Working natural gas in underground storage as of April 23, 2021

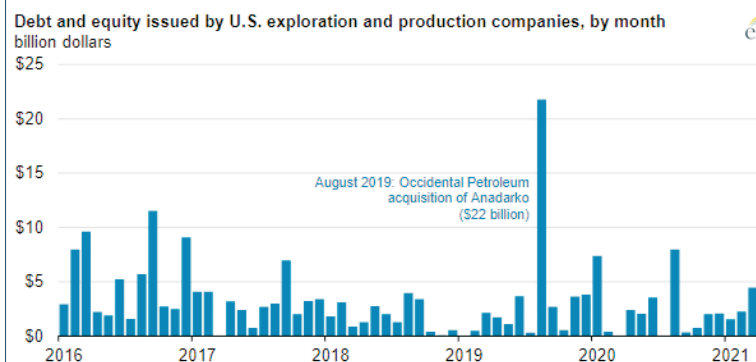


Forward 12-month NYMEX natural gas strip price - Jun21-May22:


Process Load-weighted \$2.883/dth - w/o/w = ▲\$0.107
 Typical Heat Load-weighted \$2.967/dth - w/o/w = ▲\$0.090

US exploration and production companies are issuing new debt and equity:

Based on all corporate press releases, the amount of debt and equity issued among publicly traded independent US exploration and production (E&P) companies totaled \$4.4 billion in March 2021, the most since August 2020 (this conclusion does not necessarily represent the sector as a whole because the analysis does not include private companies that do not publish financial reports). One reason US E&P companies are issuing more debt and equity is to take advantage of increasing crude oil prices. Crude oil prices have been steadily increasing since reaching multiyear lows in 2020. Brent crude oil prices averaged less than \$40/b from March 2020 to May 2020 and have since increased, averaging more than \$65/b in March 2021. Since crude oil prices began increasing,



US crude oil producers have been raising debt and equity to refinance debts, resume drilling activities, or purchase acreage. In addition to higher crude oil prices, low interest rates have lowered the cost of debt and have likely contributed to the recent growth in issuing debt and equity. The Federal Reserve System's Federal Open Market Committee has held the federal funds rate, which affects interest rates across the market, at a target of 0.00% to 0.25% since March 2020. Corporate bond yields have also been low in the US, contributing to lower interest rates on new bonds that companies issue and reducing the cost of issuing debt. Because US producers have increased access to debt and equity (among other factors), the US Energy Information Agency forecasts that US crude oil production will increase from 10.7 million barrels per day (b/d) in first-quarter 2021 to 12.2 million b/d in fourth-quarter 2022.

Excerpted from 

"Confirmity is the jailer of freedom and the enemy of growth." -John F. Kennedy¹