
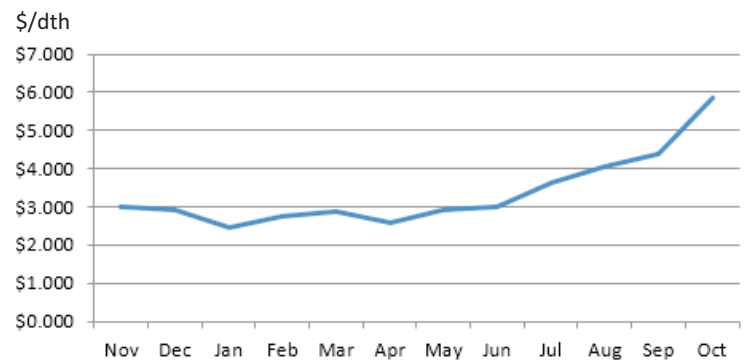


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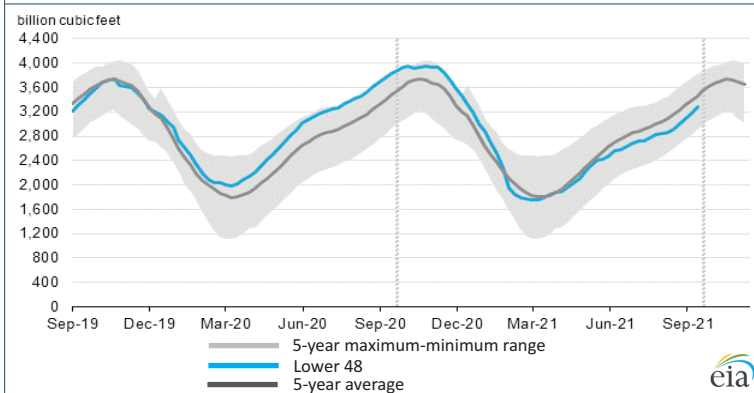
- Natural gas spot prices rose at most locations from Wednesday, September 29 to Wednesday, October 6 (the Report Week), during which the Henry Hub spot price rose from \$5.63/MMBtu to \$5.95/MMBtu. International natural gas prices rose for the sixth consecutive week, with November LNG prices in East Asia rising to \$32.48/MMBtu and \$32.28/MMBtu in Europe.
- The November 2021 NYMEX natural gas futures contract increased 20¢ to \$5.675/MMBtu, after rising to a high of \$6.312/MMBtu on 10/5/21. The price of the 12-month strip averaging November 2021-October 2022 futures contracts climbed 16¢ to \$4.665/MMBtu.
- Net natural gas injections into storage totaled 118 Bcf for the week ending October 1, compared with the five-year average of 81 Bcf and last year's net injections of 75 Bcf during the same week. Working natural gas stocks totaled 3,288 Bcf, which is 176 Bcf (5%) lower than the five-year average and 532 Bcf (14%) lower than last year at this time.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 77¢/MMBtu, averaging \$12.36/MMBtu for the week ending October 6. Propane prices rose 8% over the first week of the winter heating season, reflecting strong demand from domestic and international markets.
- US natural gas consumption increased for the Report Week due to a substantial increase in power generation, with total US consumption rising by 3.9%, according to data from IHS Markit. Natural gas consumed for power generation climbed by 8.3% as a result of warmer-than-average temperatures across the Midwest and the South. Industrial sector consumption decreased by 0.6% week over week, balanced against a w/o/w increase in the residential and commercial sectors of 0.5%. Natural gas exports to Mexico decreased 4.3% w/o/w. Natural gas deliveries to US LNG export facilities averaged 10.0 Bcf/d, or 0.2 Bcf/d less.
- According to Baker Hughes, for the week ending 09/28, the natural gas rig count remained flat at 99. The number of oil-directed rigs rose by 7 to 428. The largest gains were reported in Louisiana, where the off-shore rig count rose by 3 to a total of 10 rigs, which is 4 rigs less than before Hurricane Ida. Louisiana offshore rigs dropped to zero in the week Hurricane Ida made landfall in late August. The total rig count increased by 7, and it now stands at 528.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Nov 2020 - Oct 2021:



Working natural gas in underground storage as of Oct. 1, 2021

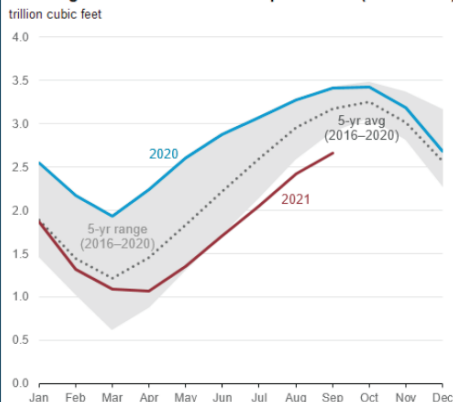


Forward 12-month NYMEX natural gas strip price - Nov21-Oct22:


Process Load-weighted \$4.665/dth - w/o/w = ▲ \$0.158
Heat Load-weighted \$5.214/dth - w/o/w = ▲ \$0.192

Europe's natural gas storage inventories remain low during the 2021 injection season:

Natural gas inventories in the European Union (2016–2021)



Working natural gas inventories in Europe have remained relatively low during this year's injection season (April through October) and are now at 74% of storage capacity, which is 22% below last year and over 16% below the five-year (2016-2020) average. Europe entered the 2020-2021 heating season relatively well supplied, with inventories at more than 3.45 Tcf in mid-October only 0.05 Tcf behind the prior year's all-time record. Colder-than-normal weather late in the 2020-2021 heating season, led to rapid drawdowns of natural gas inventories early in 2021. As a result, Europe's natural gas inventories entered the 2021 injection season 11% below the previous five-year (2016-2020) average and 44% lower than the record-high storage inventories in 2020. Natural gas inventories are particularly low in Austria, Germany, and the Netherlands and are respectively, 42%, 29%, and 35% less natural gas in storage than on the same day last year. Compared to the five-year average, Austria's stocks are 38% lower, Germany's stocks are 26% lower, and Netherlands' stocks are 35% lower. Since the start of the current injection season, several factors contributing to lower European natural gas injections this year are: continuing decline in Europe's natural gas production, down 19% compared with the five-year average over the same period; lower natural gas pipeline imports, particularly from Russia; lower LNG imports to Europe as a result of strong demand recovery in Asia and increased competition for spot LNG cargoes. In addition, outages at LNG production facilities in several countries contributed to reduced global LNG supply, particularly in the summer months of this year. Lower European natural gas storage inventories and strong LNG demand recovery in Asia have led to all-time high seasonal natural gas and LNG spot prices, exceeding \$30/MMBtu in Europe and in Northern Asia at the end of September 2021.

Excerpted from 

"Sometimes it seems as if there are more solutions than problems.

On closer scrutiny, it turns out that many of today's problems are a result of yesterday's solutions." -Thomas Sowell¹

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¹https://www.brainyquote.com/quotes/thomas_sowell_557644