

Newstracker:

-Natural gas spot prices rose at most locations from Wednesday, March 16 to Wednesday, March 23 (the Report Week), with the Henry Hub spot price rising 59 cents to \$5.26/MMBtu. International natural gas spot prices declined this Report Week with swap prices for LNG cargos in East Asia falling \$3.07/MMBtu to a weekly average of \$35.55/MMBtu, and TTF European day-ahead LNG prices falling \$4.66 to a weekly average of \$32.82/MMBtu. In the same week last year, prices in East Asia and at TTF were \$6.63/MMBtu and \$6.35/MMBtu, respectively.

-The price of the April 2022 NYMEX natural gas futures contract increased 48.4 cents to \$5.232/MMBtu for the Report Week. The price of the 12-month strip averaging April 2022 through March 2023 futures contracts climbed 53.3 cents to \$5.359/MMBtu.

-Net natural gas withdrawals from storage totaled 51 Bcf for the week ending March 18, compared with the five-year average net withdrawals of 62 Bcf and last year's net withdrawals of 29 Bcf during the same week. Working natural gas stocks totaled 1,389 Bcf, which is 293 Bcf (17%) lower than the five-year average and 366 Bcf (21%) lower than last year at this time.

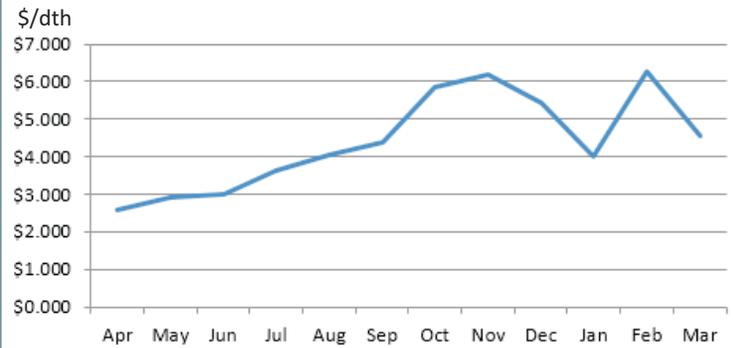
-Total US consumption of natural gas fell by 18.6% (15.8 Bcf/d) compared with the previous Report Week. Natural gas consumed for power generation declined by 7.0% (1.9 Bcf/d) week over week. Industrial sector consumption decreased by 5.5% (1.3 Bcf/d). In the residential and commercial sectors, consumption declined by 37.1% (12.6 Bcf/d). Natural gas exports to Mexico decreased 4.8% (0.3 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 12.9 Bcf/d, the same as last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 67 cents/MMBtu, averaging \$12.83/MMBtu for the week ending March 23. Prices of natural gasoline, butanes, and propane rose, following the price of Brent crude oil, which rose 6% week over week. The propane price rose by 5%, widening the propane discount to crude oil by 10%.

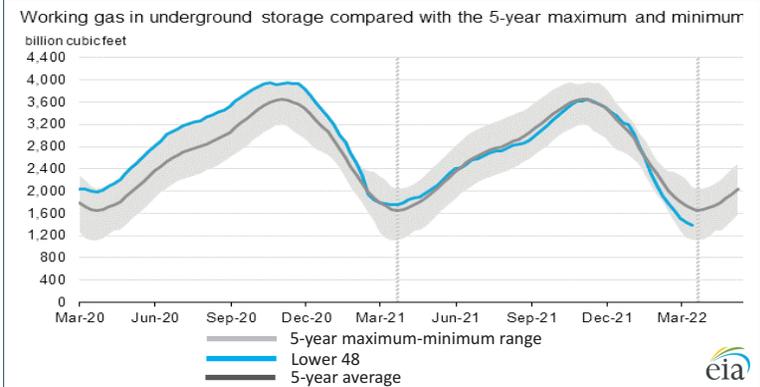
-For the week ending Tuesday, March 15, the natural gas rig count increased by 2 to 137 rigs. The number of oil-directed rigs decreased by 3 to 524 rigs. The total rig count now stands at 663, the highest level since April 3, 2020, and 252 rigs more than last year at this time.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Apr 2021 - Mar 2022:



Working natural gas in underground storage as of Mar 18, 2022



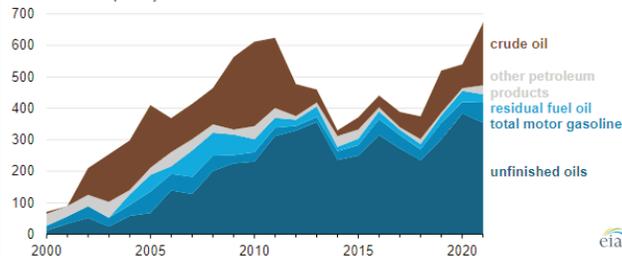
Forward 12-month NYMEX natural gas strip price - Apr22-Mar23:

Process Load-weighted \$5.359/dth - w/o/w = ▲ \$0.533
Typical Heat Load-weighted \$5.382/dth - w/o/w = ▲ \$0.514

The US imports more petroleum products than crude oil from Russia:

The US has imported a relatively small share of crude oil from Russia, but US imports of petroleum products from Russia, namely, unfinished oils and fuel oils, are a larger share. US refineries use imported unfinished oils and fuel oil as a supplement to crude oil in the refining process. On March 8, the US announced a ban on imports of petroleum, coal, and natural gas from Russia in response to Russia's further invasion into Ukraine. The ban includes crude oil and petroleum products. Russia is one of the three largest crude oil producers in the world, after the US and Saudi Arabia. European countries which have not banned Russian energy imports generally import more of Russia's crude oil and petroleum products than the US. In 2021, imports from Russia accounted for 8% of all US petroleum imports, which includes the 3% share of crude oil imports and the 20% share of petroleum product imports. More than half of US total petroleum imports from Russia in 2021 were unfinished oils. A substantial share of the unfinished oils from Russia are classified as Mazut-100 fuel oil, or M-100. M-100 is

U.S. total petroleum imports to the United States from Russia (2000–2021)
thousand barrels per day



largely consumed as a supplementary refinery input and has qualities like a heavier, relatively high-sulfur crude oil. Crude oil imports made up 29% of the combined petroleum imports by volume from Russia in 2021 and accounted for the second-largest share after unfinished oils. The third-largest share of imports from Russia by volume was motor gasoline, including finished motor gasoline and blending components, at 9%. The fourth-largest share of combined US petroleum imports from Russia was residual fuel oil, making up 4% in 2021. More than half of the residual fuel oil imported from Russia in 2021 had a sulfur content greater than 1%. Residual fuel oil is often consumed in the US as a marine bunker fuel, but residual fuel oils with relatively high sulfur content do not meet U.S. marine bunker fuel specifications. Instead, high-sulfur residual fuel oil may be used as a refinery feedstock, like the M-100 unfinished oils.

Excerpted from 

“There’s only a small difference between a groove and a rut.” -Unknown