

Newstracker:

-Natural gas spot prices fell at most locations from Wednesday, May 4, to Wednesday, May 11 (the Report Week, during which the Henry Hub spot price fell 79 cents to \$7.51/MMBtu. International spot prices decreased for the Report Week with LNG cargoes in East Asia falling 31 cents/MMBtu to a weekly average of \$23.62/MMBtu and TTF European day-ahead prices decreased \$2.83 to a weekly average of \$28.01/MMBtu. In the same week last year, East Asia and TTF prices were \$9.11/MMBtu and \$8.99/MMBtu, respectively.

-The price of the June 2022 NYMEX natural gas futures contract decreased 77.5 cents, from \$8.415/MMBtu to \$7.640/MMBtu for the Report Week. The price of the 12-month strip averaging June 2022 through May 2023 futures contracts declined 65.9 cents to \$7.097/MMBtu.

-Net natural gas injections into storage totaled 76 Bcf for the week ending May 6, compared with the five-year average of 82 Bcf and last year's net injections of 70 Bcf during the same week. Working natural gas stocks totaled 1,643 Bcf, which is 312 Bcf (16%) lower than the five-year average and 376 Bcf (19%) lower than last year at this time.

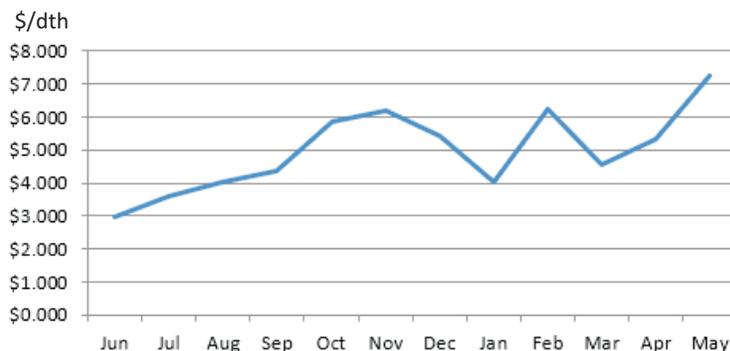
-Total US natural gas consumption fell 3.2% (2.2 Bcf/d) compared with the previous Report Week, with residential and commercial sectors consumption declining by 15.8% (2.7 Bcf/d). Natural gas consumption by the electric power generation sector climbed by 3.3% (0.9 Bcf/d). Industrial sector consumption decreased by 1.8% (0.4 Bcf/d), and natural gas exports to Mexico increased 3.3% (0.2 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 12.2 Bcf/d, 0.1 Bcf/d higher than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 20 cents/MMBtu, averaging \$12.59/MMBtu for the week ending May 11. Brent crude oil prices rose 1%, while prices of heavier natural gas liquids fell. Natural gasoline prices fell 2%, normal butane and isobutane prices fell 5% and 3%, respectively, and propane prices fell 2%.

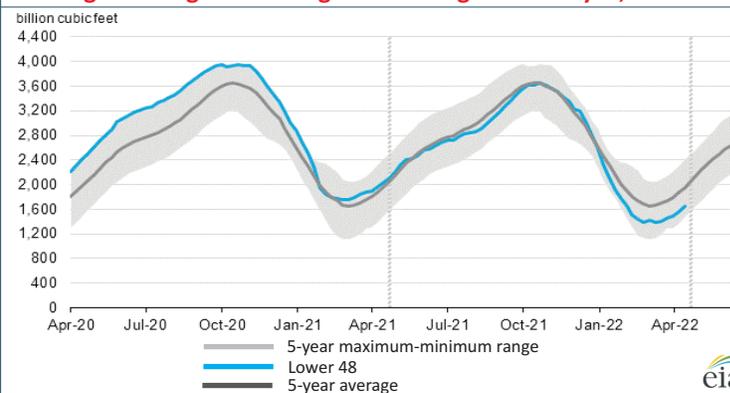
-According to Baker Hughes, for the week ending Tuesday, May 3, the natural gas rig count increased by 2 rigs week over week to 146 rigs. The number of oil-directed rigs increased by 5 rigs to 557 rigs. The total rig count is 705, the highest level since March 27, 2020, and 257 rigs more than the same week last year.

Excerpted from eia

Monthly NYMEX Natural Gas Settle Price: Jun 2021 - May 2022:



Working natural gas in underground storage as of May 6, 2022



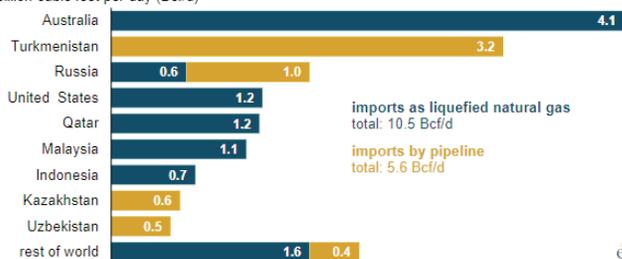
Forward 12-month NYMEX natural gas strip price - Jun22-May23:

Process Load-weighted \$7.097/dth - w/o/w = ▼\$0.659
 Typical Heat Load-weighted \$7.156/dth - w/o/w = ▼\$0.667

As of 2021, China imports more liquefied natural gas than any other country:

In 2021, China imported more liquefied natural gas (LNG) than any other country, according to data from Global Trade Tracker and China's General Administration of Customs. Prior to 2021, Japan had been the world's largest LNG importer for decades, according to data from Cedigaz. China's LNG imports averaged 10.5 billion cubic feet per day (Bcf/d), a 19% increase compared with 2020. LNG imports accounted for more than half of China's overall natural gas imports and 30% of China's total natural gas supply in 2021. China began importing LNG in 2006 and, with the exception of 2015, has imported more LNG each year since then. China has rapidly expanded its LNG import capacity, which was estimated at 13.9 Bcf/d in 2021. By the end of 2022, China's regasification capacity could increase by 2.8 Bcf/d to 16.7 Bcf/d, according to data by S&P Global Platts. In 2021, China imported LNG from 25 countries. The largest six suppliers, Australia, United States, Qatar, Malaysia, Indonesia, and Russia, provided 8.9 Bcf/d, or 85%, of China's total LNG imports. Since China lowered tariffs on LNG imports from the United States from 25% to 10% in 2019, U.S. LNG exports to China have increased and in 2021 averaged 1.2 Bcf/d. The United States was the largest supplier of spot LNG volumes to China last year. During 2022 and 2023, several new long-term contracts between China and the United States are expected to start from the Sabine Pass and Corpus Christi terminals for a combined estimated volume of up to 0.5 Bcf/d. The new U.S. LNG export terminal at Calcasieu Pass will supply China's two national energy companies - Sinopec with 0.13 Bcf/d and CNOOC with 0.2 Bcf/d starting next year.

China's natural gas imports from selected countries (2021)
billion cubic feet per day (Bcf/d)



"The thing worse than rebellion is the thing that causes rebellion." -Frederick Douglass¹