

Newstracker:

-Natural gas spot prices were mixed from Wednesday, March 29, to Wednesday, April 5 (the Report Week), during which the Henry Hub spot price rose 22 cents to \$1.95/MMBtu.


-The May 2023 NYMEX natural gas futures contract decreased to \$2.155/MMBtu, down 3 cents for the Report Week. The price of the 12-month strip averaging May 2023 through April 2024 futures contracts declined 8 cents to \$3.000/MMBtu. International natural gas futures prices increased this Report Week, with LNG cargoes in East Asia increasing 24 cents to a weekly average of \$12.96/MMBtu and prices at TTF in the Netherlands increasing \$1.48 to a weekly average of \$14.96/MMBtu.

-Net natural gas withdrawals from storage totaled 23 Bcf for the week ending March 31, compared with the five-year average net withdrawals of 0 Bcf and last year's net withdrawals of 24 Bcf during the same week. At the end of March, which is typically considered the end of the storage withdrawal season (November–March), working natural gas stocks totaled 1,830 Bcf, which is 298 Bcf (19%) more than the five-year average and 443 Bcf (32%) more than last year at this time.

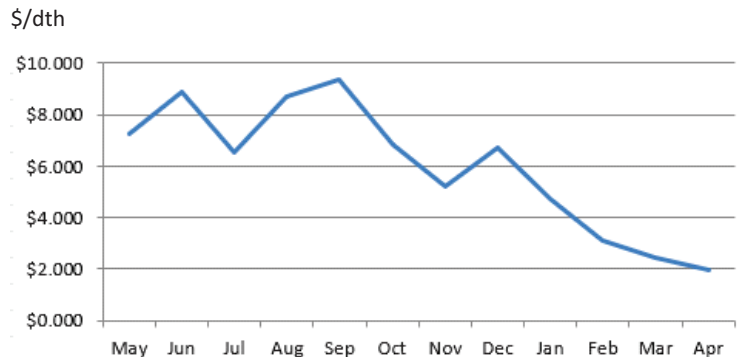
-Total US consumption of natural gas fell by 7.1% (5.6 Bcf/d) compared with the previous Report Week. Natural gas consumed in the residential and commercial sectors declined by 17.8% (4.9 Bcf/d) week over week. Natural gas consumed in the power generation sector declined by 0.4% (0.1 Bcf/d), and natural gas consumed in the industrial sector declined by 2.7% (0.6 Bcf/d). Natural gas exports to Mexico increased 0.5% and natural gas deliveries to U.S. LNG export facilities (LNG pipeline receipts) averaged 13.9 Bcf/d, or 0.9 Bcf/d higher than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 15 cents/MMBtu, averaging \$7.36/MMBtu for the Report Week. The Brent crude oil price rose 9%, while propane prices rose only 4%, resulting in a 17% increase in the propane discount relative to crude oil.

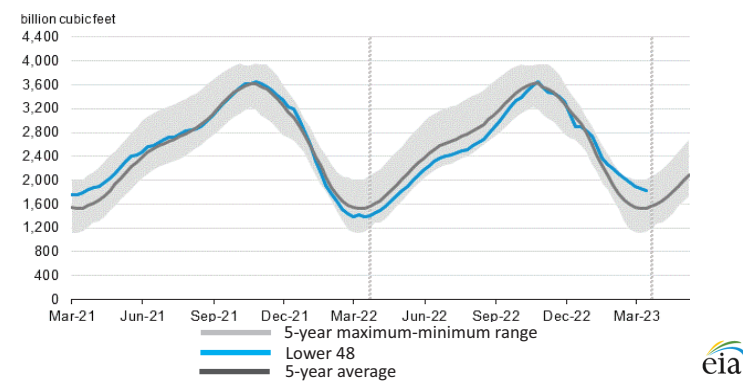
-For the week ending Tuesday, March 21, the natural gas rig count fell by 2 rigs from a week ago to 160 rigs. The number of oil-directed rigs fell by 1 rig from a week ago to 592 rigs. The total rig count, which includes 3 miscellaneous rigs, stands at 755.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: May 2022 - Apr 2023:



Working natural gas in underground storage as of Mar. 31, 2023

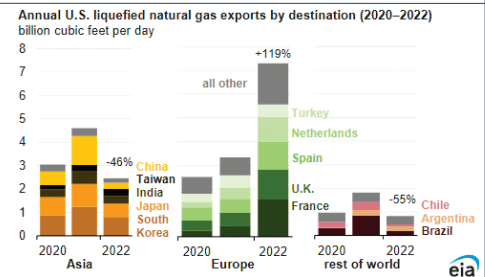


Forward 12-month NYMEX natural gas strip price - May23-Apr24:

Process Load-weighted \$3.000/dth - w/o/w = ▼\$0.083
 Typical Heat Load-weighted \$3.318/dth - w/o/w = ▼\$0.082

Europe was the main destination for US LNG exports in 2022:

US LNG exports averaged 10.6 Bcf/d in 2022, increasing by 9% (0.8 Bcf/d) compared with 2021. This increase was driven by strong LNG demand in Europe, high international natural gas prices, and expanded US liquefaction capacity. US LNG exports to Europe increased 141%, or 4.0 Bcf/d, compared with 2021 because of both natural gas supply challenges in Europe after Russia's pipeline exports to the region declined to 40-year lows and higher prices at Europe's natural gas trading hubs relative to other LNG markets. Europe became the primary destination for US LNG exports in 2022, accounting for 64% (6.8 Bcf/d) of total exports. Four countries—France, the U.K., Spain, and the Netherlands—accounted for a combined 74% (5.0 Bcf/d) of exports to Europe. In 2022, Europe increased LNG imports to an all-time high of 14.9 Bcf/d (annual average), 65% (5.9 Bcf/d) more than in the previous year. Similar to 2021, three countries—the US, Qatar, and Russia—provided 73% (10.8 Bcf/d) of Europe's LNG imports in 2022. Excluding intra-regional trade, the remaining 3.8 Bcf/d of LNG imports was supplied by 14 other LNG-exporting countries. Europe's LNG import capacity expanded in 2022, and is expected to grow by one-third by the end of 2024, as countries add new LNG regasification facilities and expand existing import terminals. US LNG exports to Asia declined by 46% (2.1 Bcf/d) and averaged 2.5 Bcf/d in 2022. Most countries in Asia reduced LNG imports from the US last year compared with 2021. The most notable reduction was in exports to China, which decreased by 78% (1.0 Bcf/d). China's annual LNG imports from all countries declined 20% (2.1 Bcf/d) in 2022 compared with 2021 and averaged 8.4 Bcf/d—the lowest level since 2019. US LNG exports to eight countries in Latin America declined by 62% (1.1 Bcf/d) in 2022. The largest decline was in exports to Brazil—by 77% (0.6 Bcf/d)—as increased availability of hydroelectric power reduced natural gas demand for electricity generation at Brazil's natural gas-fired power plants. In 2022, Kuwait was the only country in the Middle East that imported US LNG, with exports averaging 0.2 Bcf/d, or twice 2021 levels.



“It would have been a helluva lot more fun if I had not hit those sixty-one home runs.” -Roger Maris¹