
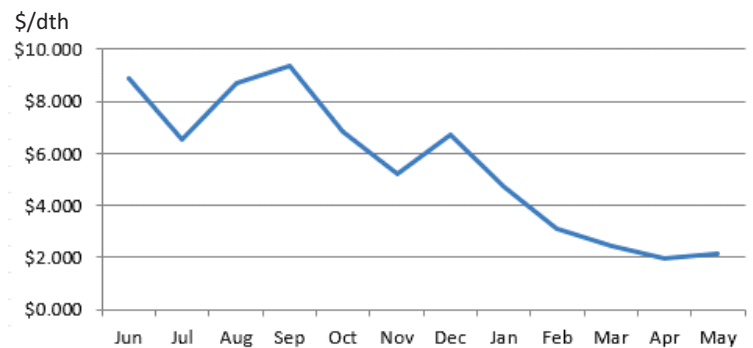


Newstracker:

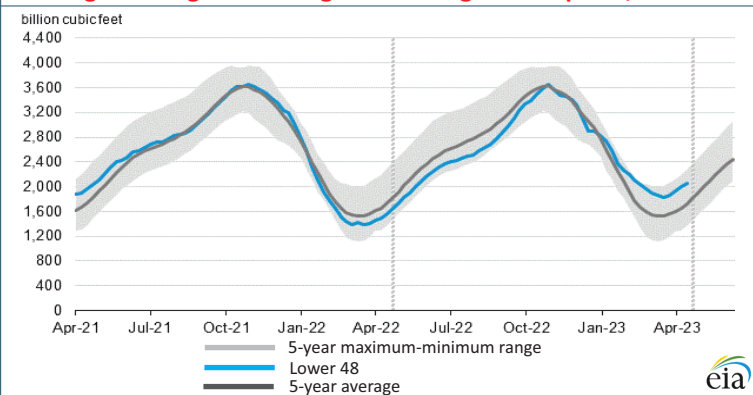
- Natural gas spot prices broadly declined from Wednesday, April 26, to Wednesday, May 3 (the Report Week), during which the Henry Hub spot price fell 16 cents to \$2.19/MMBtu.
- The June 2023 NYMEX natural gas futures contract price decreased to \$2.170/MMBtu, down 14 cents from last Report Week. The price of the 12-month strip averaging June 2023 through May 2024 futures contracts declined 10 cents to \$2.942/MMBtu. International natural gas futures prices decreased this Report Week, with LNG cargoes in East Asia decreasing 36 cents to a weekly average of \$11.54/MMBtu and prices at TTF in the Netherlands decreasing 52 cents to a weekly average of \$12.32/MMBtu. In the same week last year, prices were \$24.08/MMBtu in East Asia and \$30.90/MMBtu at TTF.
- Net natural gas injections into storage totaled 54 Bcf for the week ending April 28, compared with the five-year average net injections of 78 Bcf and last year's net injections of 72 Bcf during the same week. Working natural gas stocks totaled 2,063 Bcf, which is 341 Bcf (20%) more than the five-year average and 507 Bcf (33%) more than last year at this time.
- Total US consumption of natural gas fell by 3.7% (2.7 Bcf/d) to 70.5 Bcf/d for the Report Week. Natural gas consumed in all three major sectors declined: residential and commercial sector consumption declined by 8.1% (1.7 Bcf/d), power generation consumption declined by 2.3% (0.7 Bcf/d), and industrial sector consumption declined by 1.4% (0.3 Bcf/d). Natural gas exports to Mexico decreased 4.3% (0.2 Bcf/d) to 5.4 Bcf/d, and natural gas deliveries to US LNG export facilities decreased 4.1% (0.6 Bcf/d) to 13.4 Bcf/d. Demand for feedgas at US export terminals typically declines at this time of year, when exports are seasonally lower.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 60 cents/MMBtu, averaging \$6.49/MMBtu for the week ending May 3. Propane prices fell 11%, while the Brent crude oil price fell by 4%, resulting in a 7% increase in the propane discount relative to crude oil.
- For the week ending Tuesday, April 25, the natural gas rig count increased by 2 rigs from a week ago to 161 rigs. The number of oil-directed rigs was unchanged from a week ago at 591 rigs. The total rig count, which includes 3 miscellaneous rigs, stands at 755, which is 57 more rigs than last year at this time.

Excerpted from 

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



Working natural gas in underground storage as of Apr. 28, 2023



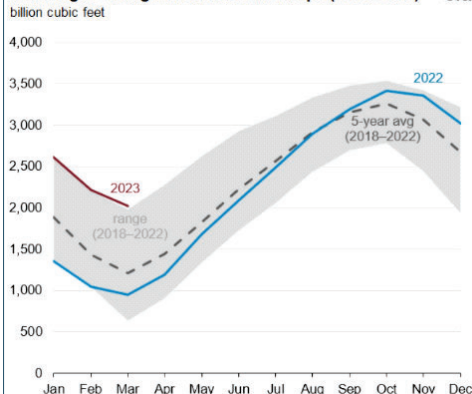
Forward 12-month NYMEX natural gas strip price - Jun23-May24:

Process Load-weighted \$2.942/dth - w/o/w = ▼\$0.100
 Typical Heat Load-weighted \$3.262/dth - w/o/w = ▼\$0.086

Record LNG imports and mild 2022–2023 winter leads to record-high end-of-season natural gas storage inventories in Europe:

European natural gas storage inventories as of April 1, 2023, were 56% full—the highest level on record for the end of the heating season. This year's end-of-season storage stocks of 2.02 Tcf exceeded the previous record of 1.98 Tcf at the end of winter 2019–2020 and were significantly above the five-year average of 1.21 Tcf. Europe's high levels of natural gas in storage are the result of record levels of LNG imports, an exceptionally warm winter that reduced heating demand, and lower natural gas consumption resulting in part from a Europe-wide effort to conserve natural gas. Last year, Europe (EU-27 and the UK), which historically rely on natural gas imports to meet more than 80% of natural gas consumption, shifted away from pipeline imports from Russia. A significant increase in LNG imports helped to refill storage inventories and balance the market, offsetting the decline in pipeline imports from Russia. Europe's LNG imports during 2022 averaged 14.9 Bcf/d, 65% (5.8 Bcf/d) higher than in 2021. During this past winter, LNG imports averaged 16.3 Bcf/d, reaching an all-time monthly high of 17.9 Bcf/d in December. Europe was the main destination for US LNG exports in 2022. The US remained the largest LNG supplier to Europe for the second year in a row, accounting for 44% (6.5 Bcf/d) of total LNG imports during 2022. The winter of 2022–2023 was Europe's second-warmest winter on record. Most of the world's LNG (97%) is consumed in the Northern Hemisphere, which experienced the fifth-warmest winter on record. In 2022, European governments enacted policies requiring storage operators to maximize storage injections during the refill season to assure availability of natural gas supply during winter. As a result, storage stocks on November 1—the traditional start of the heating season—were 95% full, exceeding the 12-year (2011–2022) average of 89% and greatly exceeding storage stocks at the start of the heating season in 2021.

Natural gas storage inventories in Europe (2018–2023)



"I used to work in a fire hydrant factory. You couldn't park anywhere near the place." -Steven Wright¹

This newsletter is provided to you for informational purposes only. The Legacy Energy Group, LLC makes no representations or warranties concerning the accuracy of the information contained herein and assumes no liability for any errors or omissions in the content herein. It is not intended to provide advice or recommendation. The Legacy Energy Group, LLC is a Kentucky limited liability company with offices in Virginia and Michigan, and serves clients throughout the United States and Canada.

©1999-2023 The Legacy Energy Group, LLC

¹https://www.brainyquote.com/quotes/steven_wright_117739