

Newstracker:

-Natural gas spot prices fell at most locations in the US from Wednesday, January 31, to Wednesday, February 7 (the Report Week), during which the Henry Hub spot price fell 26 cents to \$1.97/MMBtu.

-For the Report Week, the March 2024 NYMEX natural gas futures contract price decreased 13.3 cents to \$1.967/MMBtu. The price of the 12-month strip averaging March 2024 through February 2025 futures fell 12.5 cents to \$2.641/MMBtu. International natural gas futures prices were mixed this Report Week, with LNG cargoes in East Asia rising 4 cents to a weekly average of \$9.46/MMBtu, and prices at TTF in the Netherlands decreasing 6 cents to a weekly average of \$9.07/MMBtu. In the same week last year, prices were \$18.30/MMBtu in East Asia and \$17.83/MMBtu at TTF.

-Total US consumption of natural gas rose by 1.4% (1.2 Bcf/d) compared with the previous Report Week. Residential and commercial sector consumption increased by 4.9% (1.7 Bcf/d) week over week. Natural gas consumed for power generation declined by 1.4% (0.5 Bcf/d), and industrial sector consumption was essentially unchanged. Natural gas exports to Mexico decreased 8.9% (0.5 Bcf/d), and natural gas deliveries to U.S. LNG export facilities averaged 13.3 Bcf/d, or 0.7 Bcf/d lower than last Report Week.

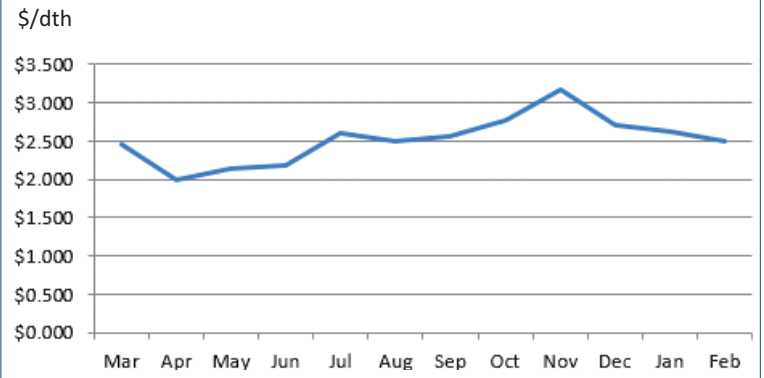
-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 8 cents/MMBtu, averaging \$7.74/MMBtu for the week ending February 7. The average weekly propane price rose 5%, while the Brent crude oil price fell 3%. The propane discount relative to crude oil decreased 22% week over week.

-For the week ending Tuesday, January 30, the natural gas rig count decreased by 2 rigs from a week ago to 117 rigs. The number of oil-directed rigs was unchanged from a week ago at 499 rigs. The total rig count, which includes 3 miscellaneous rigs, now stands at 619 rigs, 140 fewer rigs than last year at this time.

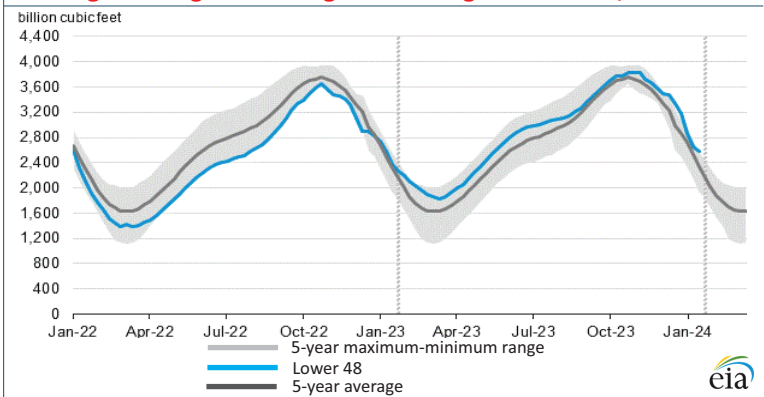
-Net natural gas withdrawals from storage totaled 75 Bcf for the week ending February 2, compared with the five-year average net withdrawals of 193 Bcf and last year's net withdrawals of 208 Bcf during the same week. Working natural gas stocks totaled 2,584 Bcf, which is 248 Bcf (11%) more than the five-year average and 187 Bcf (8%) more than last year at this time.

Excerpted from eia

Monthly NYMEX Natural Gas Settle Price: Mar 2023 - Feb 2024:



Working natural gas in underground storage as of Feb. 1, 2024

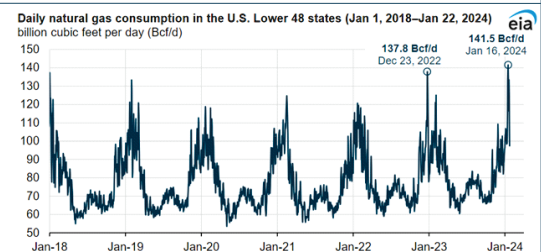


Forward 12-month NYMEX natural gas strip price - Mar24-Feb25:

Process Load-weighted \$2.641/dth - w/o/w = ▼\$0.125
 Typical Heat Load-weighted \$2.885/dth - w/o/w = ▼\$0.117

U.S. natural gas consumption established a new daily record in January 2024:

On January 16, 2024, a record high of 141.5 billion cubic feet (Bcf) of natural gas was consumed in the US Lower 48 states (L48), exceeding the previous record set on December 23, 2022. Well-below-normal temperatures caused by a large mass of arctic air that covered most of the continental United States increased demand of natural gas used for residential and commercial space heating and for electric power generation. Both consumption of natural gas and withdrawals from underground storage increased to record volumes because of the higher demand. Natural gas consumption in the L48 averaged above 130.0 billion cubic feet per day (Bcf/d) from January 14 through January 21, 2024, as arctic air pushed south into the United States, causing temperatures to fall. Extreme wind chills, freezing rain, and snowy conditions persisted from the Pacific Northwest into Texas and across the Northeast and mid-Atlantic. Residential and commercial natural gas consumption accounted for almost 49% of L48 consumption during that period, up from 42% during the start of January, as homes and commercial buildings used more natural gas for heating. Electricity generation also increased during that time, with natural gas-fired and coal-fired electricity generation increasing to meet increased demand. Natural gas was also withdrawn from underground storage at close to record volumes to meet the increased heating and electricity consumption during the cold snap. Weekly net withdrawals of natural gas from underground storage in the L48 for the week of Saturday, January 13, through Friday, January 19, totaled 326 Bcf, the third-most for any week on record. This large natural gas storage withdrawal helped offset reduced U.S. natural gas production. Some of the decline in natural gas production was likely a result of freeze-offs—which occur when water and other liquids in the raw natural gas stream freeze at the wellhead or in gathering lines near production—as well as other issues caused by the cold weather. U.S. dry natural gas production, which had been averaging close to 104.0 Bcf/d in the beginning of January, declined about 10.0 Bcf/d to close to 94.0 Bcf/d over the week of January 13.



Excerpted from eia

“Cross country skiing is great if you live in a small country.” - Steven Wright¹

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