

Newstracker:

-US natural gas spot prices rose at most locations from Wednesday, March 13, to Wednesday, March 20 (the Report Week), during which the Henry Hub spot price rose 33 cents to \$1.57/MMBtu.

-The April 2024 NYMEX contract price increased to \$1.699/MMBtu, up 4.1 cents from last Report Week. The price of the 12-month strip averaging April 2024 through March 2025 futures rose 2.1 cents to \$2.709/MMBtu.

International natural gas futures prices increased this Report Week, with LNG cargoes in East Asia climbing 82 cents to a weekly average of \$9.27/MMBtu, and prices at TTF in the Netherlands increasing 70 cents to a weekly average of \$8.84/MMBtu. In the same week last year, prices were \$13.24/MMBtu in East Asia and \$13.14/MMBtu at TTF.

-Total US consumption of natural gas rose by 1.8% (1.4 Bcf/d) compared with the previous Report Week. Natural gas consumed for power generation increased by 3.3% (1.0 Bcf/d) week over week. Residential and commercial sector consumption increased by 1.6% (0.4 Bcf/d), and industrial sector consumption increased by 0.1% (less than 0.1 Bcf/d). Natural gas exports to Mexico decreased 0.1% (less than 0.1 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 12.9 Bcf/d, or 0.4 Bcf/d lower than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 24 cents/MMBtu, averaging \$7.39/MMBtu for the week ending March 20.

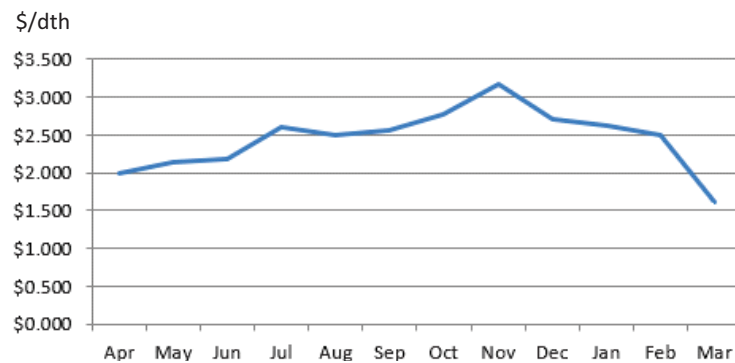
Propane prices rose 4%, Brent crude oil prices rose 2%, and the propane discount to crude oil was essentially unchanged.

-For the week ending Tuesday, March 12, the natural gas rig count increased by 1 rig from a week ago to 116 rigs. The number of oil-directed rigs increased by 6 rigs from a week ago to 510 rigs. The total rig count, which includes 3 miscellaneous rigs, now stands at 629 rigs, 125 fewer rigs than last year at this time.

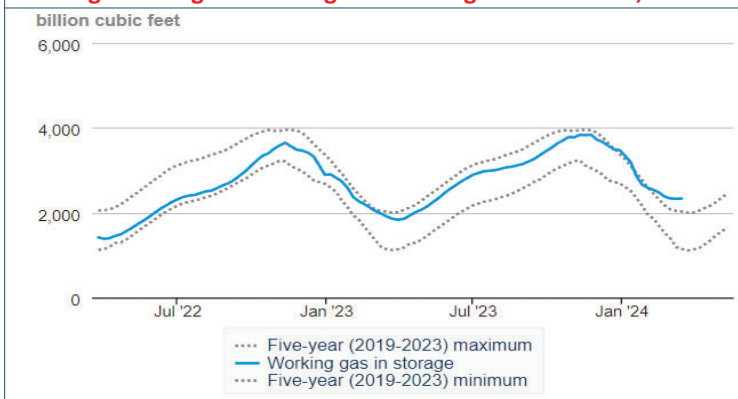
-Net natural gas injections into storage totaled 7 Bcf for the week ending March 15, compared with the five-year average net withdrawals of 42 Bcf and last year's net withdrawals of 68 Bcf during the same week. Working natural gas stocks totaled 2,332 Bcf, which is 678 Bcf (41%) more than the five-year average, 411 Bcf (21%) more than last year at this time, and 306 Bcf (15%) more than the five-year maximum.

Excerpted from 

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



Working natural gas in underground storage as of Mar. 15, 2024




Forward 12-month NYMEX natural gas strip price - Apr24-Mar25:

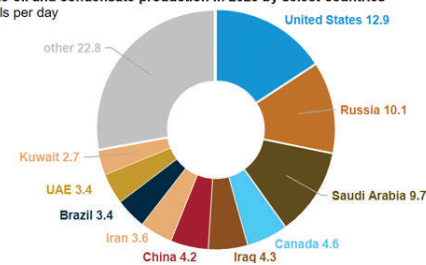
Process Load-weighted \$2.709/dth - w/o/w = ▲\$0.021
 Typical Heat Load-weighted \$3.056/dth - w/o/w = ▲\$0.024

US produces more crude oil than any country, ever:

The US produced more crude oil than any nation at any time for the past six years. Crude oil production in the US, including condensate, averaged 12.9 million barrels per day (b/d) in 2023, breaking the previous US and global record of 12.3 million b/d, set in 2019. Average monthly US crude oil production established a monthly record high in December 2023 at more than 13.3 million b/d. The crude oil production record in the US in 2023 is unlikely to be broken in any other country in the near term because no other country has reached production capacity of 13.0 million b/d. Together, the US, Russia, and Saudi Arabia accounted for 40% (32.8 million b/d) of global oil production in 2023. These three countries have produced more oil than any others since 1971, although the top spot has shifted among them over the past five decades. By comparison, the next three largest producing countries—Canada, Iraq, and China—combined produced 13.1 million b/d in 2023, only slightly more than what was produced in the US alone.

After peaking at 9.6 million b/d in 1970, annual US crude oil production flattened and then generally declined for decades to a low of 5.0 million b/d in 2008. Crude oil production in the US began increasing again in 2009, as producers increasingly applied hydraulic fracturing and horizontal drilling techniques, and has increased steadily since. The only exception to US production growth since 2009 was in 2020 and 2021. Russia was the country with the most crude oil production in 2017, but production growth in Russia has since lagged behind the US. Average annual production in Russia peaked in 2019 at 10.8 million b/d, when it trailed the US by 1.4 million b/d. More recently, Russia was among the OPEC+ countries that announced production cuts in November 2022, and in February 2023, it separately announced additional voluntary cuts of 500,000 b/d. Average annual production in Saudi Arabia peaked in 2022 at 10.6 million b/d, which was 1.3 million b/d less than in the US that year. In 2023, crude oil production in Saudi Arabia declined by about 900,000 b/d because of OPEC+ cuts and further voluntary cuts Saudi Arabia made to offset weaker demand growth.

Global crude oil and condensate production in 2023 by select countries million barrels per day 



“You know, I was once named Minor League Player of the Year... unfortunately, I had been in the majors for two years at the time.” -Bob Uecker¹

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.

©1999-2024 The Legacy Energy Group, LLC

https://www.brainyquote.com/quotes/bob_uecker_462056