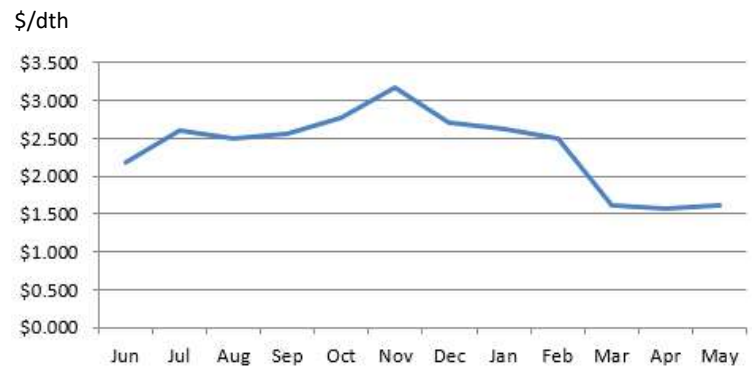


**Newstracker:**

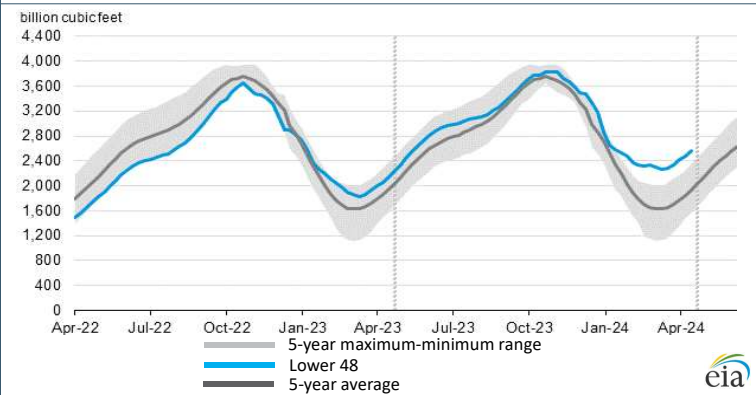
- US natural gas spot prices rose at most locations from Wednesday, May 1, to Wednesday, May 8 (the Report Week), during which the Henry Hub spot price rose 38 cents to \$2.01/MMBtu.
- The June 2024 natural gas futures contract rose 25.5 cents to \$2.1872/MMBtu for the Report Week. The price of the 12-month strip averaging June 2024 through May 2025 futures contracts rose 8.7 cents to \$2.967/MMBtu. International natural gas futures prices increased this Report Week, with LNG cargoes in East Asia climbing 16 cents to a weekly average of \$10.46/MMBtu, and prices at TTF in the Netherlands rising 70 cents to a weekly average of \$9.77/MMBtu. In the same week last year, prices were \$11.28/MMBtu in East Asia and \$11.61/MMBtu at TTF.
- Total US consumption of natural gas fell by 1.8% (1.2 Bcf/d) compared with the previous Report Week. Residential and commercial sector consumption declined by 15.6% (2.3 Bcf/d) week over week, while natural gas consumed for power generation rose 4.0% (1.3 Bcf/d). Industrial sector consumption decreased by 0.8% (0.2 Bcf/d). Natural gas exports to Mexico increased 0.8% (0.1 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 12.3 Bcf/d, or 0.1 Bcf/d higher than last Report Week.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 42 cents/MMBtu, averaging \$6.79/MMBtu for the week ending May 8. Propane prices decreased 10%, while Brent crude oil prices decreased 5% week over week. The propane discount to crude oil increased 2% this week.
- For the week ending Tuesday, April 30, the natural gas rig count decreased by 3 rigs from a week ago to 102 rigs. The number of oil-directed rigs decreased by 7 rigs from a week ago to 499 rigs. The total rig count, which includes 4 miscellaneous rigs, now stands at 605 rigs, 143 fewer rigs than last year at this time.
- Net natural gas injections into storage totaled 79 Bcf for the week ending May 3, compared with the five-year average net injections of 81 Bcf and last year's net injections of 71 Bcf during the same week. Working natural gas stocks totaled 2,563 Bcf, which is 640 Bcf (33%) more than the five-year average and 444 Bcf (21%) more than last year at this time.

Excerpted from 

**Monthly NYMEX Natural Gas Settle Price: Jun 2023 - May 2024:**



**Working natural gas in underground storage as of May 3, 2024**

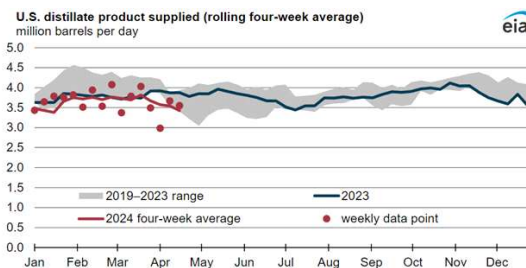


**Forward 12-month NYMEX natural gas strip price - Jun24-May25:**


Process Load-weighted \$2.967/dth - w/o/w = ▲\$0.087  
 Typical Heat Load-weighted \$3.255/dth - w/o/w = ▲\$0.047

**Low US distillate consumption reflects slow economic activity and biofuel substitution:**

US distillate consumption so far this year is lower than usual because of warm winter weather, reduced manufacturing activity, and continued substitution of biofuels in place of petroleum distillate on the US West Coast. US consumers used less heating oil than usual in the first quarter of 2024 (1Q24). Heating oil typically accounts for between 10% and 15% of US distillate fuel consumption in the first quarter of every year, depending on the weather; it accounts for only about 4% the rest of the year. The winter of 2023–24 was 5% warmer than the winter of 2022–23 (measured as heating degree days). Economic indicators that correlate with US distillate fuel consumption suggest subdued economic activity. Industrial production—which measures output from manufacturing, mining, and utilities—declined on an annual basis for the second consecutive month in February 2024 and showed no growth in March. The American Trucking Association's truck tonnage index—which measures domestic freight such as manufactured and retail goods carried by trucks—declined 1% in March 2024 compared with the same month in 2023, the 13th consecutive month of year-over-year declines. On the West Coast, continued substitution of biofuels (particularly renewable diesel) for petroleum distillate is reducing consumption of petroleum-based distillate fuel in that region.



Renewable diesel and biodiesel are biofuels that can be used in place of petroleum distillate fuel oil. Unlike conventional biodiesel, renewable diesel is chemically identical to petroleum diesel and can be blended as a drop-in replacement fuel. Renewable diesel has a growing share of the region's diesel fuel market because clean-fuel programs that began in 2011 provide incentives for its consumption. Consumption of combined renewable diesel and biodiesel on the West Coast averaged 141,000 barrels per day (b/d), near its all-time high of 152,000 b/d set in December 2023. In contrast, West Coast consumption of petroleum distillate fuel averaged 330,000 b/d in January, the least for any month since May 1996. Renewable diesel consumption represents about 4% of combined US petroleum and biofuel distillate consumption, but is forecast to continue growing this year and next, continuing to displace petroleum distillate fuel.

Excerpted from 

“Eddie Fisher married to Elizabeth Taylor is like me trying to wash the Empire State Building with a bar of soap.” -Don Rickles<sup>1</sup>

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