

Newstracker:


-US natural gas spot prices were mixed from Wednesday, October 23, to Wednesday, October 30 (the Report Week), during which the Henry Hub spot rose 3 cents to \$1.94/MMBtu.

-The November 2024 NYMEX natural gas futures contract expired on Tuesday, October 29 at 2.346/MMBtu. The December 2024 NYMEX contract price fell 6 cents to \$2.845/MMBtu for the Report Week. The price of the 12-month strip averaging December 2024 through November 2025 futures contracts fell 3 cents to \$3.038/MMBtu. International natural gas futures prices increased this Report Week, as LNG cargoes in East Asia rose 25 cents to a weekly average of \$13.70/MMBtu, and prices at TTF in the Netherlands climbing 70 cents to a weekly average of \$13.45/MMBtu. In the same week last year, prices were \$17.82/MMBtu in East Asia and \$15.36/MMBtu at TTF.

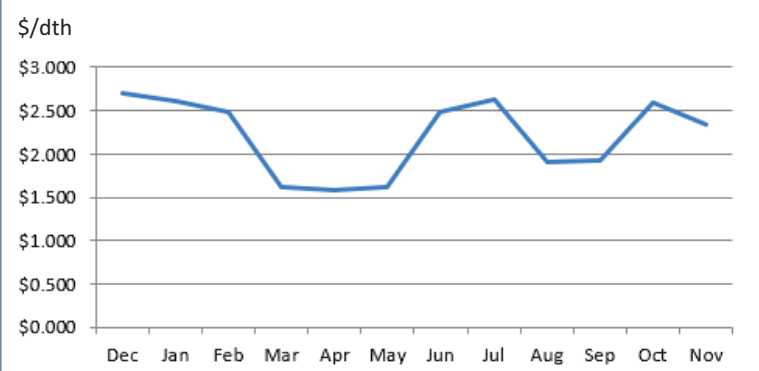
-Total US consumption of natural gas rose by 5.9% (4.1 Bcf/d) compared with the previous report week. Natural gas consumed for power generation rose by 6.4% (2.1 Bcf/d) week over week. Industrial sector consumption remained unchanged and consumption in the residential and commercial sector increased by 13.9% (2.1 Bcf/d). Natural gas exports to Mexico decreased 0.7% (less than 0.1 Bcf/d). Natural gas deliveries to U.S. LNG export facilities (LNG pipeline receipts) averaged 13.5 Bcf/d, or 0.2 Bcf/d lower than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 14 cents/MMBtu, averaging \$7.42/MMBtu for the week ending October 30. Propane prices increased 6%, while Brent crude oil prices decreased 2% week over week, narrowing the propane discount to crude oil by 17%.

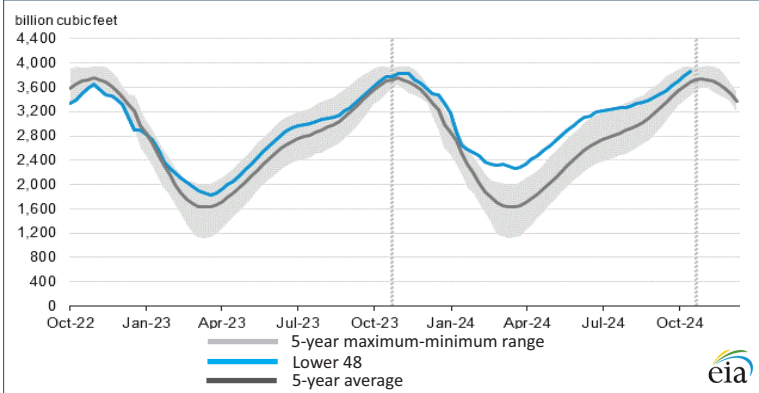
-For the week ending Tuesday, October 22, the natural gas rig count increased by 2 rigs from a week ago to 101 rigs. The number of oil-directed rigs decreased by 2 rigs from a week ago to 480 rigs. The total rig count, which includes 4 miscellaneous rigs, now stands at 585 rigs, 40 fewer rigs than a year ago.

-Net natural gas injections into storage totaled 78 Bcf for the week ending October 25, compared with the five-year average net injections of 67 Bcf and last year's net injections of 77 Bcf during the same week. Working natural gas stocks totaled 3,863 Bcf, which is 178 Bcf (5%) more than the five-year average and 107 Bcf (3%) more than last year at this time. Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Dec 2023 - Nov 2024:



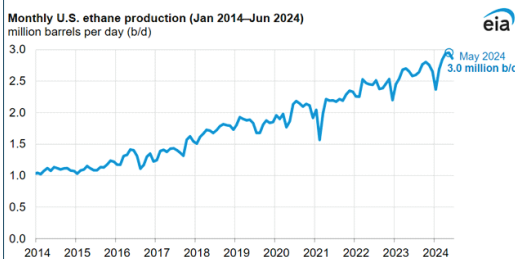
Working natural gas in underground storage as of Oct. 25, 2024



Forward 12-month NYMEX natural gas strip price - Dec24-Nov25:

Process Load-weighted \$3.038/dth - w/o/w = ▼\$0.031
 Typical Heat Load-weighted \$3.007/dth - w/o/w = ▼\$0.040

US ethane production reached a record 3.0 million barrels per day in May 2024:



US ethane production increased steadily over the last decade and reached a record of 3.0 million barrels per day (b/d) in May 2024. Ethane production in the first half of 2024 (1H24) averaged a record 2.8 million b/d. The increase was driven by more natural gas and ethane production in the Permian Basin, which spans Texas and New Mexico. Ethane serves mainly as a petrochemical feedstock to produce ethylene, which is used to make plastics and resins. Continued growth in ethane consumption in the global petrochemical sector, increasing proportions of ethane derived from US natural gas production, and favorable production economics have driven steady increases in ethane production in recent years. In the US, almost all ethane is recovered at natural gas processing plants, which remove ethane and other natural gas plant liquids (NGPL) from raw natural gas. During 1H24, US marketed natural gas production, which includes dry natural gas and NGPLs before they are separated out, averaged a record 112.8 billion cubic feet per day (Bcf/d), 1.0 Bcf/d more than the 1H23 average. Ethane production in the Texas Inland and New Mexico refining districts, which include the Permian Basin, accounted for 62% of U.S. ethane production during 1H24, slightly more than the 60% share in 1H23. Ethane production in these two districts averaged 1.7 million b/d in 1H24, a 7% (0.1 million b/d) increase from 1H23. Ethane production in the Appalachian No. 1 refining district, which straddles most of the Appalachian Basin production area in Pennsylvania and West Virginia, also increased during 1H24, averaging 327,000 b/d, up from 292,000 b/d in 1H23. Ethane production in other refining districts remained essentially unchanged from 1H23. US ethane production continued increasing to meet growing demand from domestic and international consumers. Consumption of ethane in the US in 1H24 averaged 2.3 million b/d, up from 2.1 million b/d in 1H23, while US ethane exports averaged 470,000 b/d, down 17,000 b/d compared with 1H23. The US began exporting ethane in 2014 to petrochemical plants in Canada and became the world's largest exporter of ethane in 2015, when tanker exports to Europe began. The most common destinations for ethane exports in 1H24 were China (45% of US ethane exports), Canada (15%), and India (14%).

“I don’t use drugs, my dreams are frightening enough.” -M. C. Escher.¹