

Newstracker:

-US natural gas spot prices fell at all locations from Wednesday, January 22, to Wednesday, January 29 (the Report Week), during which the Henry Hub spot price fell 60 cents to \$3.29/MMBtu.


-The February 2025 NYMEX natural gas futures contract expired on Wednesday, January 29 at \$3.535/MMBtu. The March 2025 NYMEX contract price fell 34 cents to \$3.170/MMBtu for the Report Week. The price of the 12-month strip averaging March 2025 through February 2026 futures contracts fell 25 cents to \$3.813/MMBtu. International natural gas futures prices increased this Report Week, as LNG cargoes in East Asia rose 6 cents to a weekly average of \$14.08/MMBtu, and prices at TTF in the Netherlands climbed 52 cents to a weekly average of \$15.08/MMBtu. In the same week last year, prices were \$9.42/MMBtu in East Asia and \$9.13/MMBtu at TTF.

-Total US consumption of natural gas fell by 12.2% (15.5 Bcf/d) versus the previous Report Week. Natural gas consumed in the residential and commercial sector declined by 17.2% (10.3 Bcf/d) as warmer weather spread across much of the United States. Natural gas consumed for power generation declined by 9.8% (3.9 Bcf/d), and consumption in the industrial sector decreased by 4.7% (1.3 Bcf/d). Natural gas exports to Mexico decreased 2.5% (0.2 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 13.7 Bcf/d, or 1.1 Bcf/d lower than last week.

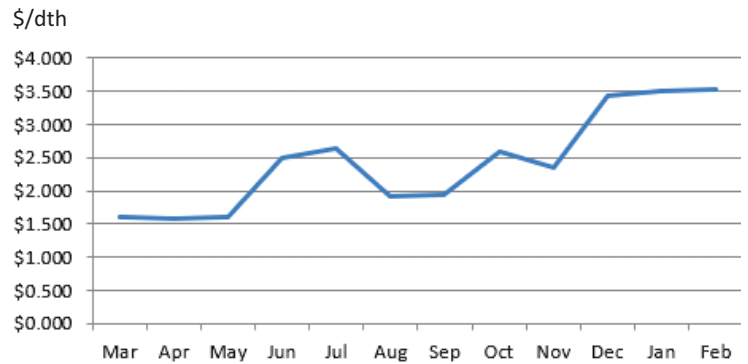
-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 40 cents/MMBtu, averaging \$8.11/MMBtu for the week ending January 29. Propane prices decreased 5%, while Brent crude oil prices decreased 3% week over week. Propane discount to crude oil increased 2% for the week.

-For the week ending Tuesday, January 21, the natural gas rig count increased by 1 rig from a week ago to 99 rigs. The number of oil-directed rigs decreased by 6 rigs from a week ago to 472 rigs. The total rig count, which includes 5 miscellaneous rigs, now stands at 576 rigs, 45 fewer rigs than last year at this time.

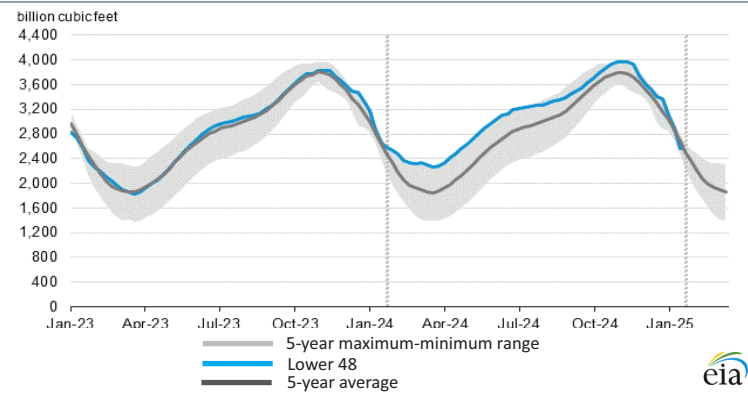
-Net natural gas withdrawals from storage totaled 321 Bcf for the week ending January 24, compared with the five-year average net withdrawals of 189 Bcf and last year's net withdrawals of 234 Bcf during the same week. This is the fourth-largest withdrawal on record. Working natural gas stocks totaled 2,571 Bcf, which is 111 Bcf (4%) lower than the five-year average and 144 Bcf (5%) lower than last year at this time.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Mar 2024 - Feb 2025:



Working natural gas in underground storage as of Jan. 24, 2025

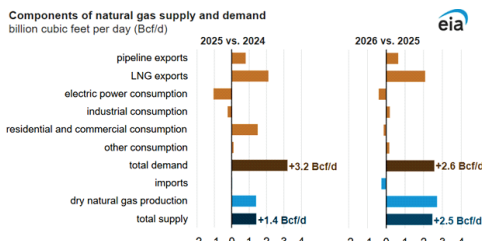


Forward 12-month NYMEX natural gas strip price - Feb25-Jan26:

Process Load-weighted \$3.813/dth - w/o/w = ▼\$0.248
 Typical Heat Load-weighted \$3.979/dth - w/o/w = ▼\$0.238

EIA expects higher wholesale U.S. natural gas prices as demand increases:

The US Energy Information Administration (EIA) expects increases in the Henry Hub natural gas price in 2025 and 2026 as demand for natural gas grows faster than supply, driven mainly by more demand from US LNG export facilities, reducing the natural gas in storage compared with the last two years. EIA forecasts the US benchmark Henry Hub natural gas spot price will increase in 2025 to average \$3.10/MMBtu and in 2026 to average \$4.00/MMBtu. In 2025, EIA expects increases in demand, which includes domestic natural gas consumption and exports, will exceed increases in supply, which includes domestic natural gas production and imports. Consumption and exports are expected to increase by almost 3%, or 3.2 billion cubic feet per day (Bcf/d), outpacing the 1.4 Bcf/d growth in production and imports, leading to a 43% increase in the Henry Hub price. In 2026, EIA expects demand to continue to grow faster than supply, increasing prices by an additional 27%. Because of more demand relative to supply, storage inventories are projected to go from being 6% above the five-year (2019–23) average in December 2024 to below the rolling five-year average in the third quarter of 2025, and inventories remain below the rolling five-year average through 2023. EIA projects total US demand for natural gas to increase in 2025 by 3.2 Bcf/d and in 2026 by an additional 2.6 Bcf/d, driven by more demand for natural gas for LNG exports. In 2025, LNG exports grow by 2.1 Bcf/d and in 2026 they grow by an additional 2.1 Bcf/d. EIA forecasts flat US



domestic consumption of natural gas in both years as declining electric power consumption with more renewables online is mostly offset by increases in residential and commercial consumption in 2025 and an increase in industrial consumption in 2026. Residential and commercial consumption of natural gas increases 7% in 2025 to 22.5 Bcf/d, which is closer to the five-year average of 22.3 Bcf/d than the consumption in 2024 of 21.0 Bcf/d. IA's forecast for 2025 includes closer-to-normal temperatures leading to comparatively higher consumption. Industrial consumption of natural gas is expected to increase in 2026 due to increased industrial activity. The largest decrease in natural gas demand in EIA's forecast comes from electric power generation. The decline in consumption in this sector in 2025 and in 2026 is driven by increasing natural gas prices and increasing power generation from renewable sources.

"I had a great shoe contract and glove contract with a company who paid me a lot of money never to be seen using their stuff." -Bob Uecker¹

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¹https://www.brainyquote.com/quotes/bob_uecker_593388