



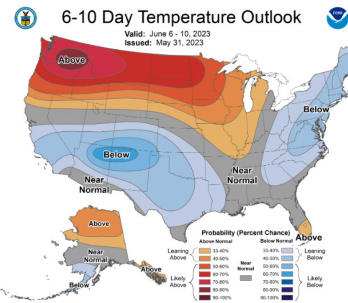
## NATURAL GAS MARKET UPDATE

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## 6 TO 10 DAY TEMPERATURE ANOMALY OUTLOOK:



### NATURAL GAS FUTURES SETTLEMENT PRICES (\$/MMBtu):

5/31/23	NYMEX NATURAL GAS				
Jul23	\$2.266	Jul23-Oct23	\$2.365	1-Year	\$2.959
Aug23	\$2.358	Nov23-Mar24	\$3.377	Cal 24	\$3.398
Sep23	\$2.358	Apr24-Oct24	\$3.187	Cal 25	\$3.944
Oct23	\$2.478	Nov24-Mar25	\$4.151	Cal 26	\$4.005
Nov23	\$2.926	Apr25-Oct25	\$3.694	Cal 27	\$3.990
Dec23	\$3.404	Nov25-Mar26	\$4.395	Cal 28	\$3.956
TTF - HOLLAND		NBP - UNITED KINGDOM		JKM - ASIA	
Jul-23	\$8.42	Jul-23	\$7.88	Jul-23	\$9.29
Aug-23	\$8.86	Aug-23	\$8.71	Aug-23	\$9.57
Sep-23	\$9.63	Sep-23	\$9.46	Sep-23	\$10.18
Oct-23	\$10.75	Oct-23	\$10.43	Oct-23	\$11.36
Nov-23	\$13.00	Nov-23	\$13.16	Nov-23	\$13.18
EASTERN GAS SOUTH FIXED-PRICE SETTLES (NYMEX + BASIS):					
Jul-23	\$1.40	Jul23-Oct23	\$1.26		
Aug-23	\$1.42	Nov23-Mar24	\$2.55		
Sep-23	\$1.10	Apr24-Oct24	\$2.31		
Oct-23	\$1.11	Nov24-Mar25	\$3.28		
Nov-23	\$1.82	Apr25-Oct25	\$2.72		
Dec-23	\$2.55	Nov25-Mar26	\$3.46		
Jan-24	\$2.78	Jul23-Jun24 (1-Year)	\$2.08		
Feb-24	\$2.91	Calendar 2024	\$2.53		
Mar-24	\$2.68	Calendar 2025	\$3.01		
Apr-24	\$2.44	Calendar 2026	\$2.98		

### FRONT-MONTH NYMEX NG FUTURES CHART:



CQG Inc. © 2023 NGEN23,240 | 06/01/2023 12:14:50, CQG 24.5,8019 Alpha

### DAILY CASH MARKET PRICES (for GD1):

Algonquin city-gates (New England)	4.900
Columbia Gas Transmission (TCO)	1.640
Eastern Gas South (formerly Dominion South)	1.415
Enable Gas, East (Mid-Con)	1.790
Henry Hub	2.100
SoCal city-gate	2.170
Transco Zone 5 South	2.205
Waha (Permian Basin)	1.595

### WORKING NATURAL GAS IN STORAGE, LOWER 48 STATES:

As of Week Ending:	5/26/2023	Build/(Draw)
Current Storage	2,446 Bcf	+110 Bcf
		Surplus/(Deficit)
Last Year Storage	1,889 Bcf	557 Bcf
5-Year Average	2,097 Bcf	349 Bcf
Prelim. Estimate for: 06/08/23 (ICE bid/ask mid)		+120 Bcf
End NG Storage Injections 11/07/23 ICE settle		3,950 Bcf

### KEY FUNDAMENTAL METRICS:

Platts data	Past 7 days	Prior 7 days
Dry-gas Production	101.3 Bcf/day	101.1 Bcf/day
Weekly Change	+0.2 Bcf/day	
LNG Feedgas Demand	13.3 Bcf/day	12.8 Bcf/day
Weekly Change	+0.5 Bcf/day	

**Market Commentary:** If last summer was marked by near daily victory laps by natural gas market bulls, this injection season has so far been the time for NG bears to feast, and feast they have done over the past few days. Friday was Jun23 Nymex settlement day, which saw the contract bleed further into the close and post a final settlement price of \$2.181 for the month, not the lowest we have seen with April coming in 19 cents lower, but basis has gotten pretty ugly for Marcellus producers and the monthly DTI index should land right around \$1.21 for the month, which would be the lowest since Oct of 2020 printed \$1.00. New to this report is Platts data showing recent production trends, as well as LNG export trends, with the dry-gas figure the one that all eyes are focused on still, and like last summer in the opposite direction, there does not seem to be a whole lot of elasticity of supply (whereas last year there was minimal elasticity of demand), meaning that despite these prices, producers are not yet cutting back with an uptick of +0.2 Bcf/day this week on production, while LNG feedgas demand was also up +0.5 Bcf/day which is a positive, but the market is trying to bring about a reduction in production, which has not yet come to pass. Today's weekly storage report came in at +110 Bcf, above consensus and good for another leg down to new contract lows for the new front-month Jul23 Nymex contract. Back on May 5<sup>th</sup> the Jul23 contract touched a low of 2.233 which held until earlier this morning, and now the current contract low is 2.136 which is about 20 cents above the 1.944 multi-year Nymex continuation low from late-March. Local basis had gotten very ugly before news emerged last weekend that part of the debt ceiling negotiations included provisions aimed expediting the completion of Equitrans' Mountain Valley Pipeline, which is years delayed at this point and is now 94% completed. Senator Joe Manchin of West Virginia had been trying unsuccessfully to push through efforts to get the much-needed project completed, which will open up new takeaway capacity for Marcellus producers, and also increase supply to the premium Transco Zone 5 market, but those efforts finally seem to have borne fruit, with President Biden surprising some of his allies and agreeing to the provision as part of the debt ceiling negotiations. Equitrans' stock was up +35% on Tuesday in response, and has moved slightly higher since, but is still down more than 50% from where it was trading when it was spun-off from EQT back in late 2018.

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