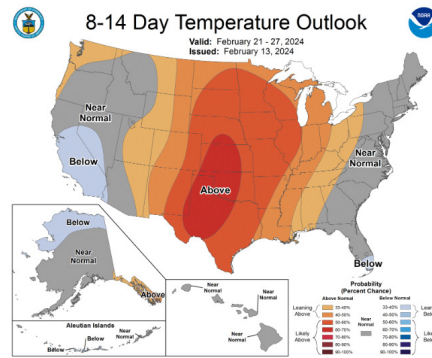




NATURAL GAS MARKET UPDATE
Wednesday February 14, 2024 1:45 PM

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

NYMEX NATURAL GAS					
2/13/24					
Mar24	\$1.69	Apr24-Oct24	\$2.14	1-Year	\$2.51
Apr24	\$1.74	Nov24-Mar25	\$3.33	Cal 25	\$3.42
May24	\$1.87	Apr25-Oct25	\$3.23	Cal 26	\$3.76
Jun24	\$2.05	Nov25-Mar26	\$4.09	Cal 27	\$3.78
Jul24	\$2.25	Apr26-Oct26	\$3.47	Cal 28	\$3.75
Aug24	\$2.33	Nov26-Mar27	\$4.27	Cal 29	\$3.72
TTF - HOLLAND		NBP - UNITED KINGDOM		JKM - ASIA	
Mar-24	\$8.00	Mar-24	\$7.84	Mar-24	\$9.41
Apr-24	\$8.10	Apr-24	\$7.80	Apr-24	\$8.70
May-24	\$8.18	May-24	\$7.87	May-24	\$8.79
Jun-24	\$8.25	Jun-24	\$7.94	Jun-24	\$8.99
Jul-24	\$8.29	Jul-24	\$7.96	Jul-24	\$9.09
EASTERN GAS SOUTH FIXED-PRICE SETTLES (NYMEX + BASIS):					
Mar-24	\$1.24	Apr24-Oct24	\$1.31		
Apr-24	\$1.24	Nov24-Mar25	\$2.48		
May-24	\$1.27	Apr25-Oct25	\$2.19		
Jun-24	\$1.39	Nov25-Mar26	\$3.17		
Jul-24	\$1.47	Apr26-Oct26	\$2.34		
Aug-24	\$1.44	Nov26-Mar27	\$3.34		
Sep-24	\$1.21	Mar24-Feb25 (1-Year)	\$1.69		
Oct-24	\$1.17	Calendar 2025	\$2.43		
Nov-24	\$1.83	Calendar 2026	\$2.72		
Dec-24	\$2.50	Calendar 2027	\$2.72		

FRONT-MONTH NYMEX NG FUTURES CHART:



CQG Inc. © 2024 NGE,240C | 02/14/2024 13:44:38, CQG 24.12.8050 Alpha

DAILY CASH MARKET PRICES (for GD14):

Algonquin city-gates (New England)	5.765
Columbia Gas Transmission (TCO)	1.350
Eastern Gas South (formerly Dominion South)	1.270
Enable Gas, East (Mid-Con)	1.460
Henry Hub	1.665
Tetco M3	2.125
Transco Zone 5 (del)	2.050
Waha (Permian Basin)	1.110

WORKING NATURAL GAS IN STORAGE, LOWER 48 STATES:

As of Week Ending:	02/02/2024	Build/(Draw)
Current Storage	2,584 Bcf	-75 Bcf
		Surplus/(Deficit)
Last Year Storage	2,397 Bcf	187 Bcf
5-Year Average	2,336 Bcf	248 Bcf

KEY FUNDAMENTAL METRICS:

Platts data	Past 7 days	Prior 7 days
Dry-gas Production	105.6 Bcf/day	105.5 Bcf/day
Weekly Change	+0.1 Bcf/day	
LNG Feedgas Demand	13.8 Bcf/day	13.4 Bcf/day
Weekly Change	+0.5 Bcf/day	

Market Commentary: The natural gas market continues to decline and now appears to be gunning for the June 2020 low of 1.432. Below there you have to go back to 1995 to see lower prints, and \$1.43 in 1995 could purchase a whole lot more than it can in 2024, so in inflation-adjusted/real dollar terms, these numbers may already reflect all-time lows. The market is grappling with another oversupply situation that it is attempting to address by forcing producers' hands via these extremely depressed prices, but so far to no avail. It is notable that this is occurring in the month of February, which in the past has often been when the market prints its highs for the year (when weather cooperates), but this year we are dealing with the aggregate impacts of not just a disappointing current winter, but also another almost total loss seen last winter as well, which set the stage for a very bearish year for natural gas prices in 2023, and now prices are doing their best to shrink supply to the greatest extent possible over the coming months. The 8 to 14 day outlook is showing mostly red hues, so any hopes for a cool-down later in the month have been dashed once again for the time being, and NG bears have pounced anew. Weather could still swoop in to the rescue over the coming weeks, but the time for it to have a meaningful impact on balances is dwindling, and the weather maps do not reflect that expectation at present. Cash prices for delivery into New England look decent for today, but outside of that constrained region there is very little optimism, and global benchmarks have seen further declines this week as well, and reflect a near-term complacency after a mild winter. The top natural gas producer in the United States reported earnings last night, and despite having been in maintenance mode and not trying to grow production, EQT produced 564 Bcf or 6.1 Bcf/day in Q4 which was on the high side of prior guidance, as continued efficiency gains boost output even when the company has publicly stated that it does not want to grow production in this low price environment, and just a month ago the CEO stated that Nymex prices below \$3.50 would yield lower production, but volumes grew sharply last year and the high Nymex print of the year was only 3.630 in 2023. Against that backdrop, the market is looking for more than companies to say what it wants to hear, and to force actual contraction of volumes, which remains to be seen if these prices will bring about. There does happen to be some mathematical magic to the current price of 1.618, but that doesn't mean that a turn in the NG market is imminent by any stretch.

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