

July 2022 Market Report

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Including market research provided by BUE's analyst team

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NYMEX Natural Gas Pricing

The August 2022 contract settled at \$8.867/MMBtu.

The September 2022 contract was trading around \$8.18/MMBtu (as of publish date).

Natural Gas Storage Report

Current BCF in Storage (2022 vs 2021):

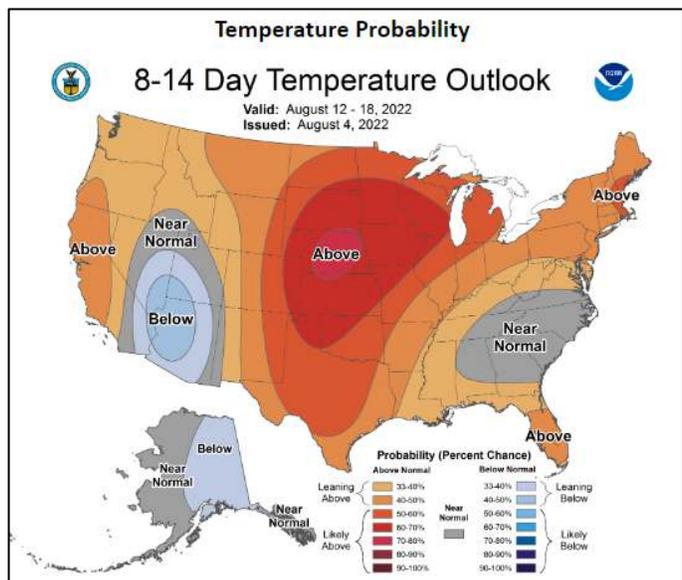
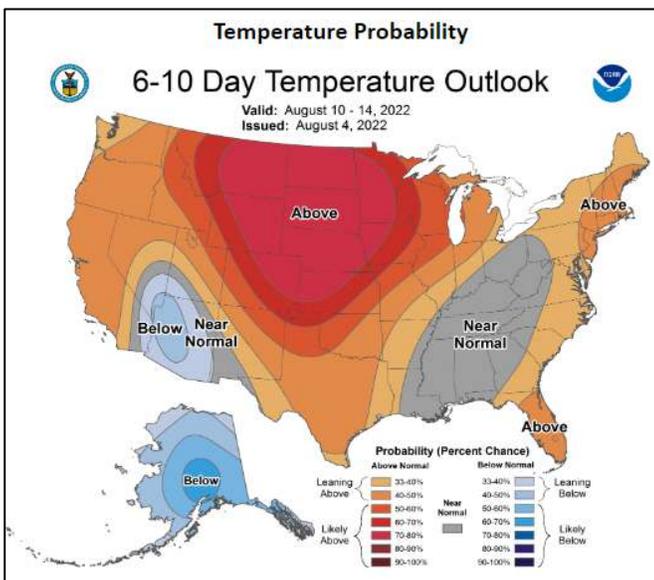
Week Ending	Total BCF	Week Ending	Total BCF
01-Jul-22	2,311	02-Jul-21	2,574
08-Jul-22	2,369	09-Jul-21	2,629
15-Jul-22	2,401	16-Jul-21	2,678
22-Jul-22	2,416	23-Jul-21	2,714
29-Jul-22	2,457	30-Jul-21	2,727

There is about 10% less in underground storage now than there was at this same time last year.

Weather (as of publish date)

6-10 Day: Above average temperatures expected across much of the US. Slightly below average along the southwestern coast.

8-14 Day: Above average temperatures expected across most of the US with some normal conditions around the southern & Gulf coasts.



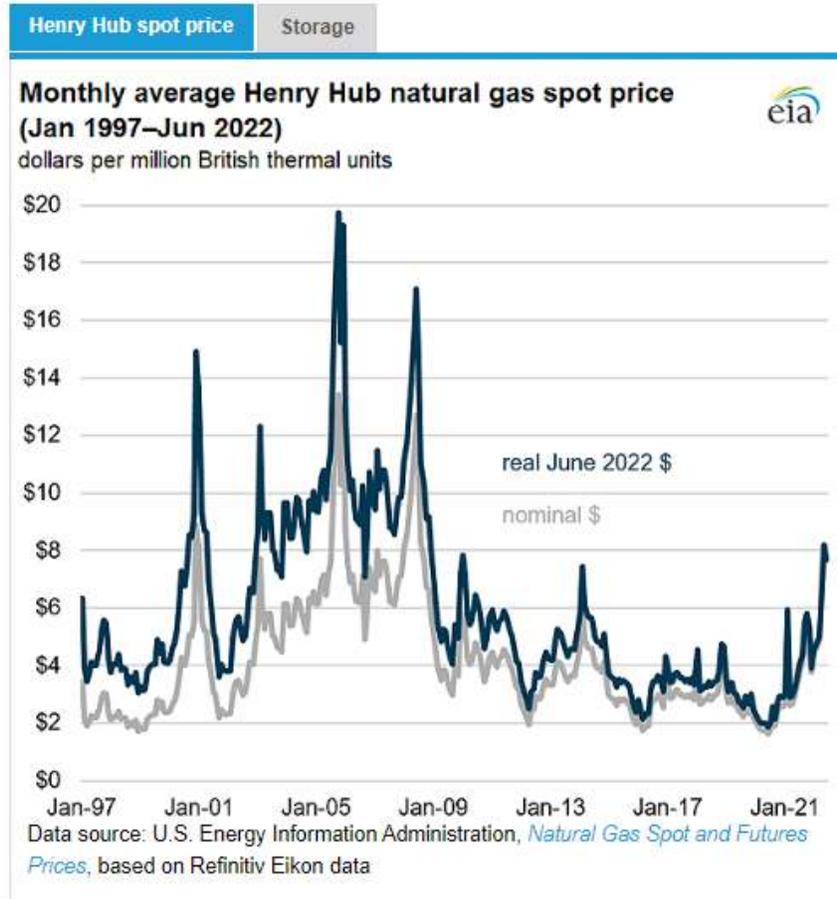
Photos and forecast courtesy of NOAA.

Market Updates

U.S. average monthly Henry Hub spot price more than doubles in 12 months

https://www.eia.gov/naturalgas/weekly/archivenew_ngwu/2022/07_07/

Over the past year (July 2021–June 2022), the average monthly spot natural gas price at the U.S. Henry Hub more than doubled, rising by \$3.86 per MMBtu from \$3.84/MMBtu in July 2021 to \$7.70/MMBtu in June 2022. The main reason for the increase would be that inventory levels have remained low while demand growth outpacing growth in domestic production.



U.S. refined coal production and consumption declines with the expiration of a tax credit

<https://www.eia.gov/todayinenergy/detail.php?id=53099>

At the end of 2021, the refined coal production tax credit expired, which could be affecting refined coal production and consumption. Refined coal production in the US dropped significantly during the first quarter of 2022 as refined coal consumers used their remaining small stockpiles. The tax credit was also responsible, in part, to reduce coal-fired plant emissions.

The United States became the world's largest LNG exporter in the first half of 2022

<https://www.eia.gov/todayinenergy/detail.php?id=53159>

Comparing the second half of 2021 to the first half of 2022, LNG exports increased by 12%, averaging 11.2 Bcf/d. U.S. LNG exports continued to grow for a couple reasons—increased export capacity, increased international natural gas and LNG prices, and increased global demand (particularly Europe).