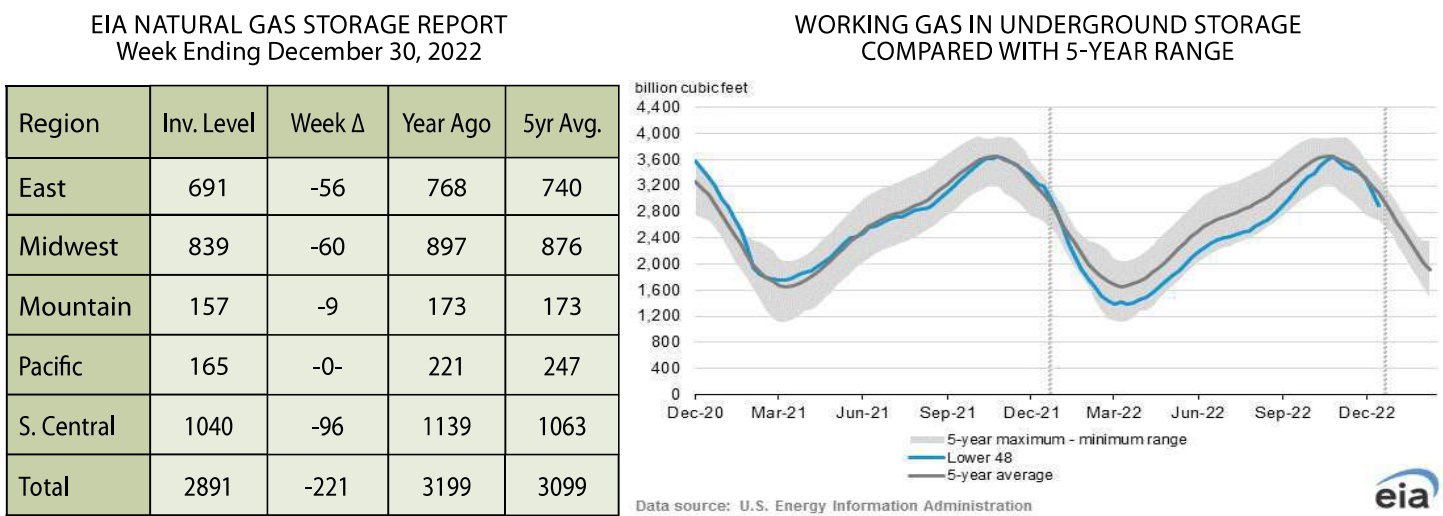
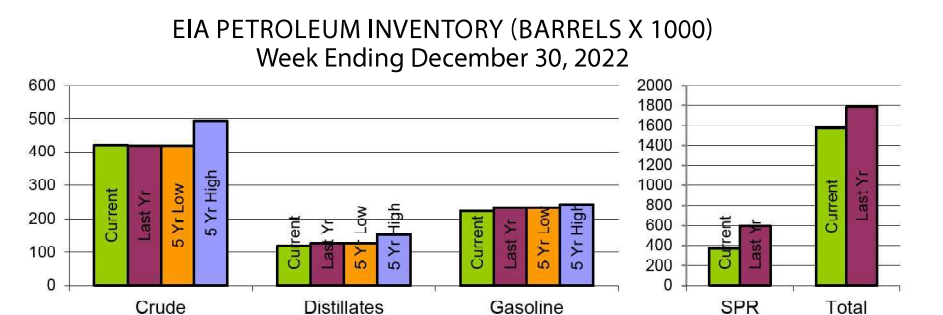


WEEKLY NATURAL GAS MARKET UPDATE
JANUARY 9, 2023

The Feb-2023 NYMEX natural gas contract closed Friday at \$3.710, down \$0.765 for the week. The 12-month strip average price of natural gas fell by \$0.525 over the same period. The Feb-2023 NYMEX crude oil contract closed Friday at \$73.77, down \$6.49 for the week. Updated NOAA forecasts continue to suggest that above normal temps are likely to prevail over the eastern ~1/2 of the US through the balance of this month. Some private forecast services are suggesting a shift back to below normal temps for February and possibly beyond. Baker Hughes reported on Friday that the US natural gas rig count was down 4 to 152 while total rigs (gas/oil combined) were down 7 to 772. In its most recent natural gas storage data, the EIA reported a withdrawal of 221 Bcf from national inventories, a number at the low end of consensus market expectations. Early estimates for this week’s report indicate an expected withdrawal in the range of 10 to 20 Bcf vs. a withdrawal of ~158 Bcf for the same week last year and a 5-yr avg. withdrawal of ~150 Bcf.



Storage Highlights: Working gas in storage was 2,891 Bcf as of Friday, December 30, 2022, according to EIA estimates. This represents a net decrease of 221 Bcf from the previous week. Stocks were 308 Bcf less than last year at this time and 208 Bcf below the five-year average of 3,099 Bcf. At 2,891 Bcf, total working gas is within the five-year historical range. (Totals may not equal sum of components due to independent rounding)



U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 1.7 million barrels from the previous week. At 420.6 million barrels, U.S. crude oil inventories are about 4% below the five year average for this time of year. Total motor gasoline inventories decreased by 0.3 million barrels from last week and are about 6% below the five year average for this time of year. Finished gasoline inventories increased, while blending components inventories decreased last week. Distillate fuel inventories decreased by 1.4 million barrels last week and are about 14% below the five year average for this time of year. Propane/propylene inventories decreased by 3.7 million barrels from last week and are 15% above the five year average for this time of year. Total commercial petroleum inventories decreased by 3.1 million barrels last week.

BAKER HUGHES US NATURAL GAS RIG COUNT, 01/06/2023

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	152	-4	156	+45	107

