

# Natural Gas Report

December 30, 2024



## NYMEX Natural Gas futures hover at one year high

US Henry Hub natural gas futures hovered at a one-year high as winter demand remained firm, poised for a second straight monthly gain despite lesser than expected drawdown in the storage as colder weather expected in the coming weeks. The amount of gas flowing to the eight big US LNG export plants rose to an average of 14.8 billion cubic feet per day so far in December from 13.6 billion cubic feet per day in November. The NYMEX natural gas futures for February delivery seen trading near USD3.702 per MMBTU, surging around 10% in the past one month period. The prices were also bolstered by soaring European wholesale benchmark gas prices. Dutch and British wholesale gas prices surged on the ground of cold weather forecast in early January and fading hopes for a new deal to transit Russian gas through Ukraine.

In the last week, US liquefied natural gas (LNG) company Venture Global LNG's tanker Venture Bayou departed the Plaquemines export plant in Louisiana for Germany, carrying the first LNG cargo produced at the facility.

## Russian gas to Europe is set to end

Gas pumped into Europe via Ukraine for nearly a century will stop flowing at the end of the year when Kyiv's transit contract with Russia expires. For 2023, that accounted for 4% of the 3,250 terawatt-hours of EU gas imports, with total Russian inflows including from other pipelines and liquefied natural gas (LNG) amounting to 463 TWh, or 14%. In 2021, Russia constituted 42% of EU gas imports.

## Money managed positions NYMEX Natural Gas F&O

Money managers reduced their long positions and short positions in Henry hub Natural Gas futures and options contracts in NYMEX platform the week ended on December 27, the U.S. Commodity Futures Trading Commission (CFTC) reported. The net long positions remained below zero.

## U.S. Natural Gas storage

The Energy Information Administration reported that the natural gas stored in the underground storage utilities in the U.S. fell by 93 billion cubic feet (bcf) in the week ended December 20. The total working natural gas storage at underground facilities are 3529 billion cubic feet. The storage level is 0.4% above the level seen at same period a year ago, and 4.9% higher than 5 year average.



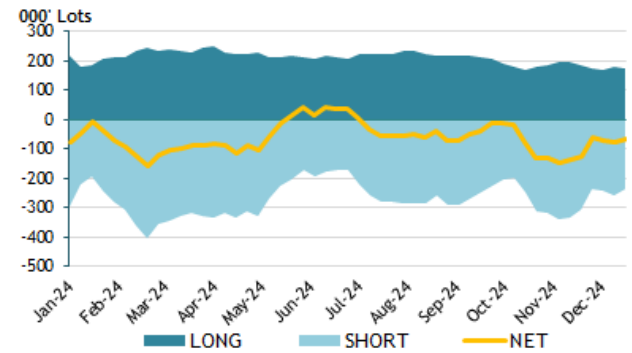
**NYMEX Natural Gas:** MACD bullish divergence suggest prevalence of positivity. The momentum may accelerate further above \$4.20 level. However, a dip below \$3.30 support could offer further downside.

**MCX Natural Gas:** Prices expected to extend north bound trades in the near monthly period. However, a fall below Rs.301 level may be an early sign for weakness.

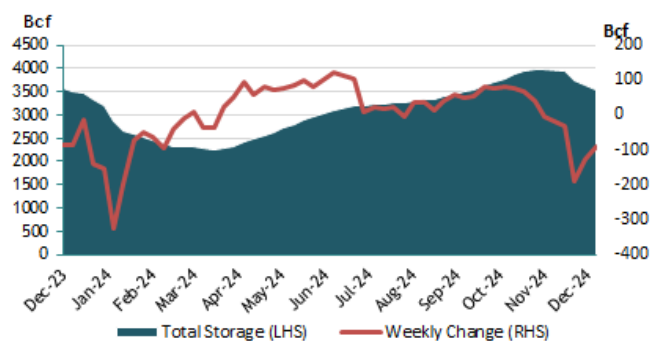
Exchanges	Close Price	MoM % Chg	YoY % Chg
NYMEX	3.703 (\$/mmBtu)	10.11%	47.30%
MCX	317.70 (Rs/mmBtu)	12.18%	49.93%

\*Near month futures contracts in NYMEX and MCX  
\*Prices mentioned above are of 2:30pm Monday

## Money Managed F&O Positions in NYMEX



## EIA Natural Gas Storage (Billion Cubic Feet)



Trading Outlook		
Periodicity	NYMEX Feb	MCX Jan
Monthly View	MILD POSITIVE	MILD POSITIVE
Short Term	RANGE BOUND	RANGE BOUND
Technical Levels		
Trading Range	\$4.75-2.90	Rs.387-301
Resistance 3	5.30	387
Resistance 2	4.75	365
Resistance 1	4.20	351
Pivot	3.30	301
Support 1	2.90	279
Support 2	2.20	254
Support 3	1.85	228

\*Short term view: up to three month.



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