

## **NYMEX December gas rolls off board 45.3 cents higher on production slide**

By John DeLapp

Published on - Wed, 28 Nov 2018 12:35:04 EST | Modified on - Wed, 28 Nov 2018 14:58:42 EST

**NYMEX** December natural **gas futures** rolled off the board as the front-month contract Wednesday at \$4.715/MMBtu, up 45.3 cents from Tuesday's close.

The increase came as production fell to its lowest point in a week. Wednesday's extraction from wells was set to total 97 Bcf, down about 900 MMcf from Tuesday's output of 97.9 Bcf, according to S&P Global Platts Analytics.

Over the past week, production has averaged 97.7 Bcf/d. So far this month, production has averaged 96.7 Bcf/d, up 9.6 Bcf/d from the November 2017 average of 87.1 Bcf/d.

Also factoring in the price rise was a bullish **US** National Weather Service forecast that calls for colder-than-normal weather over much of the **US** for the next two weeks. After that, frigid weather is expected to linger for the rest of December for major demand areas in the Northeast and Upper Midwest.

Combined demand in those two regions remained elevated Wednesday at around the 46.3 Bcf mark. So far this month, Upper Midwest and Northeast demand has averaged 39.1 Bcf/d.

The unseasonably low temperatures were reflected by national figures for residential and commercial demand as residents started to fire up their furnaces. Consumption from those sectors checked in at 44.8 Bcf Wednesday, the third straight day that demand topped 40 Bcf and 8.2 Bcf/d above than the month-to-date average of 36.6 Bcf/d.

With the arrival of winter, substantial withdrawals from storage have been seen. Platts Analytics estimated Wednesday's draw at 18.6 Bcf, the third straight day of double-digit pulls.

The pull from stocks has been robust this month, averaging 7.9 Bcf/d. In November 2017, the average withdrawal was 3.5 Bcf/d.

For internal use only. Not for reproduction or further distribution. Platts' standard terms and conditions apply to all use of this article/excerpt. Read Platts' Terms & Conditions at <https://pmc.platts.com/Public/TermsConditions.aspx>.

Copyright © 2018 S&P Global Platts, a division of S&P Global. All rights reserved.

Please contact us to learn more about Platts products and services at +1-800-PLATTS-8 / 1-800-752-8878 (Toll-free in U.S. and Canada) or by email at [support@platts.com](mailto:support@platts.com)