

US Natural Gas Spot Prices

Dollars per MMBtu, NSA

HIGHLIGHTS

- Prices in August averaged \$8.81 per million BTUs
- We raised the forecast through the end of the year; our first-half-of-2023 outlook is little-changed
- We anticipate a near-term peak for the Prices 3MMA as economic momentum wanes

FORECAST (3MMA)

3Q 2022: \$8.08

1Q 2023: \$6.03

FORECAST RANGE

Sep 2022: \$7.93 - \$8.23

Dec 2022: \$7.34 - \$7.64

Mar 2023: \$5.88 - \$6.18

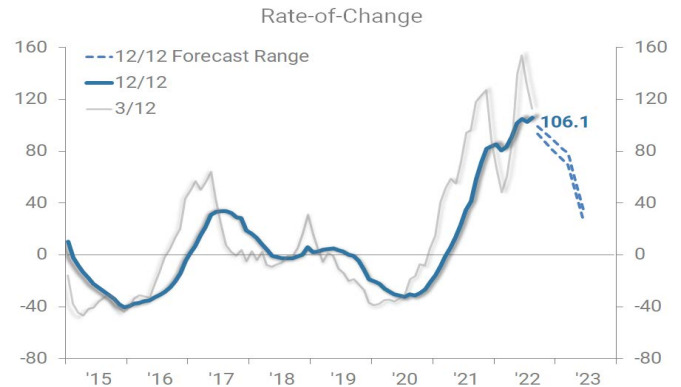
Jun 2023: \$6.07 - \$6.37

OVERVIEW

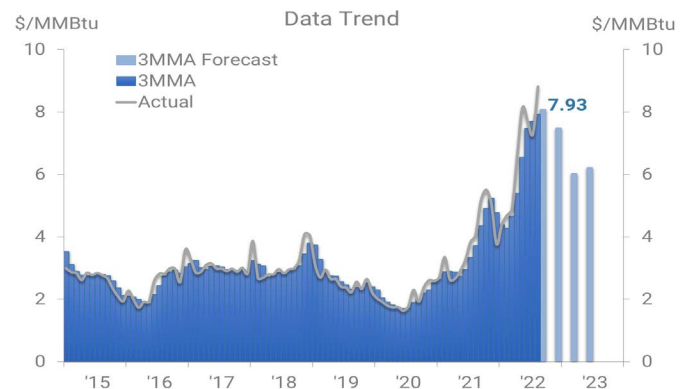
US Natural Gas Spot Prices averaged \$8.81 per million BTUs in August, a \$1.53 rise from July. We adjusted the forecast \$1.71 upward for the third quarter and \$1.37 upward for the fourth quarter of this year; the first-half-of-2023 outlook is little-changed. The Prices 3MMA will peak in the near term and then decline into the first half of 2023. Prices will remain elevated relative to pre-pandemic levels during that time.

The volume of working gas in underground storage in the lower 48 US states is 7.6% below the year-ago level and 11.5% below the five-year average. Low inventories – coupled with the lack of investment from previous years and elevated demand from Europe given Russian supply restrictions – will keep the pricing environment elevated. However, slowing macroeconomic growth at home and abroad will contribute to Prices decline as utilities sector output wanes. US Fossil Fuel and Other Electric Power Generation Production is currently in Phase C, with negative ITR Checking Points™ signaling further softening ahead.

RATE-OF-CHANGE



DATA TREND



LINKS

[Ask an Analyst](#)

[Data Methodology](#)



ACCELERATING GROWTH

ITR MANAGEMENT OBJECTIVE

Despite upcoming decline, Prices will remain elevated relative to previous years. If natural gas is an input of yours, continue to pay close attention to its impact on your margins.