



The NGL Roundup

Report Published: August 2, 2023

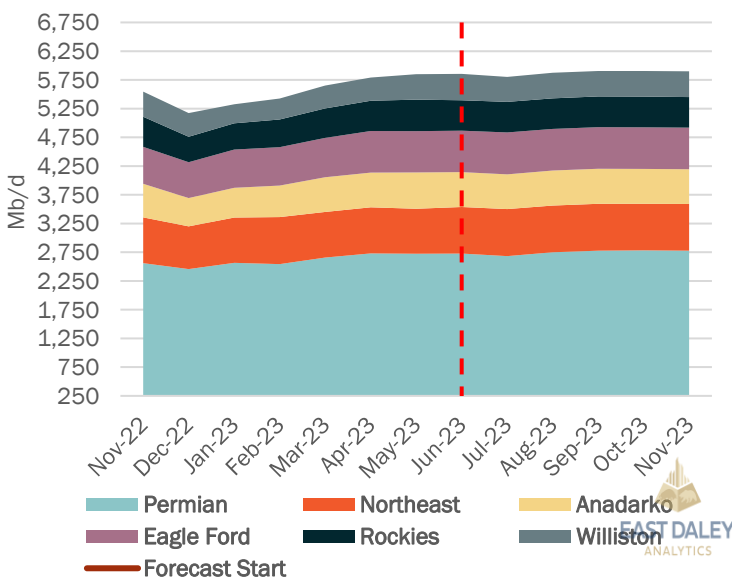
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EIA NGL PRODUCTION FLAT M-O-M, +8% Y-O-Y:

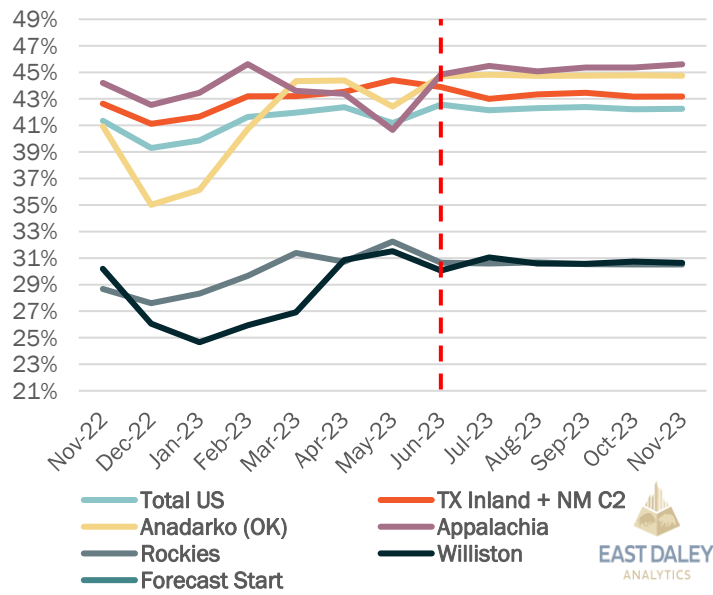
- EIA NGL production was essentially unchanged M-o-M for May, as rig counts dropped off across most basins. However, production remains +8% Y-o-Y. We expect production will only grow slightly through the end of the year as new processing plants are added in the Permian, offset by lower ethane recovery as more gas egress capacity comes online in the basin.
- Ethane demand has been especially high this year, driven by both domestic consumption and exports. PADD 1 especially saw significant growth in May as ethane exports jumped 17%. Recovery has generally been high this year to match the higher demand, but took a dip in May, driven by the TX Inland (-3% M-o-M) and the Northeast (-8% M-o-M).
- The decrease in Permian ethane recovery in May was likely due to lower frac-spreads, which averaged ~\$0.12/gal for the month. Ethane prices since jumped 50%+ in July and sent frac spreads to \$0.21/gal, however that may be due to high temperatures impacting Permian processing plants' ability to recover ethane. We expect recovery to slow down based on the current forward curve and Permian gas egress expansions coming online in 4Q22. In the Northeast, ethane recovery continued to be impeded due to ongoing disruptions at Shell's Monaca Cracker.
- Interested in tracking basin and sub-basin NGL production, ethane rejection, and fractionator utilization? EDA's NGL Network Model and Purity Product Forecast will help you dig deeper than EIA data and connect the dots between NGL supply and demand.

NGL Plant Production (Mb/d)	Basin Proxy:	TX Inland + New Mexico	Rockies	ND, SD, MN, and WI	OK, KS, and MO	Appalachia No. 1	Total US	Total EIA vs EDA (%)
		Permian+EF	DJ	Williston	Anadarko	Northeast		
Ethane	East Daley Estimate	1,604	160	134	250	302	2,686	-2%
	EIA Reported	1,572	177	145	249	272	2,625	
Propane	East Daley Estimate	1,021	191	157	169	226	1,947	2%
	EIA Reported	1,043	189	162	180	231	1,979	
N Butane	East Daley Estimate	371	75	66	53	66	575	4%
	EIA Reported	377	75	69	62	70	600	
Isobutane	East Daley Estimate	169	34	21	29	31	452	-1%
	EIA Reported	167	34	22	30	31	446	
Natural Gasoline	East Daley Estimate	344	73	58	58	59	671	8%
	EIA Reported	381	74	62	66	65	725	
Total NGLs	East Daley Estimate	3,509	534	436	559	685	6,331	1%
	EIA Reported	3,540	549	460	587	669	6,375	

NGL Production – Major Basins



Ethane % of NGL Barrel



Source: East Daley Analytics' Purity Product Forecast, EIA

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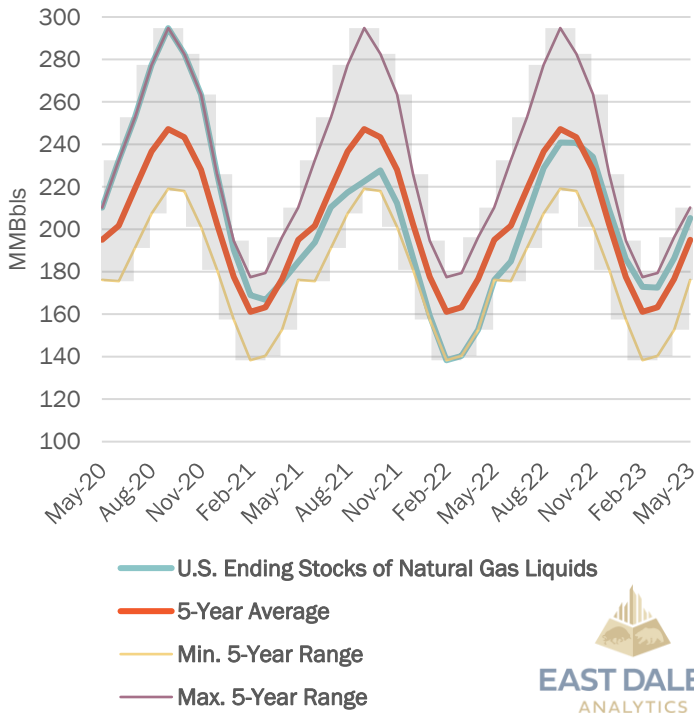
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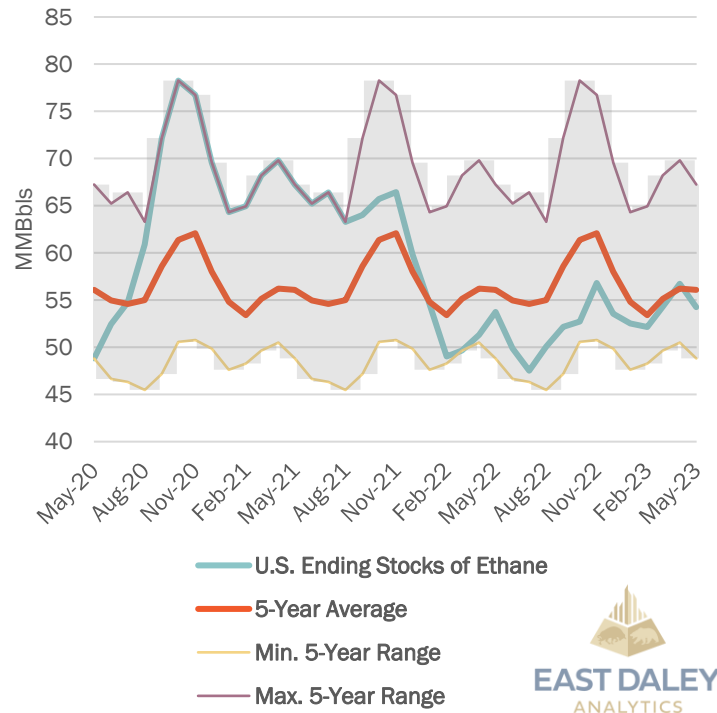
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INVENTORIES

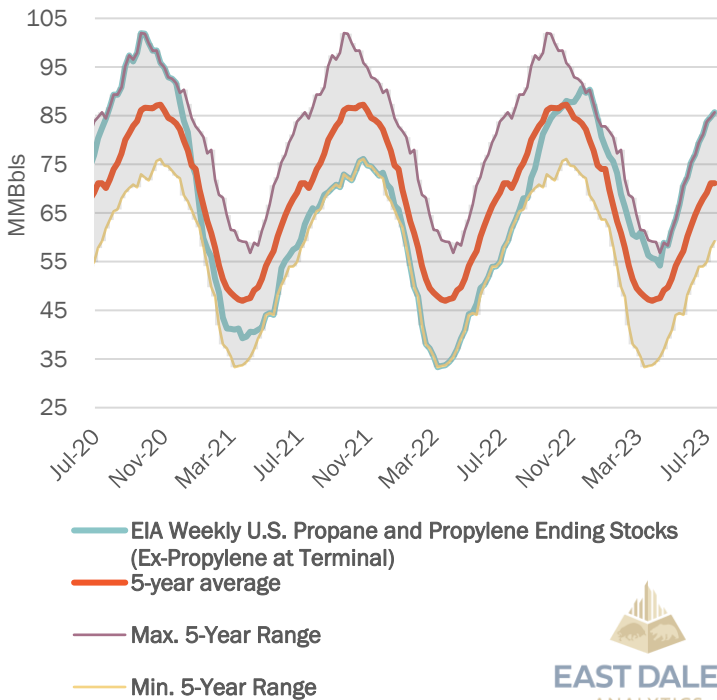
U.S. Total NGLs Ending Stocks



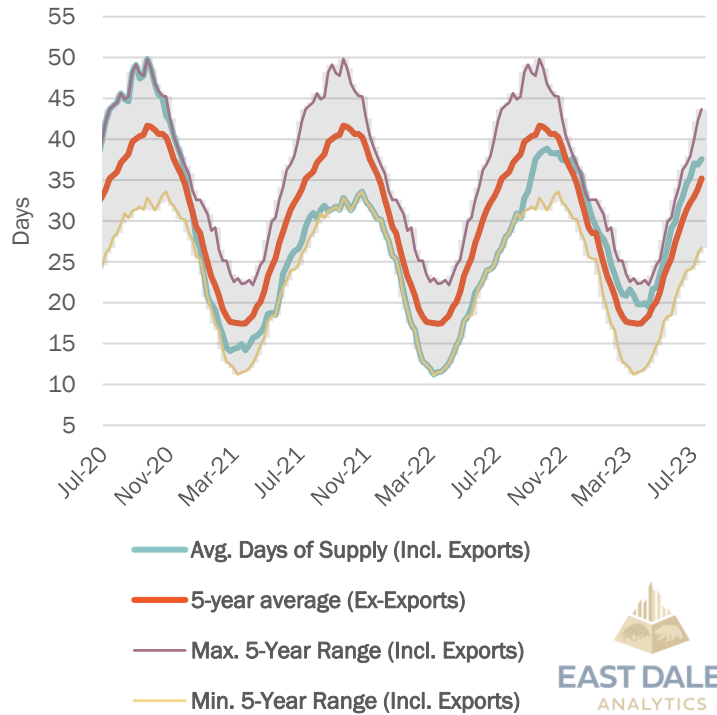
U.S. Ethane Ending Stocks



U.S. Propane and Propylene Ending Stocks Excluding Propylene at Terminal



Days of Propane/Propylene Supplied (incl. Exports, LTM Avg. Demand)



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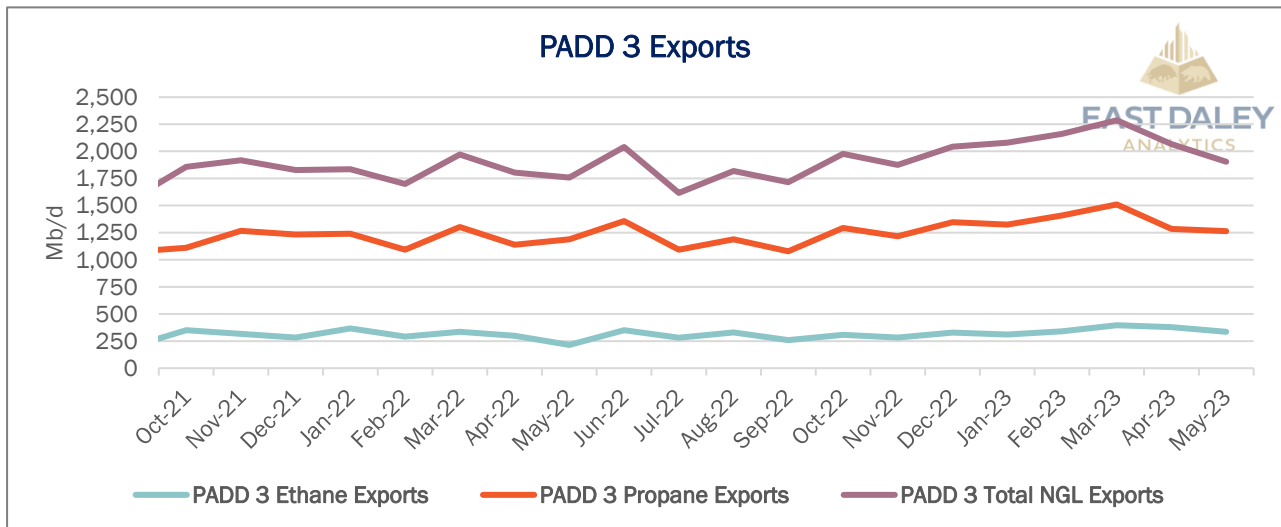
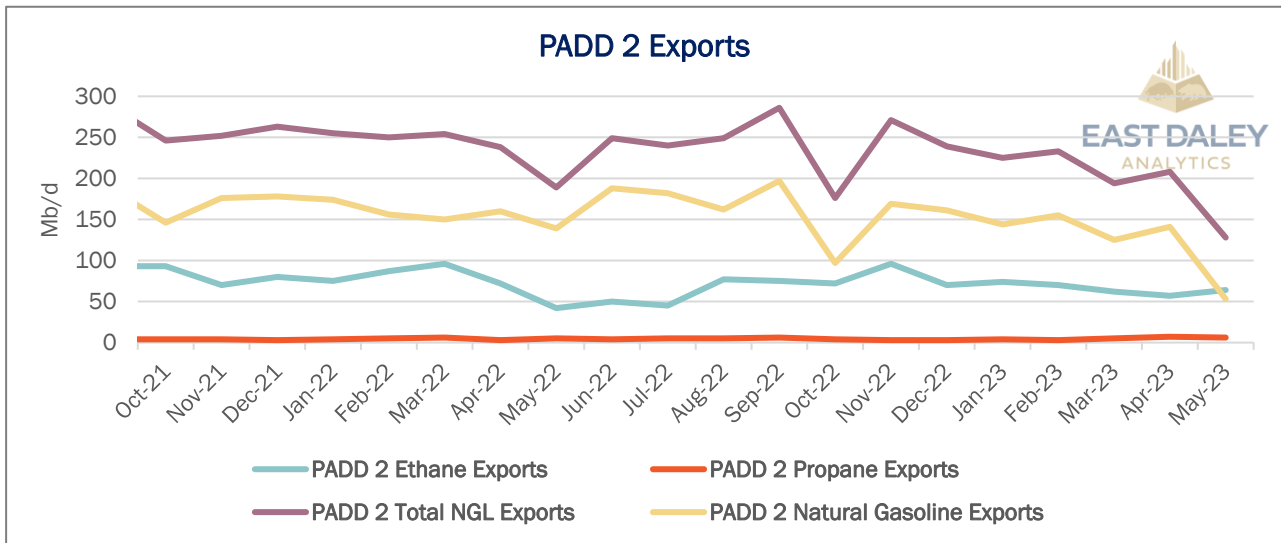
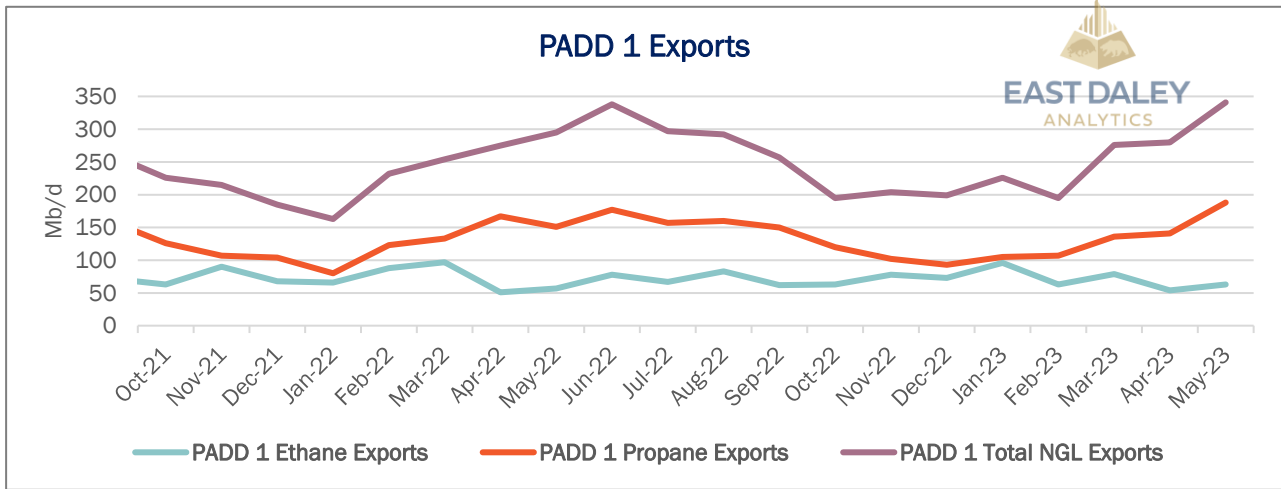


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NGL EXPORTS



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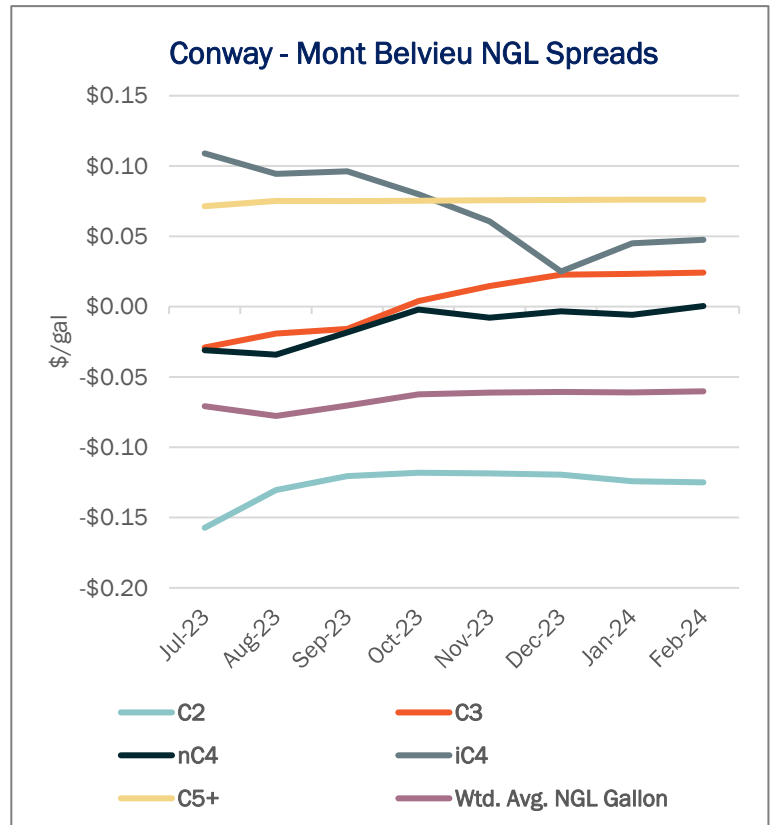
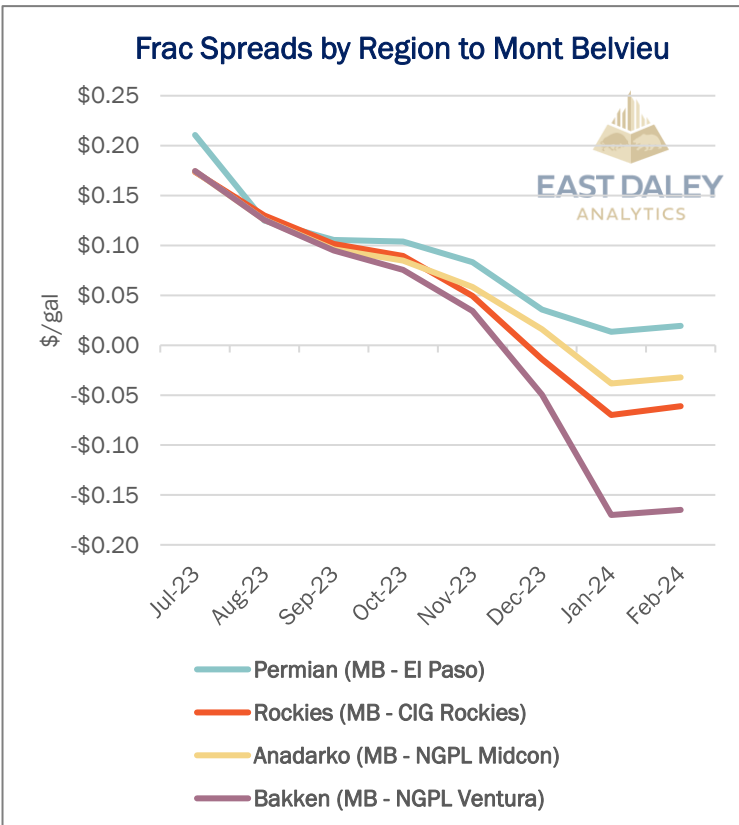
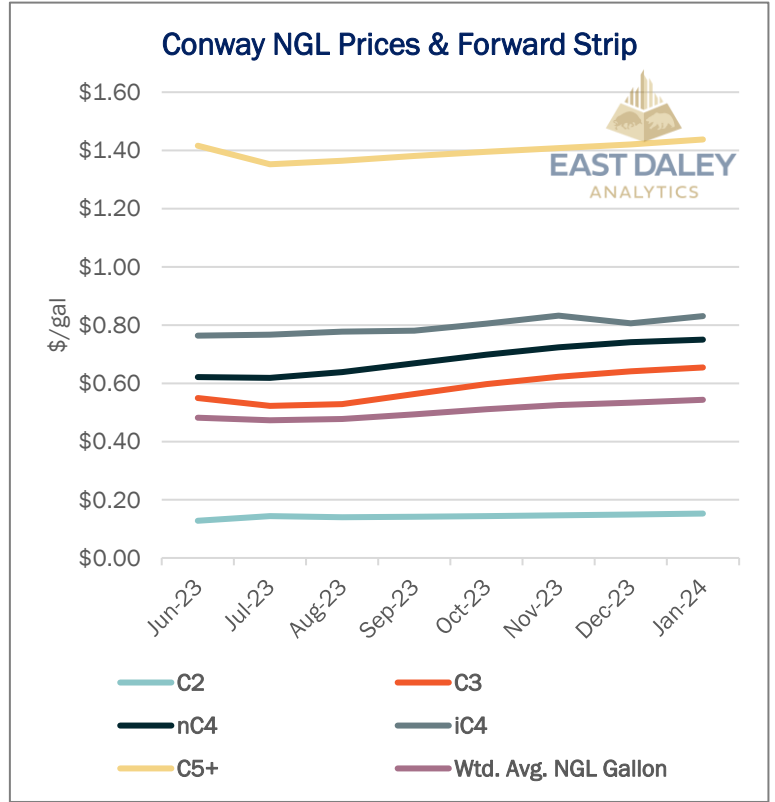
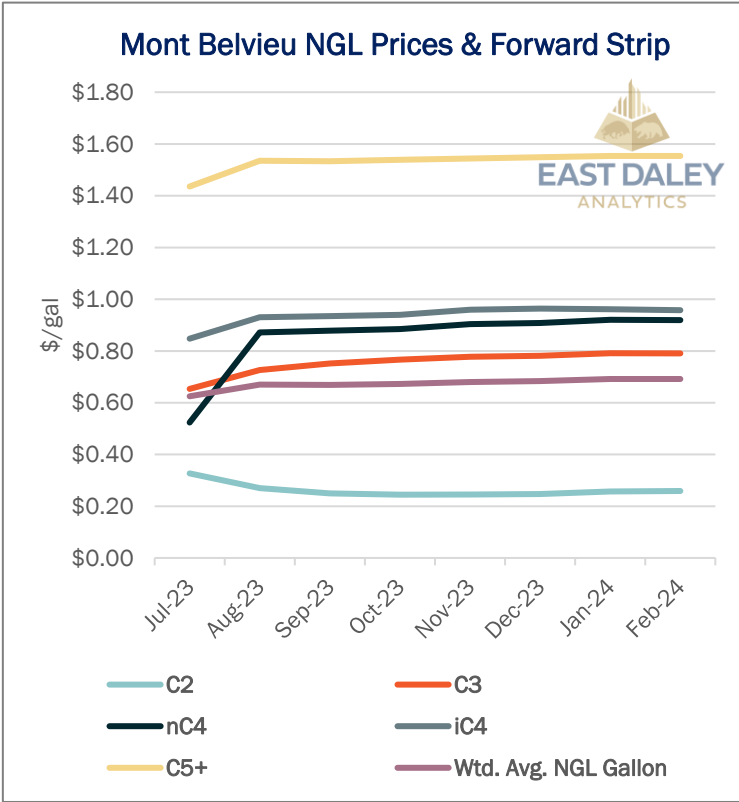


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FORWARD CURVES & SPREADS



Source: East Daley Analytics, EIA

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