

# Natural Gas Market Update

June 2025



## Pricing Outlook

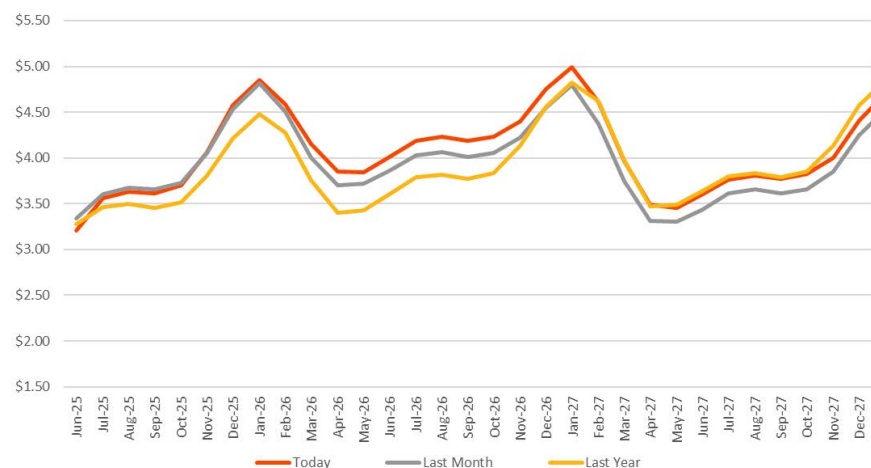
The June 2025 NYMEX futures contract sank toward the bottom of its 52-week range (\$2.758/MMBtu - \$5.098/MMBtu) to settle at **\$3.204/MMBtu**. After opening the month at \$3.15/MMBtu, a brief dip took the contract down to \$3.06/MMBtu before a rally saw it trade above \$3.50/MMBtu for much of the middle of May. Mild weather forecasts created increasingly bearish market fundamentals allowing for a growing storage surplus that saw the contract trade down to \$3.10/MMBtu before a soft rally as the market approached settlement. At time of writing, the July 2025 contract has sung a bit more on key, surging 25 cents during June 2 trading on models pronouncing the awaited arrival of summer heat.

## In The News

On May 23, President Trump signed a catalytic executive order entitled "Reinvigorating the Nuclear Industrial Base", with expressed aims to achieve 5 GW of power uprate at existing nuclear facilities and 10 GW of new nuclear generation by 2030. This represents a full-scale, ambitious AED-like jolt to the American nuclear landscape. Wall Street seems to be pricing in some level of nuclear resurgence, with the VanEck Uranium and Nuclear ETF seeing upwards of a 13% jump, and advanced nuclear technology corporations Lightbridge and OKLO seeing 60 and 38 percent increases in stock valuation, respectively.

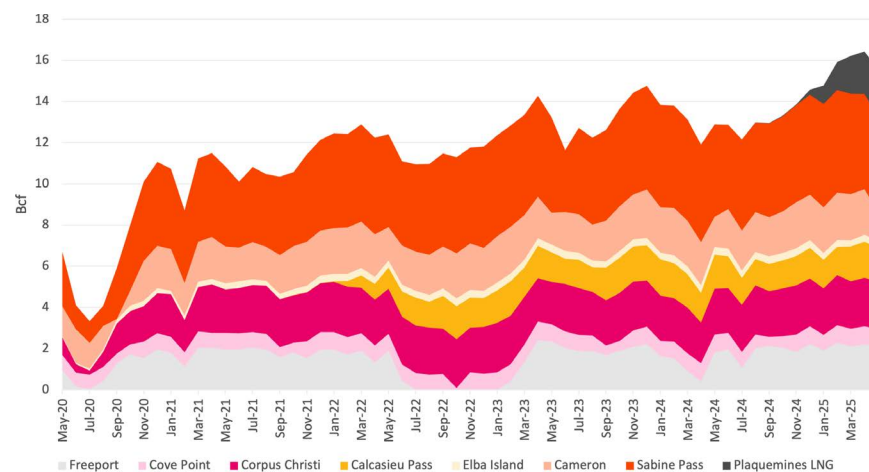
The administration has identified the "global race to dominate artificial intelligence" as the primary driver behind its new initiative, with energy independence and national security also cited as key considerations. This announcement aligns with a broader transformation in the energy sector, which is preparing for the most significant surge in electricity demand in over a century. All segments of the power generation mix are expected to play a role in meeting this demand. Reflecting this bullish outlook, electricity and natural gas provider NRG has emerged as the S&P 500's top performer for 2025, posting a 73% gain year-to-date.

## NYMEX Forwards



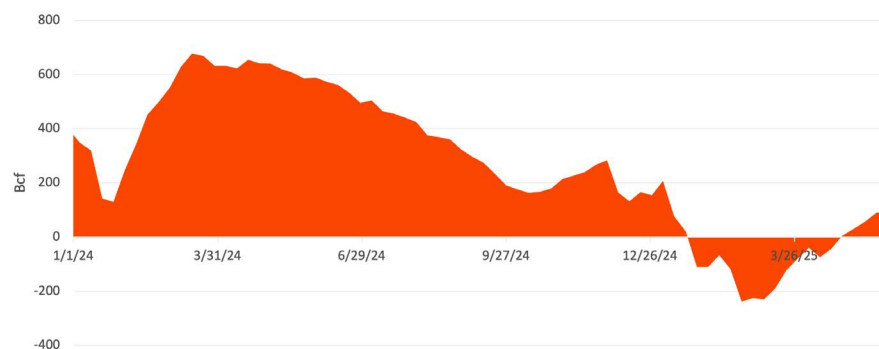
The NYMEX futures strip remains relatively flat month over month through Winter '25-'26 but sees an elevated outlook through calendar year 2026 compared to this time last month and last year.

## LNG Feedgas



LNG Feedgas deliveries were down month over month but continue to rise year over year as new facilities come online, a trend that figures to continue. The DoE gave final approval to Port Arthur LNG Phase II on May 29th, signalling the administration's fancy for boosting US LNG export capacity.

## Storage Deficit to 5-Year Rolling Average



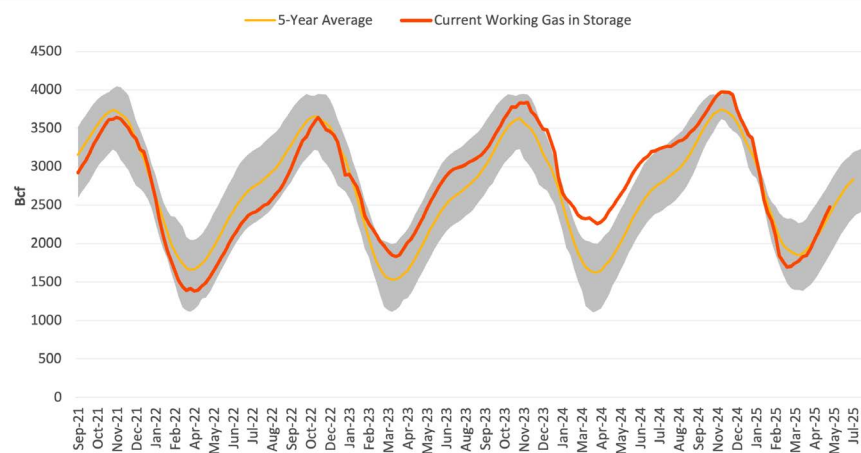
Balmy weather across the US has allowed successive healthy builds of US gas in storage, allowing for a regime change from net deficit to surplus in late April, growing through May to 4% higher than the 5-year average.

## NYMEX Prompt History



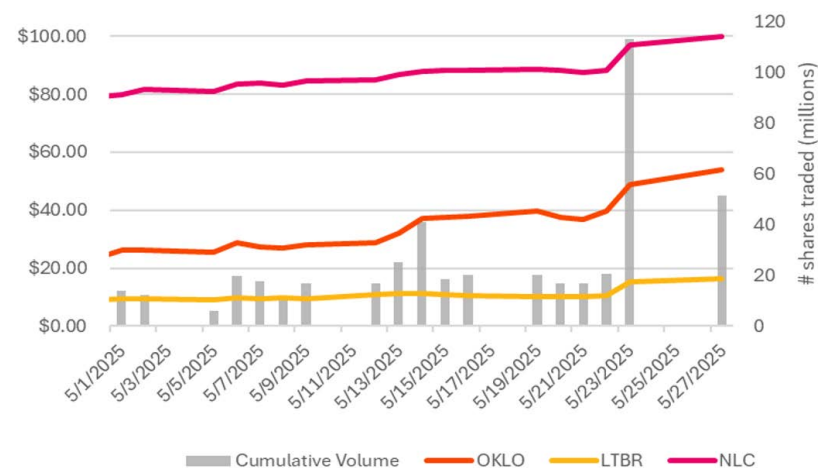
April's trading of the May 2025 NYMEX Futures contract continued to communicate the current volatility in natural gas market pricing but traded between the bumpers of \$3.100/MMBtu and 3.900/MMBtu.

## Storage Inventory



Working gas in storage lays on top of the 5-year average but is 12% lower than it was at this time last year.

## Nuclear Stocks



Public nuclear companies and industry ETFs saw increased trading volume and 52-week highs as the market reacted to Washington's May 23rd executive order aimed to stimulate activity in the nuclear sector.

## News From Gas South

From June 17-20, Gas South will hold a vote—extended to employees, customers and the general public online—to help determine the two final winners of its annual Impact Investment Awards. Each of the six finalists is a nonprofit that focuses on childhood basic needs, education or health. The two winners will receive up to \$100,000 each to help further their charitable efforts as part of Gas South's ongoing purpose to *Be A Fuel For Good*®.