The NG DUC Haynesville Drawdown Z Signal.

Thirty-four years of Haynesville DUC inventory dynamics mapped onto NYMEX natural gas forward returns.

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What this signal is

Why DUC (drilled-but-uncompleted) counts capture a distinct supply-chain regime beyond rig counts. Why Haynesville specifically matters as the marginal LNG-export basin. Why signal discrimination is weak compared to the demand stack and how to use it anyway.

Drilled-but-uncompleted (DUC) wells represent drilling that is finished but completion is still pending. When Haynesville DUCs drain below the 24-month norm, operators are pulling supply forward through completions without new rigs having to come online. When DUCs build, the inventory bank is growing and supply is deferred. Each regime has a distinct forward-price signature.

Current reading as of November 2, 2026: composite −0.070, Neutral DUC, 190 trading days in band. Haynesville DUC count is essentially at its 24-month norm; neither drawdown nor buildup pressure firing.

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How the inputs compose

The signal reads EIA Drilling Productivity Report (DPR) monthly Haynesville DUC count, runs a 24-month rolling z-score, and tanh-bounds the z to plus-or-minus one. Positive composite reads DUC buildup (completions deferred). Negative reads DUC drawdown (pull-forward supply). State machine uses plus-or-minus 0.5 as the Strong band boundaries.

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What the state-conditional returns have actually done

Nat gas forward 60-day benchmark across the 8,682-day sample has a mean of minus 1.09 percent and a median of minus 0.84 percent; both reference points anchor the regime edges below.

State DUC drawdown (phase minus one, composite below minus 0.5) covers 13.7 percent of the sample and delivers minus 1.88 percent forward 60-day, a minus 0.79 percentage point edge below the mean baseline. State Neutral DUC covers 71.1 percent and delivers minus 0.96 percent. State DUC

buildup (phase plus one) covers 15.2 percent and delivers minus 0.98 percent, a plus 0.11pp edge. State discrimination is weak compared to the demand-stack signals; this one reads as supply backdrop rather than tactical trigger.

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Three cases that frame how to read this signal

Case 1: January 2022. The Ukraine-era DUC drawdown bullish window.

The composite moved into state DUC drawdown on January 3, 2022 as Haynesville operators completed inventory wells ahead of Ukraine-invasion LNG demand. Over the 189-trading-session window NG ratio-adjusted continuous ran from 7.53 to 10.30, a plus 36.8 percent move.

Case 2: July 2023 to July 2024. The 2023-2024 DUC bank-building bearish regime.

The composite moved into state DUC buildup on July 3, 2023 as Haynesville rigs drilled but completions were deferred. Over the 251-trading-session window NG ratio-adjusted continuous fell from 5.19 to 3.73, a minus 28.2 percent move.

Case 3: March 2025. The 2025 DUC buildup regime.

The composite moved into state DUC buildup on March 3, 2025 as operators banked completion inventory. Over the 148-trading-session window NG ratio-adjusted continuous fell from 5.13 to 3.39, a minus 34.0 percent move.

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How to use the signal today

The composite reading is at Neutral DUC. Watch the monthly EIA Drilling Productivity Report release for updated DUC figures. Pair with the Haynesville-Appalachia rig ratio and Africa rigs YoY composite for a multi-channel NG supply view across US basin inventory, US capital rotation, and global LNG-feed capacity.

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Methodology notes

Data source: EIA Drilling Productivity Report (DPR) Haynesville DUC count. Monthly cadence. Benchmark: NYMEX natural gas ratio-adjusted continuous (CSI feed NG_1220BD). Forward 60-day returns computed as the 60-day forward percentage change. Composite: 24-month rolling z-score, tanh-scaled. Polarity direct; buildup is positive composite.

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What this signal does not cover

This signal does not cover: non-Haynesville basin DUC dynamics (Appalachia, Permian, etc.); rig activity itself (lives in the rig ratio signal); completion costs or realized frac-spread economics; pipeline takeaway constraints that can bottleneck gas even when DUCs drain. This signal reads DUC inventory in Haynesville only.