

UNITED STATES NATURAL GAS FUND, LP

FORM 10-Q (Quarterly Report)

Filed 05/09/25 for the Period Ending 03/31/25

| | |
|-------------|---|
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| Telephone | 510-522-9600 |
| CIK | 0001376227 |
| Symbol | UNG |
| SIC Code | 6221 - Commodity Contracts Brokers and Dealers |
| Industry | Investment Trusts |
| Sector | Financials |
| Fiscal Year | 12/31 |

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2025.

or

☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____
to _____.

Commission file number: 001-33096

United States Natural Gas Fund, LP

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-5576760
(I.R.S. Employer
Identification No.)

1850 Mt. Diablo Boulevard, Suite 640
Walnut Creek, California 94596
(Address of principal executive offices) (Zip Code)

(510) 522-9600
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

| Title of each class: | Trading Symbol(s) | Name of each exchange on which registered: |
|--|-------------------|---|
| Shares of United States Natural Gas Fund, LP | UNG | NYSE Arca, Inc. |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large Accelerated Filer | <input checked="" type="checkbox"/> | Accelerated Filer | <input type="checkbox"/> |
| Non-Accelerated Filer | <input type="checkbox"/> | Smaller Reporting Company | <input type="checkbox"/> |
| Emerging Growth Company | <input type="checkbox"/> | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided in Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.). ☐ Yes ☒ No

The registrant had 19,646,103 outstanding shares as of May 7, 2025.

United States Natural Gas Fund, LP

Table of Contents

| Part I. FINANCIAL INFORMATION | Page |
|--|----------------------|
| Item 1. Financial Statements. | 3 |
| Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations. | 20 |
| Item 3. Quantitative and Qualitative Disclosures About Market Risk. | 38 |
| Item 4. Controls and Procedures. | 39 |
| Part II. OTHER INFORMATION | |
| Item 1. Legal Proceedings. | 40 |
| Item 1A. Risk Factors. | 43 |
| Item 2. Unregistered Sales of Equity Securities and Use of Proceeds. | 43 |
| Item 3. Defaults Upon Senior Securities. | 43 |
| Item 4. Mine Safety Disclosures. | 44 |
| Item 5. Other Information. | 44 |
| Item 6. Exhibits. | 45 |

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements.

Index to Financial Statements

| Documents | Page |
|---|-------------|
| Statements of Financial Condition at March 31, 2025 (Unaudited) and December 31, 2024 | 4 |
| Schedules of Investments at March 31, 2025 (Unaudited) and December 31, 2024 | 6 |
| Statements of Operations (Unaudited) for the three months ended March 31, 2025 and 2024 | 7 |
| Statements of Changes in Partners' Capital (Unaudited) for the three months ended March 31, 2025 and 2024 | 8 |
| Statements of Cash Flows (Unaudited) for the three months ended March 31, 2025 and 2024 | 9 |
| Notes to Financial Statements (Unaudited) for the period ended March 31, 2025 | 10 |

United States Natural Gas Fund, LP
Statements of Financial Condition
At March 31, 2025 (Unaudited) and December 31, 2024

| | March 31, 2025 | December 31, 2024 |
|---|-----------------------|-----------------------|
| Assets | | |
| Cash and cash equivalents (at cost \$294,552,872 and \$593,538,786, respectively) (Notes 2 and 5) | \$ 294,552,872 | \$ 593,538,786 |
| Equity in trading accounts: | | |
| Cash and cash equivalents (at cost \$138,159,918 and \$83,587,988, respectively) | 138,159,918 | 83,587,988 |
| Unrealized gain (loss) on open commodity futures contracts | 1,475,440 | 80,696,279 |
| Unrealized gain (loss) on open swap contracts | (1,631) | (2,205) |
| Due from broker | 10,575,936 | 29,236,970 |
| ETF transaction fees receivable | 1,000 | — |
| Dividends receivable | 563,623 | 1,713,757 |
| Interest receivable | 812,109 | 1,137,742 |
| Prepaid insurance | 169,876 | 30,021 |
| Prepaid registration fees | 42,545 | 85,090 |
| Total Assets | \$ 446,351,688 | \$ 790,024,428 |
| Liabilities and Partners' Capital | | |
| Payable due to Broker | \$ 4,227,357 | \$ 44,227,463 |
| Payable for shares redeemed | 19,381,435 | — |
| General Partner management fees payable (Note 3) | 223,372 | 412,567 |
| Professional fees payable | 1,391,983 | 1,336,303 |
| Brokerage commissions payable | 171,877 | 171,877 |
| Directors' fees payable | 19,156 | 22,376 |
| License fees payable | 9,631 | 18,419 |
| Total Liabilities | 25,424,811 | 46,189,005 |
| Commitments and Contingencies (Notes 3, 4 & 5) | | |
| Partners' Capital | | |
| General Partners | — | — |
| Limited Partners | 420,926,877 | 743,835,423 |
| Total Partners' Capital | 420,926,877 | 743,835,423 |
| Total Liabilities and Partners' Capital | \$ 446,351,688 | \$ 790,024,428 |
| Limited Partners' shares outstanding | 19,546,103 | 44,146,103 |
| Net asset value per share | \$ 21.54 | \$ 16.85 |
| Market value per share | \$ 21.61 | \$ 16.81 |

See accompanying notes to financial statements.

United States Natural Gas Fund, LP
Schedule of Investments (Unaudited)
At March 31, 2025

| | Notional Amount | Number of Contracts | Fair Value/Unrealized Gain (Loss) on Open Commodity Contracts | % of Partners' Capital |
|---|-----------------|---------------------|---|------------------------|
| Open Commodity Futures Contracts - Long | | | | |
| United States Contracts | | | | |
| NYMEX Natural Gas Futures NG May 2025 contracts, expiring April 2025* | \$ 210,158,780 | 5,138 | \$ 1,475,440 | 0.35 |

| | Shares/Principal Amount | Market Value | % of Partners' Capital |
|--|-------------------------|-----------------------|------------------------|
| Cash Equivalents | | | |
| United States Money Market Funds | | | |
| Morgan Stanley Institutional Liquidity Funds - Government Portfolio - Institutional Shares, 4.27%# | 145,950,000 | 145,950,000 | 34.67 |
| Total United States Money Market Funds | | \$ 145,950,000 | 34.67 |

Open OTC Commodity Swap Contracts

| Fund Receives from Counterparty | Fund Pays Counterparty | Counterparty | Payment Frequency | Expiration Date | Notional Amount | Fair Value/Open Commodity Swap Contracts | Upfront Payments/(Premiums Received) | Unrealized Gain (Loss) on Commodity Swap Contracts ^(a) |
|--|------------------------|------------------|-------------------|-----------------|-----------------------|--|--------------------------------------|---|
| SOC GEN SGIXCNG1 03272025Index ^(b) | 0.40 % | Societe Generale | Monthly | 09/26/2025 | \$ 106,379,219 | \$ 106,378,068 | \$ — | \$ (1,151) |
| Scotia SNOVNG1 02282025 ^(b) | 0.17 % | Scotia Bank | Monthly | 08/29/2025 | 102,988,797 | 102,988,317 | — | (480) |
| Total Open OTC Commodity Swap Contracts[^] | | | | | \$ 209,368,016 | \$ 209,366,385 | \$ — | \$ (1,631) |

(a) Reflects the value at reset date of March 31, 2025.

(b) Custom index comprised of a basket of underlying instruments.

* Collateral amounted to \$86,060,510 on open commodity futures contracts.

[^] Collateral amounted to \$52,099,408 on open OTC commodity swap contracts.

Reflects the 7-day yield at March 31, 2025.

See accompanying notes to financial statements.

United States Natural Gas Fund, LP
Schedule of Investments
At December 31, 2024

| | Notional Amount | Number of Contracts | Fair Value/Unrealized Gain (Loss) on Open Commodity Contracts | % of Partners' Capital |
|--|-----------------|---------------------|---|------------------------|
| Open Commodity Futures Contracts - Long | | | | |
| United States Contracts | | | | |
| NYMEX Natural Gas Futures NG February 2025 contracts, expiring January 2025* | \$ 444,599,191 | 14,459 | \$ 80,696,279 | 10.85 |

| | Shares/Principal Amount | Market Value | % of Partners' Capital |
|--|-------------------------|----------------|------------------------|
| Cash Equivalents | | | |
| United States Treasury Obligations | | | |
| U.S. Treasury Bills: 4.39%, 2/27/2025 | \$ 11,500,000 | \$ 11,420,156 | 1.54 |
| United States Money Market Funds | | | |
| Morgan Stanley Institutional Liquidity Funds - Government Portfolio - Institutional Shares, 4.43%# | 520,950,000 | 520,950,000 | 70.04 |
| Total United States Money Market Funds | | 520,950,000 | 70.04 |
| Total Cash Equivalents | | \$ 532,370,156 | 71.58 |

Open OTC Commodity Swap Contracts

| Fund Receives from Counterparty | Fund Pays Counterparty | Counterparty | Payment Frequency | Expiration Date | Notional Amount | Fair Value/Open Commodity Swap Contracts | Upfront Payments/(Premiums Received) | Unrealized Gain (Loss) on Commodity Swap Contracts ^(a) |
|--|------------------------|------------------|-------------------|-----------------|-----------------|--|--------------------------------------|---|
| Scotia SNOVNG1 08202024 ^(b) | 0.17 % | Scotia Bank | monthly | 02/28/2025 | \$ 107,293,519 | \$ 107,292,519 | \$ — | \$ (1,000) |
| SOC GEN SGIXCNG1 09272024Index ^(b) | 0.40 % | Societe Generale | monthly | 03/27/2025 | 111,366,471 | 111,365,266 | — | (1,205) |
| Total Open OTC Commodity Swap Contracts^(a) | | | | | \$ 218,659,990 | \$ 218,657,785 | \$ — | \$ (2,205) |

(a) Reflects the value at reset date of December 31, 2024.

(b) Custom index comprised of a basket of underlying instruments.

* Collateral amounted to \$46,487,832 on open commodity futures contracts.

^ Collateral amounted to \$37,100,156 on open OTC commodity swap contracts.

Reflects the 7-day yield at December 31, 2024.

See accompanying notes to financial statements.

United States Natural Gas Fund, LP
Statements of Operations (Unaudited)
For the three months ended March 31, 2025 and 2024

| | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Income | | |
| Gain (loss) on trading of commodity futures and swap contracts: | | |
| Realized gain (loss) on closed commodity futures contracts | \$ 228,668,009 | \$ (131,322,770) |
| Realized gain (loss) on closed OTC commodity swap contracts | 55,505,217 | 33,968,121 |
| Change in unrealized gain (loss) on open commodity futures contracts | (79,220,839) | (59,589,167) |
| Change in unrealized gain (loss) on open OTC commodity swap contracts | 574 | (14,904,042) |
| Dividend income | 3,566,413 | 854,440 |
| Interest income | 2,166,887 | 8,919,252 |
| ETF transaction fees | 68,000 | 69,000 |
| Total Income (Loss) | \$ 210,754,261 | \$ (162,005,166) |
| Expenses | | |
| General Partner management fees (Note 3) | \$ 905,948 | \$ 1,224,936 |
| Professional fees | 612,426 | 435,290 |
| Brokerage commissions | 299,598 | 809,389 |
| Directors' fees and insurance | 51,039 | 65,964 |
| License fees | 22,649 | 30,624 |
| Registration fees | 42,545 | — |
| Total Expenses | \$ 1,934,205 | \$ 2,566,203 |
| Net Income (Loss) | \$ 208,820,056 | \$ (164,571,369) |
| Net Income (Loss) per limited partner share | \$ 4.69 | \$ (5.62) |
| Net Income (Loss) per weighted average limited partner share | \$ 6.51 | \$ (3.57) |
| Weighted average limited partner shares outstanding | 32,069,436 | 46,105,456 |

See accompanying notes to financial statements.

[Table of Contents](#)

United States Natural Gas Fund, LP
Statements of Changes in Partners' Capital (Unaudited)
For the three months ended March 31, 2025 and 2024

| | Limited Partners* | |
|--|--|--|
| | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
| Balances at beginning of period | \$ 743,835,423 | \$ 973,854,332 |
| Addition of 15,300,000 and 36,625,000 partnership shares, respectively | 274,128,946 | 613,181,919 |
| Redemption of (39,900,000) and (28,100,044) partnership shares, respectively | (805,857,548) | (591,963,901) |
| Net income (loss) | 208,820,056 | (164,571,369) |
| Balances at end of period | \$ 420,926,877 | \$ 830,500,981 |

* General Partners' shares outstanding and capital for the periods presented were zero.

See accompanying notes to financial statements.

United States Natural Gas Fund, LP
Statements of Cash Flows (Unaudited)
For the three months ended March 31, 2025 and 2024

| | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| Cash Flows from Operating Activities: | | |
| Net income (loss) | \$ 208,820,056 | \$ (164,571,369) |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | |
| Change in unrealized (gain) loss on open commodity futures contracts | 79,220,839 | 59,589,167 |
| Change in unrealized (gain) loss on open swap contracts | (574) | 14,904,042 |
| (Increase) decrease in dividends receivable | 1,150,134 | 2,440 |
| (Increase) decrease in interest receivable | 325,633 | 584,540 |
| (Increase) decrease in due from Broker | 18,661,034 | — |
| (Increase) decrease in prepaid insurance | (139,855) | (130,637) |
| (Increase) decrease in prepaid registration fees | 42,545 | (128,580) |
| (Increase) decrease in ETF transaction fees receivable | (1,000) | (1,000) |
| Increase (decrease) in payable due to Broker | (40,000,106) | 677,814 |
| Increase (decrease) in General Partner management fees payable | (189,195) | (91,592) |
| Increase (decrease) in professional fees payable | 55,680 | (369,803) |
| Increase (decrease) in directors' fees payable | (3,220) | (1,771) |
| Increase (decrease) in license fees payable | (8,788) | (8,089) |
| Net cash provided by (used in) operating activities | 267,933,183 | (89,544,838) |
| Cash Flows from Financing Activities: | | |
| Addition of partnership shares | 274,128,946 | 577,287,244 |
| Redemption of partnership shares | (786,476,113) | (596,036,697) |
| Net cash provided by (used in) financing activities | (512,347,167) | (18,749,453) |
| Net Increase (Decrease) in Cash and Cash Equivalents | (244,413,984) | (108,294,291) |
| Total Cash, Cash Equivalents and Equity in Trading Accounts, beginning of period | 677,126,774 | 928,824,769 |
| Total Cash, Cash Equivalents and Equity in Trading Accounts, end of period | \$ 432,712,790 | \$ 820,530,478 |
| Components of Cash, Cash Equivalents and Equity in Trading Accounts: | | |
| Cash and cash equivalents | \$ 294,552,872 | \$ 544,568,678 |
| Equity in Trading Accounts: | | |
| Cash and cash equivalents | 138,159,918 | 275,961,800 |
| Total Cash, Cash Equivalents and Equity in Trading Accounts | \$ 432,712,790 | \$ 820,530,478 |

See accompanying notes to financial statements.

United States Natural Gas Fund, LP
Notes to Financial Statements (Unaudited)
For the period ended March 31, 2025

NOTE 1 — ORGANIZATION AND BUSINESS

The United States Natural Gas Fund, LP (“UNG”) was organized as a limited partnership under the laws of the state of Delaware on September 11, 2006. UNG is a commodity pool that issues limited partnership interests (“shares”) traded on the NYSE Arca, Inc. (the “NYSE Arca”). Prior to trading on the NYSE Arca, UNG’s shares traded on the American Stock Exchange (the “AMEX”) under the symbol “UNG” since its initial public offering on April 18, 2007. UNG will continue in perpetuity, unless terminated sooner upon the occurrence of one or more events as described in its Fifth Amended and Restated Agreement of Limited Partnership dated as of December 15, 2017 (the “LP Agreement”), which grants full management and control to its general partner, United States Commodity Funds LLC (“USCF”).

The investment objective of UNG is for the daily changes in percentage terms of its shares’ per share net asset value (“NAV”) to reflect the daily changes in percentage terms of the price of natural gas delivered at the Henry Hub, Louisiana, as measured by the daily changes in the price of a specified short-term futures contract called the “Benchmark Futures Contract”, plus interest earned on UNG’s collateral holdings, less UNG’s expenses. The Benchmark Futures Contract is the futures contract on natural gas as traded on the New York Mercantile Exchange (the “NYMEX”) that is the near month contract to expire, except when the near month contract is within two weeks of expiration, in which case it will be measured by the futures contract that is the next month contract to expire. UNG seeks to achieve its investment objective by investing so that the average daily percentage change in UNG’s NAV for any period of 30 successive valuation days will be within plus/minus ten percent (10%) of the average daily percentage change in the price of the Benchmark Futures Contract over the same period. As a result, investors should be aware that UNG would meet its investment objective even if there are significant deviations between changes in its daily NAV and changes in the daily price of the Benchmark Futures Contract, provided that the average daily percentage change in UNG’s NAV over 30 successive valuation days is within plus/minus ten percent (10%) of the average daily percentage change in the price of the Benchmark Futures Contracts over the same period.

UNG seeks to achieve its investment objective by investing primarily in futures contracts for natural gas that are traded on the NYMEX, ICE Futures Europe and ICE Futures U.S. (together, “ICE Futures”) or other U.S. and foreign exchanges (collectively, “Futures Contracts”) and to a lesser extent, in order to comply with regulatory requirements, risk mitigation measures (including those that may be taken by UNG, UNG’s futures commission merchants (“FCMs”), counterparties or other market participants), liquidity requirements, or in view of market conditions, other natural gas-related investments such as cash settled options on Futures Contracts, forward contracts for natural gas, cleared swap contracts, and non-exchange traded (“over-the-counter” or “OTC”) transactions that are based on the price of natural gas, crude oil and other petroleum-based fuels, as well as futures contracts for crude oil, heating oil, gasoline, and other petroleum-based fuels, Futures Contracts and indices based on the foregoing (collectively, “Other Natural Gas-Related Investments”). Market conditions that USCF currently anticipates could cause UNG to invest in Other Natural Gas-Related Investments include, but are not limited to, those allowing UNG to obtain greater liquidity or to execute transactions with more favorable pricing. For convenience and unless otherwise specified, Futures Contracts and Other Natural Gas-Related Investments collectively are referred to as “Natural Gas Interests” in the notes to the financial statements. As of March 31, 2025, UNG held 5,138 Futures Contracts traded on the NYMEX and did not hold any Natural Gas Futures Contracts traded on the ICE Futures US.

In addition, USCF believes that market arbitrage opportunities will cause daily changes in UNG’s share price on the NYSE Arca on a percentage basis to closely track daily changes in UNG’s per share NAV on a percentage basis. USCF further believes that the daily changes in prices of the Benchmark Futures Contract have historically tracked the daily changes in the spot price of natural gas. USCF believes that the net effect of these relationships will be that the daily changes in the price of UNG’s shares on the NYSE Arca on a percentage basis will closely track the daily changes in the spot price of natural gas on a percentage basis, plus interest earned on UNG’s collateral holdings, less UNG’s expenses.

[Table of Contents](#)

Investors should be aware that UNG's investment objective is not for its NAV or market price of shares to equal, in dollar terms, the spot price of natural gas or any particular futures contract based on natural gas, nor is UNG's investment objective for the percentage change in its NAV to reflect the percentage change of the price of any particular futures contract as measured over a time period greater than one day. This is because natural market forces called contango and backwardation may impact and have impacted the total return on an investment in UNG's shares during the past year relative to a hypothetical direct investment in natural gas and, in the future, it is likely that the relationship between the market price of UNG's shares and the changes in the spot prices of natural gas will continue to be impacted by contango and backwardation. (It is important to note that the disclosure above ignores the potential costs associated with physically owning and storing natural gas, which could be substantial.)

UNG commenced investment operations on April 18, 2007 and has a fiscal year ending on December 31. USCF is responsible for the management of UNG. USCF is a member of the National Futures Association (the "NFA") and became registered as a commodity pool operator with the Commodity Futures Trading Commission (the "CFTC") effective December 1, 2005 and a swaps firm on August 8, 2013. USCF is also the general partner of the United States Oil Fund, LP ("USO"), the United States 12 Month Oil Fund, LP ("USL"), the United States Gasoline Fund, LP ("UGA"), the United States 12 Month Natural Gas Fund, LP ("UNL") and the United States Brent Oil Fund, LP ("BNO").

USCF is also the sponsor of the United States Commodity Index Funds Trust ("USCIFT"), a Delaware statutory trust and each of its series: the United States Commodity Index Fund ("USCI") and the United States Copper Index Fund ("CPER").

On January 23, 2024, after the close of trading on the NYSE Arca, UNG effected a 1 - for - 4 reverse share split and post - split shares of UNG began trading on January 24, 2024. As a result of the reverse share split, every four pre - split shares of UNG were automatically exchanged for one post - split share. As of December 31, 2023, prior to the effect of the reverse split, there were 191,284,588 shares of UNG issued and outstanding, representing a per share NAV of \$5.09. As of December 31, 2023, after the effect of the reverse share split, the number of issued and outstanding shares of UNG decreased to 47,821,147, not accounting for fractional shares, and the per share NAV increased to \$20.36. In connection with the reverse share split, the CUSIP number for UNG's shares changed to 912318409. UNG's ticker symbol, "UNG," remains the same. The financial statements have been adjusted to reflect the effect of the reverse share split on a retroactive basis.

BNO, UGA, UNL, USL, USO, USCI and CPER are referred to collectively herein as the "Related Public Funds."

UNG issues shares to certain authorized purchasers ("Authorized Participants") by offering baskets consisting of 100,000 shares ("Creation Baskets") through ALPS Distributors, Inc., as the marketing agent (the "Marketing Agent"). The purchase price for a Creation Basket is based upon the NAV of a share calculated shortly after the close of the core trading session on the NYSE Arca on the day the order to create the basket is properly received.

Authorized Participants pay UNG a \$1,000 transaction fee for each order they place to create one or more Creation Baskets or to redeem one or more baskets ("Redemption Baskets"), consisting of 100,000 shares. Shares may be purchased or sold on a nationally recognized securities exchange in smaller increments than a Creation Basket or Redemption Basket. Shares purchased or sold on a nationally recognized securities exchange are not purchased or sold at the per share NAV of UNG but rather at market prices quoted on such exchange.

In April 2007, UNG initially registered 30,000,000 shares on Form S-1 with the U.S. Securities and Exchange Commission (the "SEC"). On April 18, 2007, UNG listed its shares on the AMEX under the ticker symbol "UNG" and switched to trading on the NYSE Arca under the same ticker symbol on November 25, 2008. On that day, UNG established its initial per share NAV by setting the price at \$50.00 and issued 200,000 shares in exchange for \$10,001,000. UNG also commenced investment operations on April 18, 2007, by purchasing Natural Gas Futures Contracts traded on the NYMEX based on natural gas. UNG had an unlimited number of shares registered and available for issuance. On April 26, 2022, the SEC declared effective a registration statement filed by UNG that registered an unlimited number of shares. As a result, UNG has an unlimited number of shares that can be issued in the form of Creation Baskets.

On January 4, 2018, after the close of trading on the NYSE Arca, UNG effected a 1-for- 4 reverse share split and post-split shares of UNG began trading on January 5, 2018. As a result of the reverse share split, every four pre-split shares of UNG were automatically exchanged for one post-split share. Immediately prior to the reverse split, there were 97,466,476 shares of UNG issued and outstanding, representing a per share NAV of \$5.69. Immediately after the reverse share split, the number of issued and outstanding shares of UNG decreased to 24,366,619, not accounting for fractional shares, and the per share NAV increased to \$22.76. In connection with the reverse share split, the CUSIP number for UNG's shares changed to 912318300. UNG's ticker symbol, "UNG," did not change.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosure required under generally accepted accounting principles in the United States of America ("U.S. GAAP"). The financial information included herein is unaudited; however, such financial information reflects all adjustments, consisting only of normal recurring adjustments, which are, in the opinion of USCF, necessary for the fair presentation of the financial statements for the interim period.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared in conformity with U.S. GAAP as detailed in the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification. UNG is an investment company for accounting purposes and follows the accounting and reporting guidance in FASB Topic 946.

Revenue Recognition

Commodity futures contracts, swap and forward contracts, physical commodities and related options are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized gains or losses on open contracts are reflected in the statements of financial condition and represent the difference between the original contract amount and the market value (as determined by exchange settlement prices for futures contracts and related options and cash dealer prices at a predetermined time for swap and forward contracts, physical commodities, and their related options) as of the last business day of the year or as of the last date of the financial statements. Changes in the unrealized gains or losses between periods are reflected in the statements of operations. UNG earns income on funds held at the custodian or FCMs at prevailing market rates earned on such investments.

Brokerage Commissions

Brokerage commissions on all open commodity futures contracts are accrued on a full-turn basis.

Income Taxes

UNG is not subject to federal income taxes; each partner reports his/her allocable share of income, gain, loss, deductions or credits on his/her own income tax return.

In accordance with U.S. GAAP, UNG is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any tax related appeals or litigation processes, based on the technical merits of the position. UNG files an income tax return in the U.S. federal jurisdiction and may file income tax returns in various U.S. states. UNG is not subject to income tax return examinations by major taxing authorities for years before 2019. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in UNG recording a tax liability that reduces net assets. However, UNG's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, ongoing analysis of and changes to tax laws, regulations and interpretations thereof. UNG recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income tax fees payable, if assessed. No interest expense or penalties have been recognized as of and for the period ended March 31, 2025.

Creations and Redemptions

Authorized Participants may purchase Creation Baskets or redeem Redemption Baskets only in blocks of 100,000 shares at a price equal to the NAV of the shares calculated shortly after the close of the core trading session on the NYSE Arca on the day the order is placed.

UNG receives or pays the proceeds from shares sold or redeemed within two business days after the trade date of the purchase or redemption. The amounts due from Authorized Participants are reflected in UNG's statements of financial condition as receivable for shares sold and amounts payable to Authorized Participants upon redemption are reflected as payable for shares redeemed.

Authorized Participants pay UNG a \$1,000 transaction fee for each order placed to create one or more Creation Baskets or to redeem one or more Redemption Baskets.

Partnership Capital and Allocation of Partnership Income and Losses

Profit or loss shall be allocated among the partners of UNG in proportion to the weighted-average number of shares each partner holds as of the close of each month. USCF may revise, alter or otherwise modify this method of allocation as described in the LP Agreement.

Calculation of Per Share NAV

UNG's per share NAV is calculated on each NYSE Arca trading day by taking the current market value of its total assets, subtracting any liabilities and dividing that amount by the total number of shares outstanding. UNG uses the closing price for the contracts on the relevant exchange on that day to determine the value of contracts held on such exchange.

Net Income (Loss) Per Share

Net income (loss) per share is the difference between the per share NAV at the beginning of each period and at the end of each period. The weighted average number of shares outstanding was computed for purposes of disclosing net income (loss) per weighted average share. The weighted average shares are equal to the number of shares outstanding at the end of the period, adjusted proportionately for shares added and redeemed based on the amount of time the shares were outstanding during such period. There were no shares held by USCF at March 31, 2025.

Offering Costs

Offering costs incurred in connection with the registration of additional shares after the initial registration of shares are borne by UNG. These costs include registration fees paid to regulatory agencies and all legal, accounting, printing and other expenses associated with such offerings. These costs are accounted for as a deferred charge and thereafter amortized to expense over twelve months on a straight-line basis or a shorter period if warranted.

Cash Equivalents

Cash equivalents include money market funds and overnight deposits or time deposits with original maturity dates of three months or less.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires USCF to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. Actual results may differ from those estimates and assumptions.

Other

On January 23, 2024, after the close of the NYSA Arca, UNG effected a 1-for-4 reverse share split and post-split shares of UNG began trading on January 24, 2024. The unaudited financial information in this quarterly report on Form 10-Q gives effect to the reverse share split and the post-split shares as if they had been completed on January 1, 2024.

The audited financial information and pro forma financial information, as well as the historical financial information as of and for the year ended December 31, 2023, was derived from UNG's historical financial statements. The financial statements in this quarterly report on Form 10-Q are presented in accordance with Accounting Standards Codification 260 for purposes of presenting the 1-for-4 reverse split on historical basis for all periods reported.

Recently Issued Accounting Pronouncement

UNG adopted FASB Accounting Standards Update 2023-07, Segment Reporting (Topic 280) -Improvements to Reportable Segment Disclosures (“ASU 2023-07”). UNG operates in one segment. The segment derives its revenues from investments made in accordance with the defined investment strategy of UNG, as prescribed in UNG’s prospectus. The Chief Operating Decision Maker (“CODM”) is the general partner, USCF. The CODM monitors the operating results of the Fund as part of making decisions for allocating resources and evaluating performance.

NOTE 3 — FEES PAID BY THE FUND AND RELATED PARTY TRANSACTIONS

USCF Management Fee

Under the LP Agreement, USCF is responsible for investing the assets of UNG in accordance with the objectives and policies of UNG. In addition, USCF has arranged for one or more third parties to provide administrative, custody, accounting, transfer agency and other necessary services to UNG. For these services, UNG is contractually obligated to pay USCF a fee, which is paid monthly, equal to 0.60% per annum of average daily total net assets of \$1,000,000,000 or less and 0.50% per annum of average daily total net assets that are greater than \$1,000,000,000.

Ongoing Registration Fees and Other Offering Expenses

UNG pays all costs and expenses associated with the ongoing registration of its shares subsequent to the initial offering. These costs include registration or other fees paid to regulatory agencies in connection with the offer and sale of shares, and all legal, accounting, printing and other expenses associated with such offer and sale. For the three months ended March 31, 2025 and 2024, UNG incurred \$42,545 and \$0 respectively, in registration fees and other offering expenses.

Independent Directors’ and Officers’ Expenses

UNG is responsible for paying its portion of the directors’ and officers’ liability insurance for UNG and the Related Public Funds and the fees and expenses of the independent directors who also serve as audit committee members of UNG and the Related Public Funds. UNG shares the fees and expenses on a pro rata basis with each Related Public Fund, as described above, based on the relative assets of each Related Public Fund computed on a daily basis. These fees and expenses for the year ending December 31, 2025 are estimated to be a total of \$260,000 for UNG and, in the aggregate for UNG and the Related Public Funds, \$883,000.

Licensing Fees

As discussed in Note 4 below, UNG entered into a licensing agreement with the NYMEX on April 10, 2006, as amended on October 20, 2011. Pursuant to the agreement, UNG and the Related Public Funds, other than BNO, USCI and CPER, pay a licensing fee that is equal to 0.015% on all net assets. During the three months ended March 31, 2025 and 2024, UNG incurred \$22,649 and \$30,624, respectively under this arrangement.

Investor Tax Reporting Cost

The fees and expenses associated with UNG’s audit expenses and tax accounting and reporting requirements are paid by UNG. These costs are estimated to be \$1,600,000 for the year ending December 31, 2025. Tax reporting costs fluctuate between years due to the number of shareholders during any given year.

Other Expenses and Fees

In addition to the fees described above, UNG pays all brokerage fees and other expenses in connection with the operation of UNG, excluding costs and expenses paid by USCF as outlined in *Note 4 – Contracts and Agreements below*.

NOTE 4 — CONTRACTS AND AGREEMENTS**Marketing Agent Agreement**

UNG is party to a marketing agent agreement, dated as of April 17, 2007, as amended from time to time, with the Marketing Agent and USCF, whereby the Marketing Agent provides certain marketing services for UNG as outlined in the agreement. The agreement with the Marketing Agent was amended and, commencing October 1, 2022, the fee of the Marketing Agent, which is calculated daily and payable monthly by USCF, is equal to 0.025% of UNG's total net assets. In no event may the aggregate compensation paid to the Marketing Agent and any affiliate of USCF for distribution-related services exceed 10 percent of the gross proceeds of UNG's offering.

The above fee does not include website construction and development, which are also borne by USCF.

Custody, Transfer Agency and Fund Administration and Accounting Services Agreements

USCF engaged The Bank of New York Mellon, a New York corporation authorized to conduct a banking business ("BNY Mellon"), to provide UNG and each of the Related Public Funds with certain custodial, administrative and accounting, and transfer agency services, pursuant to the following agreements with BNY Mellon dated as of March 20, 2020 (together, the "BNY Mellon Agreements"), which were effective as of April 1, 2020: (i) a Custody Agreement; (ii) a Fund Administration and Accounting Agreement; and (iii) a Transfer Agency and Service Agreement. USCF pays the fees of BNY Mellon for its services under the BNY Mellon Agreements and such fees are determined by the parties from time to time.

Brokerage and Futures Commission Merchant Agreements

UNG entered into a brokerage agreement with RBC Capital Markets LLC ("RBC") to serve as UNG's FCM effective October 10, 2013. UNG has engaged each of Marex North America, LLC, formerly RCG Division of Marex Spectron ("MNA"), Marex Capital Markets Inc., formerly E D & F Man Capital Markets Inc. ("MCM"), Macquarie Futures USA LLC ("MFUSA"), and ADM Investor Services, Inc. ("ADMIS") to serve as additional FCMs to UNG effective on May 28, 2020, June 5, 2020, December 3, 2020, and August 8, 2023, respectively. The agreements with UNG's FCMs require the FCMs to provide services to UNG in connection with the purchase and sale of Futures Contracts and Other Natural Gas-Related Investments that may be purchased and sold by or through the applicable FCM for UNG's account. In accordance with the FCM agreements, UNG pays each FCM commissions of approximately \$7 to \$8 per round-turn trade, including applicable exchange, clearing and NFA fees for Futures Contracts and options on Futures Contracts. Such fees include those incurred when purchasing Futures Contracts and options on Futures Contracts when UNG issues shares as a result of a Creation Basket, as well as fees incurred when selling Futures Contracts and options on Futures Contracts when UNG redeems shares as a result of a Redemption Basket. Such fees are also incurred when Futures Contracts and options on Futures Contracts are purchased or redeemed for the purpose of rebalancing the portfolio. UNG also incurs commissions to brokers for the purchase and sale of Futures Contracts, Other Natural Gas-Related Investments or short-term obligations of the United States of two years or less ("Treasuries").

| | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| Total commissions accrued to brokers | \$ 299,598 | \$ 809,389 |
| Total commissions as annualized percentage of average total net assets | 0.20 % | 0.40 % |

The decrease in total commissions accrued to brokers for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, was due primarily to a lower number of natural gas futures contracts being held and traded.

Swap Dealer Agreements

UNG entered into ISDA 2002 Master Agreements with (1) Macquarie Bank Limited on November 30, 2021 (the “Macquarie ISDA”), (2) Société Générale on June 13, 2022 (the “Société Générale ISDA”), and (3) The Bank of Nova Scotia on August 5, 2024 (the “ScotiaBank ISDA”), pursuant to which each of Macquarie Bank Limited, Société Générale and The Bank of Nova Scotia, respectively, has agreed to serve as an over-the-counter (“OTC”) swap counterparty for UNG. The Macquarie ISDA, Société Générale ISDA and ScotiaBank ISDA (together, the “ISDA Agreements”) each provide UNG with the ability to invest in OTC swaps in furtherance of UNG’s investment objective by providing it with investment flexibility in light of market conditions, liquidity, regulatory requirements, and risk diversification. UNG may enter into OTC swap transactions under each of the ISDA Agreements in light of the foregoing. Any OTC swap transactions of UNG that are outstanding under any ISDA Agreement, along with UNG’s other holdings, are posted on UNG’s webpage, www.uscfinvestments.com. In accordance with each of the swap agreements described above, UNG pays each swap dealer a flat fee in a range between 0.20% and 0.30% on the daily notional value of each OTC swap transaction.

NYMEX Licensing Agreement

UNG and the NYMEX entered into a licensing agreement on April 10, 2006, as amended on October 20, 2011, whereby UNG was granted a non-exclusive license to use certain of the NYMEX’s settlement prices and service marks. Under the licensing agreement, UNG and the Related Public Funds, other than BNO, USCI, and CPER, pay the NYMEX an asset-based fee for the license, the terms of which are described in Note 3. UNG expressly disclaims any association with the NYMEX or endorsement of UNG by the NYMEX and acknowledges that “NYMEX” and “New York Mercantile Exchange” are registered trademarks of the NYMEX.

NOTE 5 — FINANCIAL INSTRUMENTS, OFF-BALANCE SHEET RISKS AND CONTINGENCIES

UNG may engage in the trading of futures contracts, options on futures contracts, cleared swaps and OTC swaps (collectively, “derivatives”). UNG is exposed to both market risk, which is the risk arising from changes in the market value of the contracts, and credit risk, which is the risk of failure by another party to perform according to the terms of a contract.

UNG may enter into futures contracts, options on futures contracts, cleared swaps, and OTC swaps to gain exposure to changes in the value of an underlying commodity. A futures contract obligates the seller to deliver (and the purchaser to accept) the future delivery of a specified quantity and type of a commodity at a specified time and place. Some futures contracts may call for physical delivery of the asset, while others are settled in cash. The contractual obligations of a buyer or seller may generally be satisfied by taking or making physical delivery of the underlying commodity or by making an offsetting sale or purchase of an identical futures contract on the same or linked exchange before the designated date of delivery. Cleared swaps are agreements that are eligible to be cleared by a clearinghouse, e.g., ICE Clear Europe, and provide the efficiencies and benefits that centralized clearing on an exchange offers to traders of futures contracts, including credit risk intermediation and the ability to offset positions initiated with different counterparties. OTC swaps are entered into between two parties in private contracts. In an OTC swap, each party bears credit risk to the other party, i.e., the risk that the other party may not be able to perform its obligations under the OTC swap.

The purchase and sale of futures contracts, options on futures contracts and cleared swaps require margin deposits with an FCM. Additional deposits may be necessary for any loss on contract value. The Commodity Exchange Act requires FCMs to segregate all customer transactions and assets from the FCM’s proprietary transactions and assets. To reduce the credit risk that arises in connection with OTC swaps, UNG will generally enter into an agreement with each counterparty based on the Master Agreement published by the International Swaps and Derivatives Association, Inc., which provides for the netting of its overall exposure to its counterparty. The Master Agreement is negotiated as between the parties and would address, among other things, the exchange of margin between the parties.

Futures contracts, options on futures contracts and cleared swaps involve, to varying degrees, elements of market risk (specifically commodity price risk) and exposure to loss in excess of the amount of variation margin. The face or contract amounts reflect the extent of the total exposure UNG has in the particular classes of instruments. Additional risks associated with the use of futures contracts are an imperfect correlation between movements in the price of the futures contracts and the market value of the underlying securities and the possibility of an illiquid market for a futures contract. Buying and selling options on futures contracts exposes investors to the risks of purchasing or selling futures contracts.

[Table of Contents](#)

As to OTC swaps, valuing OTC derivatives is less certain than valuing actively traded financial instruments such as exchange-traded futures contracts and securities or cleared swaps, because the price and terms on which such OTC derivatives are entered into or can be terminated are individually negotiated, and those prices and terms may not reflect the best price or terms available from other sources. In addition, while market makers and dealers generally quote indicative prices or terms for entering into or terminating OTC contracts, they typically are not contractually obligated to do so, particularly if they are not a party to the transaction. As a result, it may be difficult to obtain an independent value for an outstanding OTC derivatives transaction.

Market volatility is attributable to things like the COVID-19 pandemic and related supply chain disruptions, war (such as the Russia-Ukraine war), continuing disputes among natural gas-producing countries, the introduction of or changes in tariffs or trade barriers, and trade wars between nations. Events such as these, and others, could cause volatility in the future, which may affect the value, pricing and liquidity of some investments or other assets, including those held by or invested in by UNG and the impact of which could limit UNG's ability to have a substantial portion of its assets invested in the Benchmark Futures Contract. In such a circumstance, UNG could, if it determined it appropriate to do so in light of market conditions and regulatory requirements, invest in other Futures Contracts and/or Other Natural-Gas Related Investments, such as OTC swaps.

All of the futures contracts held by UNG through March 31, 2025, were exchange-traded. The risks associated with exchange-traded contracts are generally perceived to be less than those associated with OTC swaps since, in OTC swaps, a party must rely solely on the credit of its respective individual counterparties. However, in the future, if UNG were to enter into non-exchange traded contracts, it would be subject to the credit risk associated with counterparty non-performance. The credit risk from counterparty non-performance associated with such instruments is the net unrealized gain, if any, on the transaction. UNG has credit risk under its futures contracts since the sole counterparty to all domestic and foreign futures contracts is the clearinghouse for the exchange on which the relevant contracts are traded. In addition, UNG bears the risk of financial failure by the clearing broker.

UNG's cash and other property, such as Treasuries, deposited with its FCMs are considered commingled with all other customer funds, subject to such FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to a pro rata share of segregated funds available. It is possible that the recovered amount could be less than the total of cash and other property deposited. The insolvency of an FCM could result in the complete loss of UNG's assets posted with that FCM; however, the majority of UNG's assets are held in investments in Treasuries, cash and/or cash equivalents with UNG's custodian and would not be impacted by the insolvency of an FCM. The failure or insolvency of UNG's custodian, however, could result in a substantial loss of UNG's assets.

USCF invests a portion of UNG's cash in money market funds that seek to maintain a stable per share NAV. UNG is exposed to any risk of loss associated with an investment in such money market funds. As of March 31, 2025 and December 31, 2024, UNG held investments in money market funds in the amounts of \$145,950,000 and \$520,950,000, respectively. UNG also holds cash deposits with its custodian and FCMs. As of March 31, 2025 and December 31, 2024, UNG held cash deposits in the amounts of \$286,762,790 and \$156,176,774 respectively, with the custodian and FCMs. Some or all of these amounts may be subject to loss should UNG's custodian and/or FCMs cease operations.

For derivatives, risks arise from changes in the market value of the contracts. Theoretically, UNG is exposed to market risk equal to the value of futures contracts purchased and unlimited liability on such contracts sold short or that the value of the futures contract could fall below zero. As both a buyer and a seller of options, UNG pays or receives a premium at the outset and then bears the risk of unfavorable changes in the price of the contract underlying the option.

UNG's policy is to continuously monitor its exposure to market and counterparty risk through the use of a variety of financial, position and credit exposure reporting controls and procedures. In addition, UNG has a policy of requiring review of the credit standing of each broker or counterparty with which it conducts business.

The financial instruments held by UNG are reported in its statements of financial condition at market or fair value, or at carrying amounts that approximate fair value, because of their highly liquid nature and short-term maturity.

For the three months ended March 31, 2025, the monthly average volume of open future and swap contract notional value was \$334,622,197 and \$216,854,350, respectively. For the three months ended March 31, 2024 the monthly average volume of open future and swap contract notional values was \$724,968,196 and \$80,935,078, respectively.

NOTE 6 — FINANCIAL HIGHLIGHTS

The following table presents per share performance data and other supplemental financial data for the three months ended March 31, 2025 and 2024 for the shareholders. This information has been derived from information presented in the financial statements.

| | <u>Three months ended</u> <u>March 31, 2025</u> <u>(Unaudited)</u> | <u>Three months ended</u> <u>March 31, 2024</u> <u>(Unaudited)</u> |
|---|--|--|
| Per Share Operating Performance: | | |
| Net asset value, beginning of period | \$ 16.85 | \$ 20.36 |
| Total income (loss) | 4.75 | (5.56) |
| Total expenses | (0.06) | (0.06) |
| Net increase (decrease) in net asset value | 4.69 | (5.62) |
| Net asset value, end of period | <u>\$ 21.54</u> | <u>\$ 14.74</u> |
| Total Return | <u>27.83 %</u> | <u>(27.60)%</u> |
| Ratios to Average Net Assets | | |
| Total income (loss) | <u>34.42 %</u> | <u>(19.68)%</u> |
| Management fees [#] | <u>0.60 %</u> | <u>0.60 %</u> |
| Total expenses excluding management fees [#] | <u>0.68 %</u> | <u>0.65 %</u> |
| Net income (loss) | <u>34.10 %</u> | <u>(20.00)%</u> |

Annualized.

Total returns are calculated based on the change in value during the period. An individual shareholder's total return and ratio may vary from the above total returns and ratios based on the timing of contributions to and withdrawals from UNG. Additionally, only Authorized Participants purchase and redeem shares from the Fund at the NAV per share. Most shareholders will purchase and sell shares in the secondary market at market prices, which may differ from the NAV per share and result in a higher or lower total return.

NOTE 7 — FAIR VALUE OF FINANCIAL INSTRUMENTS

UNG values its investments in accordance with Accounting Standards Codification 820 – Fair Value Measurements and Disclosures (“ASC 820”). ASC 820 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurement. ASC 820 establishes a fair value hierarchy that distinguishes between: (1) market participant assumptions developed based on market data obtained from sources independent of UNG (observable inputs) and (2) UNG's own assumptions about market participant assumptions developed based on the best information available under the circumstances (unobservable inputs). The three levels defined by the ASC 820 hierarchy are as follows:

Level I – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level II – Inputs other than quoted prices included within Level I assets and liabilities include the following: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level III – Unobservable pricing input at the measurement date for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available.

In some instances, the inputs used to measure fair value might fall within different levels of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement in its entirety falls shall be determined based on the lowest input level that is significant to the fair value measurement in its entirety.

[Table of Contents](#)

The following table summarizes the valuation of UNG's securities at March 31, 2025 using the fair value hierarchy:

| At March 31, 2025 | Total | Level I | Level II | Level III |
|-----------------------------------|----------------|----------------|----------|-----------|
| Short-Term Investments | \$ 145,950,000 | \$ 145,950,000 | \$ — | \$ — |
| Exchange-Traded Futures Contracts | | | | |
| United States Contracts | 1,475,440 | 1,475,440 | — | — |
| OTC Commodity Swap Contracts | (1,631) | — | (1,631) | — |

The following table summarizes the valuation of UNG's securities at December 31, 2024 using the fair value hierarchy:

| At December 31, 2024 | Total | Level I | Level II | Level III |
|-----------------------------------|----------------|----------------|----------|-----------|
| Short-Term Investments | \$ 532,370,156 | \$ 532,370,156 | \$ — | \$ — |
| Exchange-Traded Futures Contracts | | | | |
| United States Contracts | 80,696,279 | 80,696,279 | — | — |
| OTC Commodity Swap Contracts | (2,205) | — | (2,205) | — |

Effective January 1, 2009, UNG adopted the provisions of Accounting Standards Codification 815 — Derivatives and Hedging, which require presentation of qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts and gains and losses on derivatives.

Fair Value of Derivative Instruments

| Derivatives not Accounted for as Hedging Instruments | Statements of Financial Condition Location | Fair Value at March 31, 2025 | Fair Value at December 31, 2024 |
|--|---|------------------------------|---------------------------------|
| Futures – Commodity Contracts | Unrealized gain (loss) on open commodity futures contracts | \$ 1,475,440 | \$ 80,696,279 |
| Swap – Commodity Contracts | Unrealized gain (loss) on open OTC commodity swap contracts | \$ (1,631) | \$ (2,205) |

The Effect of Derivative Instruments on the Statements of Operations

| Derivatives not Accounted for as Hedging Instruments | Location of Gain (Loss) on Derivatives Recognized in Income | For the three months ended March 31, 2025 | | For the three months ended March 31, 2024 | |
|--|---|--|--|--|--|
| | | Realized Gain (Loss) on Derivatives Recognized in Income | Change in Unrealized Gain (Loss) on Derivatives Recognized in Income | Realized Gain (Loss) in Derivatives Recognized in Income | Change in Unrealized Gain (Loss) on Derivatives Recognized in Income |
| Futures - Commodity Contracts | Realized gain (loss) on closed commodity futures contracts | \$ 228,668,009 | | \$ (131,322,770) | |
| | Change in unrealized gain (loss) on open commodity futures contracts | | \$ (79,220,839) | | \$ (59,589,167) |
| OTC Swap - Commodity Contracts | Realized gain (loss) on closed OTC commodity swap contracts | \$ 55,505,217 | | \$ 33,968,121 | |
| | Change in unrealized gain (loss) on open OTC commodity swap contracts | | \$ 574 | | \$ (14,904,042) |

NOTE 8 — SUBSEQUENT EVENTS

UNG has performed an evaluation of subsequent events through the date the financial statements were issued. This evaluation did not result in any subsequent events that necessitated disclosures and/or adjustments.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion should be read in conjunction with the financial statements and the notes thereto of the United States Natural Gas Fund, LP ("UNG") included elsewhere in this quarterly report on Form 10-Q.

Forward-Looking Information

This quarterly report on Form 10-Q, including this "Management's Discussion and Analysis of Financial Condition and Results of Operations," contains "forward-looking statements" which generally relate to future events or future performance. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential" or the negative of these terms or other comparable terminology. All statements (other than statements of historical fact) included in this quarterly report on Form 10-Q that address activities, events or developments that will or may occur in the future, including such matters as changes in inflation in the United States, movements in the stock market, movements in U.S. and foreign currencies, and market volatility in the commodities markets and futures markets and indexes that track such movements, the Russia-Ukraine war and conflicts in the Middle East, UNG's operations, USCF's plans and references to UNG's future success and other similar matters, are forward-looking statements. These statements are only predictions. Actual events or results may differ materially. These statements are based upon certain assumptions and analyses USCF has made based on its perception of historical trends, current conditions and expected future developments, as well as other factors appropriate in the circumstances. Whether or not actual results and developments will conform to USCF's expectations and predictions, however, is subject to a number of risks and uncertainties, including the special considerations discussed in this quarterly report on Form 10-Q, general economic, market and business conditions, changes in laws or regulations, including those concerning taxes, made by governmental authorities or regulatory bodies, and other world economic and political developments. Consequently, all the forward-looking statements made in this quarterly report on Form 10-Q are qualified by these cautionary statements, and there can be no assurance that the actual results or developments USCF anticipates will be realized or, even if substantially realized, that they will result in the expected consequences to, or have the expected effects on, UNG's operations or the value of its shares.

UNG has based the forward-looking statements included in this quarterly report on Form 10-Q on information available to it on the date of this quarterly report on Form 10-Q, and UNG assumes no obligation to update any such forward-looking statements. Although UNG undertakes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, investors are advised to consult any additional disclosures that UNG may make directly to them or through reports that UNG files in the future with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

Introduction

UNG, a Delaware limited partnership, is a commodity pool that issues shares that are traded on the NYSE Arca. The investment objective of UNG is for the daily changes in percentage terms of its shares' per share NAV to reflect the daily changes, in percentage terms, of the price of natural gas delivered at the Henry Hub, Louisiana, as measured by the daily changes in the price of the futures contract for natural gas traded on the NYMEX that is the near month contract to expire, except when the near month contract is within two weeks of expiration, in which case it will be measured by the futures contract that is the next month contract to expire (the "Benchmark Futures Contract"), plus interest earned on UNG's collateral holdings, less UNG's expenses. "Near month contract" means the next contract traded on the NYMEX due to expire. "Next month contract" means the first contract traded on the NYMEX due to expire after the near month contract. UNG seeks to achieve its investment objective by investing so that the average daily percentage change in UNG's NAV for any period of 30 successive valuation days will be within plus/minus ten percent (10%) of the average daily percentage changes in the price of the Benchmark Futures Contract over the same period. As a result, investors should be aware that UNG would meet its investment objective even if there are significant deviations between changes in its daily NAV and changes in the daily price of the Benchmark Futures Contract, provided that the average daily percentage change in UNG's NAV over 30 successive valuation days is within plus/minus ten percent (10%) of the average daily percentage change in the price of the Benchmark Futures Contract over the same period.

UNG's investment objective is *not* for its NAV or market price of shares to equal, in dollar terms, the spot price of natural gas or any particular futures contract based on natural gas, *nor* is UNG's investment objective for the percentage change in its NAV to reflect the percentage change of the price of any particular futures contract as measured over a time period *greater than one day*. The general partner of UNG, United States Commodity Funds LLC ("USCF"), believes that it is not practical to manage the portfolio to achieve such an investment goal when investing in Natural Gas Futures Contracts (as defined below) and Other Natural Gas-Related Investments (as defined below).

UNG invests primarily in futures contracts for natural gas, crude oil, heating oil, gasoline and other petroleum-based fuels that are traded on the NYMEX, ICE Futures or other U.S. and foreign exchanges (collectively, "Natural Gas Futures Contracts") and to a lesser extent, in order to comply with regulatory requirements, risk mitigation measures (including those that may be taken by UNG, UNG's FCMs, counterparties or other market participants), liquidity requirements, or in view of market conditions, other natural gas-related investments such as cash-settled options on Natural Gas Futures Contracts, forward contracts for natural gas, cleared swap contracts and OTC swaps that are based on the price of natural gas, crude oil and other petroleum-based fuels, Natural Gas Futures Contracts and indices based on the foregoing (collectively, "Other Natural Gas-Related Investments"). For convenience and unless otherwise specified, Natural Gas Futures Contracts and Other Natural Gas-Related Investments collectively are referred to as "Natural Gas Interests" in this quarterly report on Form 10-Q.

USCF believes that market arbitrage opportunities will cause daily changes in UNG's share price on the NYSE Arca on a percentage basis to closely track daily changes in UNG's per share NAV on a percentage basis. USCF further believes that daily changes in prices of the Benchmark Futures Contract have historically closely tracked the daily changes in spot prices of natural gas. USCF believes that the net effect of these relationships will be that the daily changes in the price of UNG's shares on the NYSE Arca on a percentage basis will closely track the daily changes in the spot price of natural gas on a percentage basis, plus interest earned on UNG's collateral holdings, less UNG's expenses.

Regulatory Disclosure

The regulation of commodity interest trading in the United States and other countries is an evolving area of the law. Below are certain key regulatory requirements that are, or may be, relevant to UNG. The various statements made in this summary are subject to modification by legislative action and changes in the rules and regulations of the SEC, Financial Industry Regulatory Authority ("FINRA"), CFTC, NFA, the futures exchanges, clearing organizations and other regulatory bodies. Pending final resolution of all applicable regulatory requirements, some examples of how new rules and regulations could impact UNG are discussed in "Item 1. Business" in this quarterly report on Form 10-Q.

Exchange Accountability Levels, Position Limits and Price Fluctuation Limits

Designated contract markets ("DCMs"), such as the NYMEX and ICE Futures, have established accountability levels and position limits on the maximum net long or net short futures contracts in commodity interests that any person or group of persons under common trading control (other than as a hedge, which an investment by UNG is not) may hold, own or control. These levels and position limits apply to the futures contracts that UNG invests in to meet its investment objective. In addition to accountability levels and position limits, the NYMEX and ICE Futures may also set daily price fluctuation limits on futures contracts. The daily price fluctuation limit establishes the maximum amount that the price of a futures contract may vary either up or down from the previous day's settlement price. Once the daily price fluctuation limit has been reached in a particular futures contract, no trades may be made at a price beyond that limit.

The accountability levels for the Benchmark Futures Contract and other Natural Gas Futures Contracts traded on U.S.-based futures exchanges, such as the NYMEX, are not a fixed ceiling, but rather a threshold above which the NYMEX may exercise greater scrutiny and control over an investor's positions. The current accountability level for investments for any one-month in the Benchmark Futures Contract is 6,000 net contracts. In addition, the NYMEX imposes an accountability level for all months of 12,000 net futures contracts for natural gas. In addition, the ICE Futures maintains accountability levels, position limits and monitoring authority for its futures contracts for natural gas. If UNG and the Related Public Funds exceed these accountability levels for investments in the futures contracts for natural gas, the NYMEX and ICE Futures will monitor such exposure and may ask for further information on UNG's and the Related Public Funds' activities including the total size of all positions, investment and trading strategy, and the extent of liquidity resources of UNG and the Related Public Funds. If deemed necessary by the NYMEX and/or ICE Futures, UNG could be required to reduce its aggregate position back to the accountability level. As of March 31, 2025, UNG held 5,138 NYMEX Natural Gas Futures NG contracts and did not hold any Natural Gas Futures Contracts traded on the ICE Futures. UNG exceeded accountability levels of the NYMEX during the three months ended March 31, 2025, including when it held a maximum of 16,693 Natural Gas Futures NG contracts on the NYMEX, exceeding the "any" month limit. UNG did not exceed accountability levels imposed by the ICE Futures during the fiscal year ended December 31, 2024. No action was taken by the NYMEX and UNG did not reduce any positions held.

Position limits differ from accountability levels in that they represent fixed limits on the maximum number of futures contracts that any person may hold and cannot allow such limits to be exceeded without express CFTC authority to do so. In addition to accountability levels and position limits that may apply at any time, the NYMEX and ICE Futures impose position limits on contracts held in the last few days of trading in the near month contract to expire. It is unlikely that UNG will run up against such position limits because UNG's investment strategy is to close out its positions and "roll" from the near month contract to expire to the next month contract during a four-day period beginning two weeks from expiration of the contract. Investors should note that the foregoing accountability levels and position limits are subject to change, which in turn could change the amount and type of permitted investments in which UNG invests. For the three months ended March 31, 2025, UNG did not exceed any position limits imposed by the NYMEX and ICE Futures.

Federal Position Limits

Part 150 of the CFTC's regulations (the "Position Limits Rule") establishes federal position limits for 25 core referenced futures contracts (comprised of agricultural, energy and metals futures contracts), futures and options linked to the core referenced futures contracts, and swaps that are economically equivalent to the core referenced futures contracts that all market participants must comply with, with certain exemptions. The Benchmark Futures Contract is subject to position limits under the Position Limits Rule, and UNG's trading does not qualify for an exemption therefrom. Accordingly, the Position Limits Rule could inhibit UNG's ability to invest in the Benchmark Futures Contract and thereby could negatively impact the ability of UNG to meet its investment objective.

This may in turn prevent investors from being able to effectively use UNG as a way to hedge against natural gas - related losses or as a way to indirectly invest in natural gas.

UNG has not limited the size of its offering and intends to utilize substantially all of its proceeds to purchase Benchmark Futures Contracts and Other Natural Gas-Related Investments to the extent possible. If UNG encounters accountability levels, position limits, or price fluctuation limits for natural gas Futures Contracts on the NYMEX or ICE Futures, it may then, if permitted under applicable regulatory requirements, purchase natural gas Futures Contracts on other exchanges that trade listed natural gas futures or enter into swaps or other transactions to meet its investment objective. In addition, if UNG exceeds accountability levels on either the NYMEX or ICE Futures, and is required by such exchanges to reduce its holdings, such reduction could potentially cause a tracking error between the price of UNG's shares and the price of the Benchmark Futures Contract.

Margin for OTC Swaps

Rules put in place by U.S. federal banking regulators, the CFTC and the SEC require the daily exchange of variation margin and initial margin for swaps between swap dealers, major swap participants, security-based swap dealers, and major security-based swap participants (“Swap Entities”) and swaps between Swap Entities and their counterparties that are “financial end-users” (such rules, the “Margin Rules”). The Margin Rules require Swap Entities to exchange variation margin with all of their counterparties who are financial end-users. The minimum variation margin amount is the daily mark-to-market change in the value of the swap, taking into account the amount of variation margin previously posted or collected. Swap Entities are required to exchange initial margin with their financial end-users who have “material swaps exposure” (i.e., an average daily aggregate notional of \$8 billion or more in non-cleared swaps calculated in accordance with the Margin Rules). The Margin Rules specify the types of collateral that may be posted or collected as initial margin or variation margin (generally cash, certain government, government-sponsored enterprise securities, certain liquid debt, certain equity securities, certain eligible publicly traded debt, and gold) and sets forth haircuts for certain collateral asset classes.

UNG is not a Swap Entity under the Margin Rules, but it is a financial end-user. Accordingly, UNG will be subject to the variation margin requirements of the Margin Rules for any swaps that it enters into. However, UNG does not have material swaps exposure under the Margin Rules, and accordingly, UNG will not be subject to the initial margin requirements of the Margin Rules.

Mandatory Trading and Clearing of Swaps

CFTC regulations require that certain swap transactions be executed on organized exchanges or “swap execution facilities” and cleared through regulated clearing organizations (“derivative clearing organizations” (“DCOs”)), if the CFTC mandates the central clearing of a particular class of swap and such swap is “made available to trade” on a swap execution facility. Currently, swap dealers, major swap participants, commodity pools, certain private funds and entities predominantly engaged in activities that are financial in nature are required to execute on a swap execution facility, and clear, certain interest rate swaps and index-based credit default swaps. As a result, if UNG enters into an interest rate or index-based credit default swap that is subject to these requirements, such swap will be required to be executed on a swap execution facility and centrally cleared. Mandatory clearing and “made available to trade” determinations with respect to additional types of swaps may be issued in the future, and, when finalized, could require UNG to electronically execute and centrally clear certain OTC instruments presently entered into and settled on a bi-lateral basis. If a swap is required to be cleared, initial and variation margin requirements are set by the relevant clearing organization, subject to certain regulatory requirements and guidelines. Additional margin may be required and held by UNG’s FCMs.

Other Requirements for Swaps

In addition to the margin requirements described above, swaps that are not required to be cleared and executed on a SEF but that are executed bilaterally are also subject to various requirements pursuant to CFTC regulations, including, among other things, reporting and recordkeeping requirements and, depending on the status of the counterparties, trading documentation requirements and dispute resolution requirements.

Derivatives Regulations in Non-U.S. Jurisdictions

In addition to U.S. laws and regulations, UNG may be subject to non-U.S. derivatives laws and regulations if it engages in futures and/or swap transactions with non-U.S. persons. For example, UNG may be impacted by European laws and regulations to the extent that it engages in futures transactions on European exchanges or derivatives transactions with European entities. Other jurisdictions impose requirements applicable to futures and derivatives that are similar to those imposed by the U.S., including position limits, margin, clearing and trade execution requirements.

The CFTC is generally prohibited by statute from regulating trading on non-U.S. futures exchanges and markets. The CFTC, however, has adopted regulations relating to the marketing of non-U.S. futures contracts in the United States. These regulations permit certain contracts on non-U.S. exchanges to be offered and sold in the United States.

Natural disasters, public health disruptions (such as the COVID-19 pandemic), and international armed conflicts could impact the price of commodities and/or the value, pricing and liquidity of UNG's investments or assets which, in turn, could cause the loss of your investment in UNG.

Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and other severe weather-related phenomena generally, and widespread disease, including public health disruptions, pandemics and epidemics (for example, the COVID-19 pandemic), can be highly disruptive to economies and markets. Such events can, directly or indirectly, negatively impact, and/or cause volatility in, the price of commodities such as natural gas and the value, pricing, and liquidity of the investments or other assets held by UNG.

Geopolitical conflict, including war and armed conflicts (such as the Russia-Ukraine war, conflicts in the Middle East, and the expansion of such conflicts in surrounding areas), sanctions, the introduction of or changes in tariffs or trade barriers, global or local recessions, and acts of terrorism, can also, directly or indirectly, negatively impact, and/or cause volatility in, the price of commodities such as natural gas and the value, pricing, and liquidity of the investments or other assets held by UNG.

UNG may be subject to interest rate risk, which may prevent UNG from investing fully at prevailing rates until any current investments in Treasuries mature in order to avoid selling those investments at a loss.

Interest rate risk is the risk that fixed income securities and other investments in UNG's portfolio will fluctuate in value because of a change in interest rates. Interest rate changes can be sudden and unpredictable, and UNG may lose money because of movements in interest rates. When interest rates rise, the value of fixed income securities typically falls. In a rising interest rate environment, UNG may not be able to fully invest at prevailing rates until any current investments in Treasuries mature in order to avoid selling those investments at a loss. Interest rate risk is generally lower for shorter term investments and higher for longer term investments. In addition, in rising interest rate environments, it is possible that the Treasuries held by UNG will decline in value. When interest rates fall, UNG may be required to reinvest the proceeds from the sale, redemption or early prepayment of a Treasury Bill or money market security at a lower interest rate.

As inflation increases, the present value of UNG's assets may decline.

Inflation is a general increase in the overall price level of goods and services in the economy. The United States Federal Reserve has a stated goal of maintaining a two percent increase in inflation over the long run, as measured by the annual change in the price index for personal consumption expenditures. Following the COVID-19 pandemic, the United States experienced inflation above the Federal Reserve's stated two-percent goal. Other world economies similarly experienced elevated inflation rates. The Federal Reserve increased interest rates and successfully reduced inflation so that it is close to the stated two percent goal. As a result, in 2024, the Federal Reserve began reducing interest rates. However, the rate of inflation in the United States is still above the stated two percent goal. Inflation has the effect of eroding the value of cash or bonds. In a high inflation environment, the value of UNG's cash and Treasury investments may decline.

UNG may potentially lose money by investing in government money market funds.

UNG invests in government money market funds. Although such government money market funds seek to preserve the value of an investment at \$1.00 per share, there is no guarantee that they will be able to do so and UNG may lose money by investing in a government money market fund. An investment in a government money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (the "FDIC") or any other government agency. The share price of a government money market fund can fall below the \$1.00 share price. UNG cannot rely on or expect a government money market fund's adviser or its affiliates to enter into support agreements or take other actions to maintain the government money market fund's \$1.00 share price. The credit quality of a government money market fund's holdings can change rapidly in certain markets, and the default of a single holding could have an adverse impact on the government money market fund's share price. Due to fluctuations in interest rates, the market value of securities held by a government money market fund may vary. A government money market fund's share price can also be negatively affected during periods of high redemption pressures and/or illiquid markets.

Price Movements

Natural gas futures prices were volatile during the three months ended March 31, 2025. The price of the Benchmark Futures Contract started the period at \$3.633 per million British thermal shares (“MMBtu”). The high of the period was on March 10, 2025 when the price reached \$4.491 per MMBtu. The low of the period was on January 31, 2025 when the price dropped to \$3.044 per MMBtu. The period ended with the Benchmark Futures Contract at \$4.119 per MMBtu, an increase of approximately 13.38% over the period. UNG’s per share NAV began the period at \$16.85 and ended the period at \$21.54 on March 31, 2025, an increase of approximately 27.83% over the period. The Benchmark Futures Contract prices listed above began with the February 2025 contracts and ended with the May 2025 contracts. The increase of approximately 13.38% on the Benchmark Futures Contract listed above is a hypothetical return only and would not actually be realized by an investor holding Natural Gas Futures Contracts. An investment in Natural Gas Futures Contracts would need to be rolled forward during the time period described in order to simulate such a result. Furthermore, the change in the nominal price of these differing Natural Gas Futures Contracts, measured from the start of the period to the end of the period, does not represent the actual benchmark results that UNG seeks to track, which are more fully described below in the section titled “*Tracking UNG’s Benchmark.*”

During the three months ended March 31, 2025, the natural gas futures market experienced states of both contango and backwardation. When the market was in a state of contango, the near month natural gas futures contract is lower than the price of the next month natural gas futures contract, or contracts further away from expiration. During periods of backwardation the near month natural gas futures contract is higher than the price of the next month natural gas futures contract, or contracts further away from expiration. For a discussion of the impact of backwardation and contango on total returns, see “*Term Structure of Natural Gas Futures Prices and the Impact on Total Returns*” below.

Valuation of Futures Contracts and the Computation of the Per Share NAV

The per share NAV of UNG’s shares is calculated once each NYSE Arca trading day. The per share NAV for a particular trading day is released after 4:00 p.m. New York time. Trading during the core trading session on the NYSE Arca typically closes at 4:00 p.m. New York time. UNG’s administrator uses the NYMEX closing price (determined at the earlier of the close of the NYMEX or 2:30 p.m. New York time) for the contracts held on the NYMEX, but calculates or determines the value of all other UNG investments, including cleared swaps or other futures contracts, as of the earlier of the close of the NYSE Arca or 4:00 p.m. New York time.

Results of Operations and the Natural Gas Market

Results of Operations.

As of March 31, 2025, UNG has 19,546,103 shares outstanding. On April 26, 2022, the SEC declared effective a registration statement filed by UNG that registered an unlimited number of shares. As a result, UNG has an unlimited number of shares that can be issued in the form of Creation Baskets. More shares may have been issued by UNG than are outstanding due to the redemption of shares.

On January 23, 2024, after the close of trading on the NYSE Arca, UNG effected a 1-for-4 reverse share split and post-split shares of UNG began trading on January 24, 2024. As a result of the reverse share split, every four pre-split shares of UNG were automatically exchanged for one post-split share. As of December 31, 2023, prior to the effect of the reverse split, there were 191,284,588 shares of UNG issued and outstanding, representing a per share NAV of \$5.09. As of December 31, 2023, after the effect of the reverse share split, the number of issued and outstanding shares of UNG decreased to 47,821,147, not accounting for fractional shares, and the per share NAV increased to \$20.36. In connection with the reverse share split, the CUSIP number for UNG’s shares changed to 912318409. UNG’s ticker symbol, “UNG,” remains the same. The financial statements have been adjusted to reflect the effect of the reverse share split on a retroactive basis.

As of March 31, 2025, UNG had the following Authorized Participants: ABN AMRO Clearing USA LLC, BNP Paribas Securities Corp., Citadel Securities LLC, Citigroup Global Markets Inc., Goldman Sachs & Company, JP Morgan Securities Inc., Jane Street Capital LLC, Merrill Lynch Professional Clearing Corp., Morgan Stanley & Company Inc., RBC Capital Markets LLC, SG Americas Securities LLC, UBS Securities LLC and Virtu Americas LLC.

For the Three Months Ended March 31, 2025 Compared to the Three Months Ended March 31, 2024

| | Three months ended March 31, 2025 | Three months ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Average daily total net assets | \$ 612,353,635 | \$ 823,001,935 |
| Dividend and interest income earned on Treasuries, cash and/or cash equivalents | \$ 5,733,300 | \$ 9,773,692 |
| Annualized yield based on average daily total net assets | 3.80 % | 4.78 % |
| Management fee | \$ 905,948 | \$ 1,224,936 |
| Total fees and other expenses excluding management fees | \$ 1,028,257 | \$ 1,341,267 |
| Fees and expenses related to the registration or offering of additional shares | \$ 42,545 | \$ — |
| Total commissions accrued to brokers | \$ 299,598 | \$ 809,389 |
| Total commissions as annualized percentage of average total net assets | 0.20 % | 0.40 % |

Portfolio Expenses. UNG's expenses consist of investment management fees, brokerage fees and commissions, certain offering costs, licensing fees, registration fees, the fees and expenses of the independent directors of USCF and expenses relating to tax accounting and reporting requirements. The management fee that UNG pays to USCF is calculated as a percentage of the total net assets of UNG. The fee is accrued daily and paid monthly.

Average interest rates earned on short-term investments held by UNG, including cash, cash equivalents and Treasuries, were lower during the three months ended March 31, 2025, compared to the three months ended March 31, 2024. As a result, the amount of income earned by UNG as a percentage of average daily total net assets was lower during the three months ended March 31, 2025, compared to the three months ended March 31, 2024. To the degree that the aggregate yield is lower, the net expense ratio, inclusive of income, will be higher.

The decrease in total fees and other expenses excluding management fees for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, was due primarily to an decrease in total commissions accrued to brokers and fees and expenses related to the registration or offering of additional shares

The decrease in total commissions accrued to brokers for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, was due primarily to a lower number of Natural Gas Futures Contracts being held and traded.

Tracking UNG's Benchmark

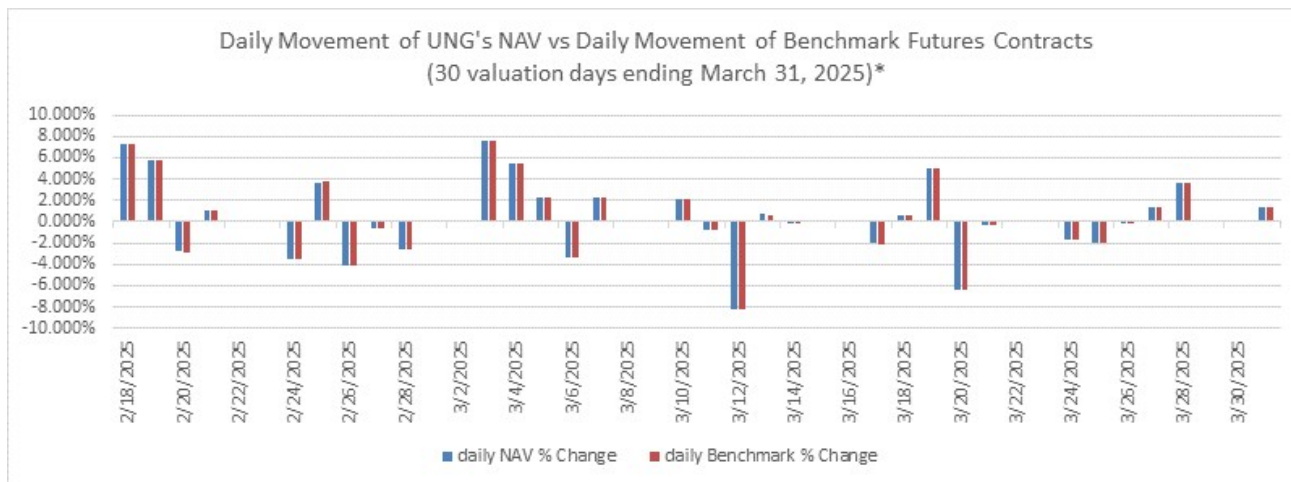
USCF seeks to manage UNG's portfolio such that changes in its average daily per share NAV, on a percentage basis, closely track the daily changes in the average price of the Benchmark Futures Contract, also on a percentage basis. Specifically, USCF seeks to manage the portfolio such that over any rolling period of 30-valuation days, the average daily change in UNG's per share NAV is within a range of 90% to 110% (0.9 to 1.1) of the average daily change in the price of the Benchmark Futures Contract. As an example, if the average daily movement of the price of the Benchmark Futures Contract for a particular 30-valuation daytime period was 0.50% per day, USCF would attempt to manage the portfolio such that the average daily movement of the per share NAV during that same time period fell between 0.45% and 0.55% (i.e., between 0.9 and 1.1 of the benchmark's results). UNG's portfolio management goals do not include trying to make the nominal price of UNG's per share NAV equal to the nominal price of the current Benchmark Futures Contract or the spot price for natural gas. USCF believes that it is not practical to manage the portfolio to achieve such an investment goal when investing in Natural Gas Futures Contracts and Other Natural Gas-Related Investments.

For the 30-valuation days ended March 31, 2025, the average daily change in the Benchmark Futures Contract was 0.368%, while the average daily change in the per share NAV of UNG over the same time period was 0.376%. The average daily difference was 0.008% (or 0.8 basis points, where 1 basis point equals 1/100 of 1%), meaning that over this time period UNG's NAV performed within the plus or minus ten percent (10)% established as its benchmark tracking goal.

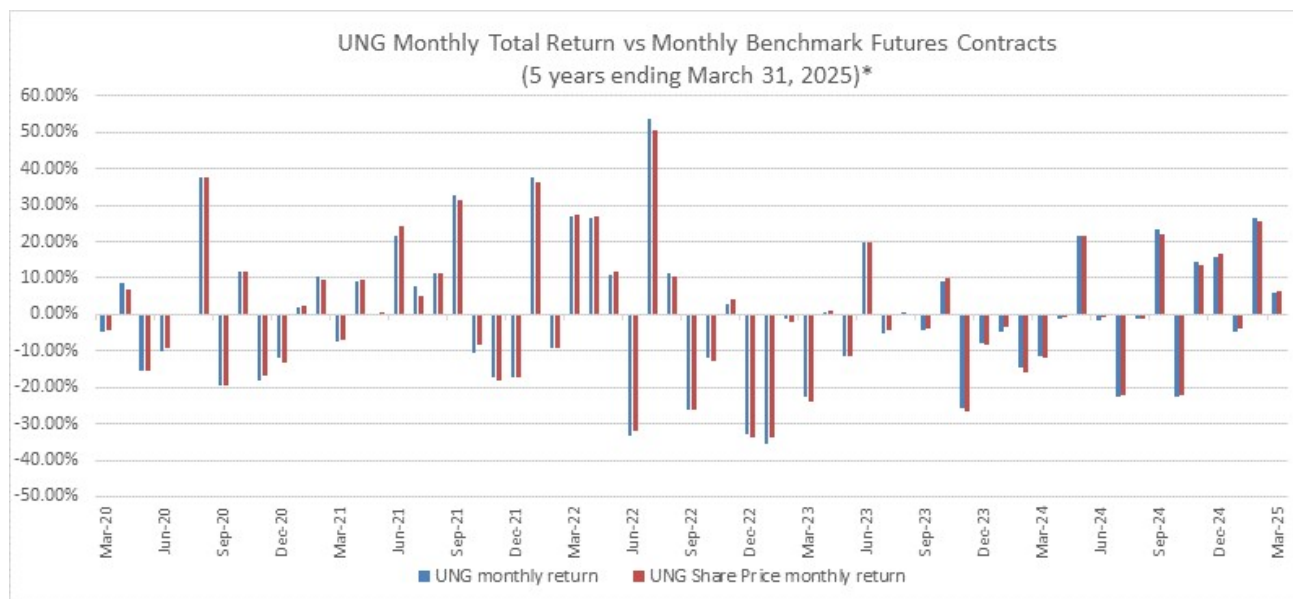
Since the commencement of the offering of UNG's shares to the public on April 18, 2007 to March 31, 2025, the average daily change in the Benchmark Futures Contract was (0.075)%, while the average daily change in the per share NAV of UNG over the same time period was (0.075)%. The average daily difference was 0.00% (or 0.0 basis points, where 1 basis point equals 1/100 of 1%), meaning that over this time period UNG's NAV performed was within the plus or minus ten percent (10)% range established as its benchmark tracking goal.

The following two charts demonstrate the correlation between the changes in UNG's NAV and the changes in the Benchmark Futures Contract. The first chart below shows the daily movement of UNG's per share NAV versus the daily movement of the Benchmark Futures Contract for the 30 valuation day period ended March 31, 2025, the last trading day in March. The second chart below shows the monthly total returns of UNG as compared to the monthly value of the Benchmark Futures Contract for the five years ended March 31, 2025.

****PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS***



****PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS***



An alternative tracking measurement of the return performance of UNG versus the return of its Benchmark Futures Contract can be calculated by comparing the actual return of UNG, measured by changes in its per share NAV, versus the expected changes in its per share NAV under the assumption that UNG's returns had been exactly the same as the daily changes in its Benchmark Futures Contract.

For the three months ended March 31, 2025, the actual total return of UNG as measured by changes in its per share NAV was 27.77%. This is based on an initial per share NAV of \$16.85 as of December 31, 2024 and an ending per share NAV as of March 31, 2025 of \$21.53. During this time period, UNG made no distributions to its shareholders. However, if UNG's daily changes in its per share NAV had instead exactly tracked the changes in the daily total return of the Benchmark Futures Contract, UNG would have had an estimated per share NAV of \$21.40 as of March 31, 2025, for a total return over the relevant time period of 27.00%. The difference between the actual per share NAV total return of UNG of 27.77% and the expected total return based on the Benchmark Futures Contract of 27.00% was a difference over the time period of 0.77%, which is to say that UNG's actual total return outperformed its benchmark by that percentage. UNG incurred expenses primarily composed of the management fee, brokerage commissions for the buying and selling of futures contracts, and other expenses. The impact of these expenses, offset by interest and dividend income, and net of positive or negative execution, tends to cause daily changes in the per share NAV of UNG to track slightly lower or higher than daily changes in the price of the Benchmark Futures Contract.

By comparison, For the three months ended March 31, 2024, the actual total return of UNG as measured by changes in its per share NAV was (27.60)%. This is based on an initial per share NAV of \$20.36 as of December 31, 2023 and an ending per share NAV as of March 31, 2024 of \$14.74. During this time period, UNG made no distributions to its shareholders. However, if UNG's daily changes in its per share NAV had instead exactly tracked the changes in the daily total return of the Benchmark Futures Contract, UNG would have had an estimated per share NAV of \$14.59 as of March 31, 2024, for a total return over the relevant time period of (28.34)%. The difference between the actual per share NAV total return of UNG of (27.60)% and the expected total return based on the Benchmark Futures Contract of (28.34)% was a difference over the time period of 0.74%, which is to say that UNG's actual total return outperformed its benchmark by that percentage. UNG incurred expenses primarily composed of the management fee, brokerage commissions for the buying and selling of futures contracts, and other expenses. The impact of these expenses, offset by interest and dividend income, and net of positive or negative execution, tends to cause daily changes in the per share NAV of UNG to track slightly lower or higher than daily changes in the price of the Benchmark Futures Contract.

There are three factors that typically have impacted or are most likely to impact UNG's ability to accurately track its Benchmark Futures Contract in addition to the foregoing.

First, UNG may buy or sell its holdings in the then current Benchmark Futures Contract at a price other than the closing settlement price of that contract on the day during which UNG executes the trade. In that case, UNG may pay a price that is higher, or lower, than the closing settlement price of the Benchmark Futures Contract, which could cause the changes in the daily per share NAV of UNG to either be too high or too low relative to the daily changes in the Benchmark Futures Contract. During the nine months ended March 31, 2025, USCF attempted to minimize the effect of these transactions by seeking to execute its purchase or sale of the Benchmark Futures Contract at, or as close as possible to, the end of the day settlement price. However, it may not always be possible for UNG to obtain the settlement price and there is no assurance that failure to obtain the closing settlement price in the future will not adversely impact UNG's attempt to track the Benchmark Futures Contract.

Second, UNG incurs expenses primarily composed of the management fee, brokerage commissions for the buying and selling of futures contracts, and other expenses. The impact of these expenses tends to cause daily changes in the per share NAV of UNG to track slightly lower or higher than daily changes in the price of the Benchmark Futures Contract. At the same time, UNG earns dividend and interest income on its cash, cash equivalents and Treasuries. UNG is not required to distribute any portion of its income to its shareholders and did not make any distributions to shareholders during the three months ended March 31, 2025. Interest payments, and any other income, were retained within the portfolio and added to UNG's NAV. When this income exceeds the level of UNG's expenses for its management fee, brokerage commissions and other expenses (including ongoing registration fees, licensing fees and the fees and expenses of the independent directors of USCF), UNG will realize a net yield that will tend to cause daily changes in the per share NAV of UNG to track slightly higher than daily changes in the Benchmark Futures Contract. If short-term interest rates rise above these levels, the level of deviation created by the yield would increase. Conversely, if short-term interest rates were to decline, the amount of error created by the yield would decrease. When short-term yields drop to a level lower than the combined expenses of the management fee and the brokerage commissions, then the tracking error becomes a negative number and would tend to cause the daily returns of the per share NAV to underperform the daily returns of the Benchmark Futures Contract. USCF anticipates that interest rates may continue to stagnate over the near future. It is anticipated that fees and expenses paid by UNG may continue to be lower than interest earned by UNG. As such, USCF anticipates that UNG could possibly outperform its benchmark so long as interest earned is greater than the fees and expenses paid by UNG.

Third, UNG may hold Other Natural Gas-Related Investments in its portfolio that may fail to closely track the Benchmark Futures Contract's total return movements. In that case, the error in tracking the Benchmark Futures Contract could result in daily changes in the per share NAV of UNG that are either too high, or too low, relative to the daily changes in the Benchmark Futures Contract. During the three months ended March 31, 2025, UNG held investments in Natural Gas Futures Contracts traded on the ICE Futures whose settlement price also tracks the settlement price of the Benchmark Futures Contract and fully-collateralized OTC swaps designed to track the settlement price of the Benchmark Futures Contract. UNG invests in Other Natural Gas-Related Investments, such as OTC swaps, which have increased transaction-related expenses and may result in increased tracking error. OTC swaps increase transaction-related expenses due to the fact that UNG must pay to the swap counterparty certain fees that UNG does not have to pay for transactions executed on an exchange.

Finally, due to potential regulatory limitations, UNG may determine to hold greater amounts of cash and cash equivalents and lesser amounts of Natural Gas Interests, if it determines that will most appropriately satisfy UNG's investment objective. Holding more cash and cash equivalents and less Natural Gas Interests for some period of time may result in increased tracking error. There are additional Other Natural Gas-Related Investments that UNG is permitted to invest in whose price movements may not track the settlement price of the Benchmark Futures Contract.

Term Structure of Natural Gas Futures Prices and the Impact on Total Returns. Several factors determine the total return from investing in futures contracts. One factor arises from "rolling" futures contracts that will expire at the end of the current month (the "near" or "front" month contract) forward each month prior to expiration. For a strategy that entails holding the near month contract, the price relationship between that futures contract and the next month futures contract will impact returns. For example, if the price of the near month futures contract is higher than the next futures month contract (a situation referred to as "backwardation"), then absent any other change, the price of a next month futures contract tends to rise in value as it becomes the near month futures contract and approaches expiration. Conversely, if the price of a near month futures contract is lower than the next month futures contract (a situation referred to as "contango"), then absent any other change, the price of a next month futures contract tends to decline in value as it becomes the near month futures contract and approaches expiration.

[Table of Contents](#)

As an example, assume that the price of natural gas for immediate delivery, is \$3 per MMBtu, and the value of a position in the near month futures contract is also \$3. Over time, the price of natural gas will fluctuate based on a number of market factors, including demand for natural gas relative to supply. The value of the near month futures contract will likewise fluctuate in reaction to a number of market factors. If an investor seeks to maintain a position in a near month futures contract and not take delivery of physical MMBtu of natural gas, the investor must sell the current near month futures contract as it approaches expiration and invest in the next month futures contract. In order to continue holding a position in the current near month futures contract, this “roll” forward of the futures contract must be executed every month.

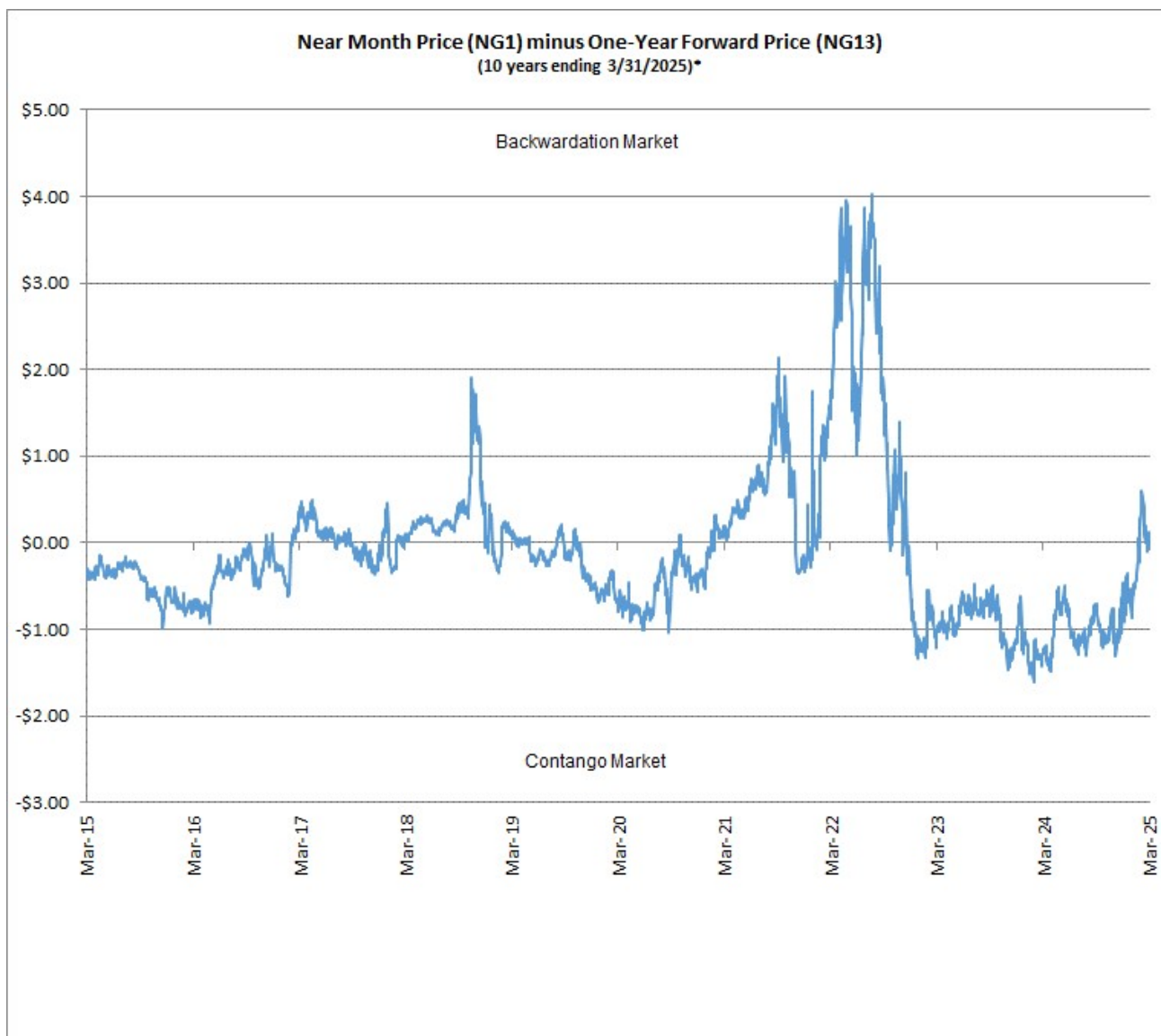
Contango and backwardation are natural market forces that have impacted the total return on an investment in UNG’s shares during the past year relative to a hypothetical direct investment in natural gas. In the future, it is likely that the relationship between the market price of UNG’s shares and changes in the spot prices of natural gas will continue to be impacted by contango and backwardation. It is important to note that this comparison ignores the potential costs associated with physically owning and storing natural gas, which could be substantial.

If the futures market is in backwardation, e.g., when the price of the near month futures contract is higher than the price of the next month futures contract, the investor would buy a next month futures contract for a lower price than the current near month futures contract. Assuming the price of the next month futures contract was \$2.94 per MMBtu, or 2% cheaper than the \$3 near month futures contract, then, hypothetically, and assuming no other changes (e.g., to either prevailing natural gas prices or the price relationship between the spot price, the near month contract and the next month contract, and, ignoring the impact of commission costs and the income earned on cash and/or cash equivalents), the value of the \$2.94 next month futures contract would rise to \$3 as it approaches expiration. In this example, the value of an investment in the next month futures contract would tend to outperform the spot price of natural gas. As a result, it would be possible for the new near month futures contract to rise 12% while the spot price of natural gas may have risen a lower amount, e.g., only 10 percent. Similarly, the spot price of natural gas could have fallen 10 percent while the value of an investment in the futures contract might have fallen another amount, e.g., only 8%. Over time, if backwardation remained constant, this difference between the spot price and the futures contract price would continue to increase.

If the futures market is in contango, an investor would be buying a next month futures contract for a higher price than the current near month futures contract. Again, assuming the near month futures contract is \$3 per MMBtu, the price of the next month futures contract might be \$3.06 per MMBtu, or 2% more expensive than the front month futures contract. Hypothetically, and assuming no other changes, the value of the \$3.06 next month futures contract would fall to \$3 as it approaches expiration. In this example, the value of an investment in the second month would tend to underperform the spot price of natural gas. As a result, it would be possible for the new near month futures contract to rise only 10 percent while the spot price of natural gas may have risen a higher amount, e.g., 12%. Similarly, the spot price of natural gas could have fallen 10 percent while the value of an investment in the second month futures contract might have fallen another amount, e.g., 12%. Over time, if contango remained constant, this difference between the spot price and the futures contract price would continue to increase.

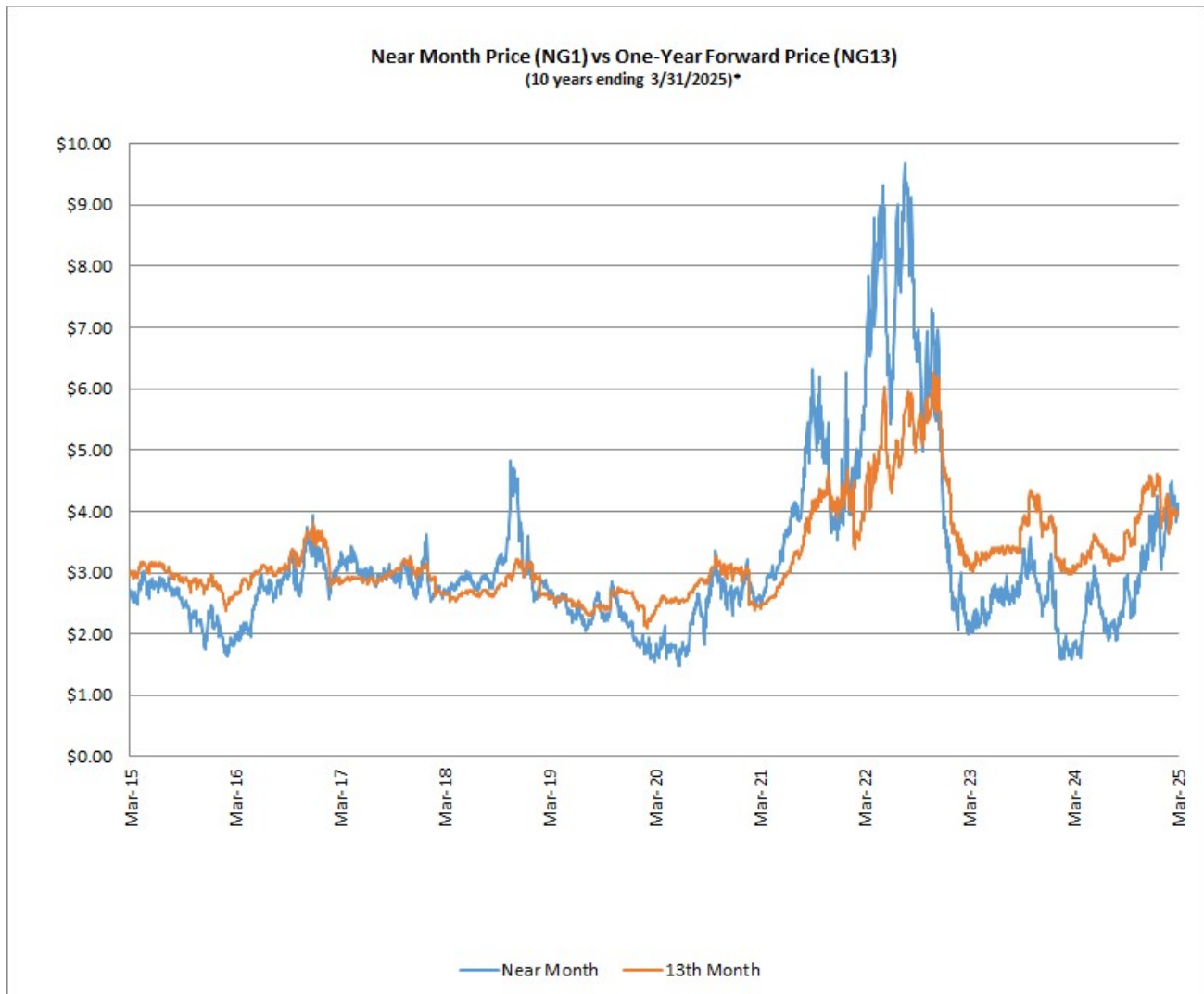
The chart below compares the daily price of the near month natural gas futures contract to the price of the 13th month natural gas futures contract (i.e., a contract one year forward) over the last 10 years. When the price of the near month futures contract is higher than the price of the 13th month futures contract, the market would be described as being in backwardation. When the price of the near month futures contract is lower than the 13th month futures contract, the market would be described as being in contango. Although the price of the near month futures contract and the price of the 13th month futures contract tend to move together, it can be seen that at times the near month futures contract prices are higher than the 13th month futures contract prices (backwardation) and, at other times, the near month futures contract prices are lower than the 13th month futures contract prices (contango).

****PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS***



An alternative way to view the same data is to subtract the dollar price of the 13th month natural gas futures contract from the dollar price of the near month natural gas futures contract, as shown in the chart below. When the difference is positive, the market is in backwardation. When the difference is negative, the market is in contango. The natural gas market spent time in both backwardation and contango during the last ten years. The chart below shows the results from subtracting the average dollar price of the near 12-month contracts from the near month price for the 10-year period between March 31, 2015 and March 31, 2025. Investors will note that the natural gas market spent time in both backwardation and contango.

****PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS***



An investment in a portfolio that owned only the near month natural gas futures contract would likely produce a different result than an investment in a portfolio that owned an equal number of each of the near 12 months of natural gas futures contracts. Generally speaking, when the natural gas futures market is in backwardation, a portfolio of only the near month natural gas futures contract may tend to have a higher total return than a portfolio of 12 months of the natural gas futures contract. Conversely, if the natural gas futures market was in contango, the portfolio containing only 12 months of natural gas futures contracts may tend to outperform the portfolio holding only the near month natural gas futures contract.

Historically, the natural gas futures markets have experienced periods of contango and backwardation. Because natural gas demand is seasonal, it is possible for the price of natural gas futures contracts for delivery within one or two months to rapidly move from backwardation into contango and back again within the relatively short period of time of less than one year. Periods of contango or backwardation have not materially impacted UNG's investment objective of having the daily percentage changes in its per share NAV track the daily percentage changes in the price of the Benchmark Futures Contract. This is because the impact of backwardation and contango tended to equally impact the daily percentage changes in price of both UNG's shares and the Benchmark Futures Contract. It is impossible to predict with any degree of certainty whether backwardation or contango will occur in the future. It is likely that both conditions will occur during different periods and, because of the seasonal nature of natural gas demand, both may occur within a single year's time.

Natural Gas Market. During the three months ended March 31, 2025, the price of the front month natural gas futures contract traded in a range between \$3.044 and \$4.491. Prices increased 13.38% from December 31, 2024 through March 31, 2025 finishing the quarter at \$4.119. The number of rigs dedicated to natural gas production rose from 102 at the start of the year to 103 by the end of the quarter. Natural Gas stored in the United States stood at 1,773 billion cubic feet as of March 31, 2025, about 22% lower than the same time last year. While both domestic demand and U.S. exports of natural gas have generally increased over the last five years, U.S. production has also continued to increase. However, a cold winter in the United States led to heavy draws on domestic natural gas inventories, comfortably lowering natural gas inventories below one-year ago and five-year average levels, , boosting prices. The increasing demand for LNG and the spate of new export facilities (both open and under construction) may lift prices, as could potential new demand for natural gas to power AI data centers.

Natural gas prices in the United States have historically been driven by domestic supply and demand. Natural gas also exhibits seasonal patterns whereby both production and end-user demand increase in autumn and winter months. The U.S. possesses abundant sources of natural gas. The robust ability of the U.S. energy industry to meet demand constrained natural gas prices over the previous decade and could lead to price constraints again in the future except during periods of extreme temperatures. In recent years, natural gas exports have increased, including liquid natural gas (LNG) exported to Europe. Rising international demand has had and will continue to have a growing impact on natural gas prices in the United States. This is especially true given that the United States is rapidly building, but does not currently possess, the infrastructure necessary to meet all international demand. While domestic supply and demand are likely to remain the dominant influence on prices in the long term, international demand and extraordinary international events will have a growing influence on price volatility and price direction.

The Russia-Ukraine war caused dramatic changes in natural gas supply-demand dynamics in Europe. The Russian invasion led the European Union to declare it would reduce its dependence on Russian fossil fuels and phase imports out completely as soon as possible. Russia, in turn, slowed pipelines and cutoff supplies, ultimately reducing its natural gas supplied to Europe by more than 50%. While Europe accelerated its push for alternative sources of energy, including energy from renewables, it still requires substantial Russian energy. With a potential resolution to the war in the cards, more Russian supply to Europe could come back online in the near future, easing international price pressure and potentially having a milder effect on U.S. prices.

Of course, many factors impact natural gas prices, and the impact of the Russia-Ukraine war must be balanced with other potential events, such as extreme weather, political unrest, attacks or threats of attack by terrorists, conflicts in the Middle East, or the potential for infectious disease outbreaks like COVID-19 and responses to such an outbreak.

Natural Gas Price Movements in Comparison to Other Energy Commodities and Investment Categories. USCF believes that investors frequently measure the degree to which prices or total returns of one investment or asset class move up or down in value in concert with another investment or asset class. Statistically, such a measure is usually done by measuring the correlation of the price movements of the two different investments or asset classes over some period of time. The correlation is scaled between 1 and -1, where 1 indicates that the two investment options move up or down in price or value together, known as "positive correlation," and -1 indicates that they move in completely opposite directions, known as "negative correlation." A correlation of 0 would mean that the movements of the two are neither positively nor negatively correlated, known as "non-correlation." That is, the investment options sometimes move up and down together and other times move in opposite directions.

[Table of Contents](#)

For the ten-year time period between March 31, 2015 and March 31, 2025, the table below compares the monthly movements of natural gas prices versus the monthly movements of the prices of several other energy commodities, such as crude oil, diesel-heating oil, and unleaded gasoline, as well as several major non-commodity investment asset classes, such as large cap U.S. equities, U.S. government bonds and global equities.

****PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS***

Natural Gas – 10 Years

| Correlation Matrix 10 Years | Large Cap US Equities (S&P 500) | US Gov't Bonds (BEUSG4 Index) | Global Equities (FTSE World Index) | Crude Oil | Heating Oil | Unleaded Gasoline | Natural Gas |
|------------------------------------|---------------------------------|-------------------------------|------------------------------------|-----------|-------------|-------------------|----------------|
| Large Cap US Equities (S&P 500) | 1.000 | 0.150 | 0.979 | 0.342 | 0.174 | 0.428 | 0.095 |
| US Gov't Bonds (BEUSG4 Index) | | 1.000 | 0.163 | (0.252) | (0.388) | (0.180) | (0.139) |
| Global Equities (FTSE World Index) | | | 1.000 | 0.389 | 0.217 | 0.469 | 0.052 |
| Crude Oil | | | | 1.000 | 0.777 | 0.749 | 0.002 |
| Heating Oil | | | | | 1.000 | 0.626 | 0.035 |
| Unleaded Gasoline | | | | | | 1.000 | 0.005 |
| Natural Gas | | | | | | | 1.000 |
| Source: Bloomberg, NYMEX | | | | | | | |

The table below covers a more recent, but much shorter, range of dates than the above table.

****PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS***

Natural Gas – 1 Year

| Correlation Matrix 1 Year | Large Cap US Equities (S&P 500) | US Gov't Bonds (BEUSG4 Index) | Global Equities (FTSE World Index) | Crude Oil | Heating Oil | Unleaded Gasoline | Natural Gas |
|------------------------------------|---------------------------------|-------------------------------|------------------------------------|-----------|-------------|-------------------|----------------|
| Large Cap US Equities (S&P 500) | 1.000 | 0.504 | 0.970 | (0.204) | (0.033) | (0.325) | 0.078 |
| US Gov't Bonds (BEUSG4 Index) | | 1.000 | 0.617 | (0.420) | (0.426) | (0.207) | 0.124 |
| Global Equities (FTSE World Index) | | | 1.000 | (0.257) | (0.101) | (0.305) | 0.005 |
| Crude Oil | | | | 1.000 | 0.745 | 0.837 | (0.470) |
| Heating Oil | | | | | 1.000 | 0.391 | (0.480) |
| Unleaded Gasoline | | | | | | 1.000 | (0.472) |
| Natural Gas | | | | | | | 1.000 |
| Source: Bloomberg, NYMEX | | | | | | | |

Investors are cautioned that the historical price relationships between natural gas and various other energy commodities, as well as other investment asset classes, as measured by correlation may not be reliable predictors of future price movements and correlation results. The results pictured above would have been different if a different range of dates had been selected. USCF believes that natural gas has historically not demonstrated a strong correlation with equities or bonds over long periods of time. However, USCF also believes that in the future it is possible that natural gas could have long-term correlation results that indicate prices of natural gas more closely track the movements of equities or bonds. In addition, USCF believes that, when measured over time periods shorter than ten years, there will always be some periods where the correlation of natural gas to equities and bonds will be either more strongly positively correlated or more strongly negatively correlated than the long term historical results suggest.

The correlations between natural gas, crude oil, diesel-heating oil and gasoline are relevant because USCF endeavors to invest UNG's assets in Natural Gas Futures Contracts and Other Natural Gas-Related Investments so that daily changes in percentage terms in UNG's per share NAV correlate as closely as possible with daily changes in percentage terms in the price of the Benchmark Futures Contract. If certain other fuel-based commodity futures contracts do not closely correlate with the Natural Gas Futures Contract, then their use could lead to greater tracking error. As noted above, USCF also believes that the changes in percentage terms in the price of the Benchmark Futures Contract will closely correlate with changes in percentage terms in the spot price of natural gas.

Critical Accounting Policies

Preparation of the financial statements and related disclosures in compliance with accounting principles generally accepted in the United States of America requires the application of appropriate accounting rules and guidance, as well as the use of estimates. UNG's application of these policies involves judgments and actual results may differ from the estimates used.

USCF has evaluated the nature and types of estimates that it makes in preparing UNG's financial statements and related disclosures and has determined that the valuation of its investments, which are not traded on a United States or internationally recognized futures exchange (such as forward contracts and OTC swaps) involves a critical accounting policy. The values which are used by UNG for its Natural Gas Futures Contracts are provided by its commodity broker who uses market prices when available, while OTC swaps are valued based on the present value of estimated future cash flows that would be received from or paid to a third party in settlement of these derivative contracts prior to their delivery date and valued on a daily basis. In addition, UNG estimates interest and dividend income on a daily basis using prevailing rates earned on its cash and cash equivalents. These estimates are adjusted to the actual amount received on a monthly basis and the difference, if any, is not considered material.

Liquidity and Capital Resources

UNG has not made, and does not anticipate making, use of borrowings or other lines of credit to meet its obligations. UNG has met, and it is anticipated that UNG will continue to meet, its liquidity needs in the normal course of business from the proceeds of the sale of its investments, or from the Treasuries, cash and/or cash equivalents that it intends to hold at all times. UNG's liquidity needs include: redeeming shares, providing margin deposits for its existing Natural Gas Futures Contracts or the purchase of additional Natural Gas Futures Contracts and posting collateral for its OTC swaps, if applicable, and payment of its expenses, summarized below under "Contractual Obligations."

UNG currently generates cash primarily from: (i) the sale of baskets consisting of 100,000 shares ("Creation Baskets") and (ii) income earned on Treasuries, cash and/or cash equivalents. UNG has allocated substantially all of its net assets to trading in Natural Gas Interests. UNG invests in Natural Gas Interests to the fullest extent possible without being leveraged or unable to satisfy its current or potential margin or collateral obligations with respect to its investments in Natural Gas Futures Contracts and Other Natural Gas-Related Investments. A significant portion of UNG's NAV is held in cash and cash equivalents that are used as margin and as collateral for its trading in Natural Gas Interests. The balance of the assets are held in UNG's account at its custodian bank and in investments in money market funds and Treasuries at the FCMs. Income received from UNG's investments in money market funds and Treasuries is paid to UNG. During the three months ended March 31, 2025, UNG's expenses exceeded the income UNG earned and the cash earned from the sale of Creation Baskets and the redemption of Redemption Baskets. During the three months ended March 31, 2025, UNG did not use other assets to pay expenses. To the extent income exceeded expenses, UNG's NAV will be positively impacted.

Although permitted to do so under its LP Agreement, UNG has not leveraged, and does not intend to leverage, its assets through borrowings or otherwise, UNG and makes its investments accordingly. Consistent with the foregoing, UNG's investments will take into account the need for UNG to maintain adequate liquidity to meet its margin and collateral requirements and to avoid, to the extent reasonably possible, UNG becoming leveraged. If market conditions require it, these risk reduction procedures, including changes to UNG's investments, may occur on short notice.

UNG does not and will not borrow money or use debt to satisfy its margin or collateral obligations in respect of its investments, but it could become leveraged if UNG were to hold insufficient assets that would allow it to meet not only the current, but also future, margin or collateral obligations required for such investments. Such a circumstance could occur if UNG were to hold assets that have a value of less than zero.

USCF endeavors to have the value of UNG's Treasuries, cash and cash equivalents, whether held by UNG or posted as margin or other collateral, at all times approximate the aggregate market value of its obligations under its Futures Contracts and Other Natural Gas-Related Investments.

UNG's investments in Natural Gas Interests may be subject to periods of illiquidity because of market conditions, regulatory considerations and other reasons. For example, most commodity exchanges limit the fluctuations in futures contracts prices during a single day by regulations referred to as "daily limits." During a single day, no trades may be executed at prices beyond the daily limit. Once the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions in the contracts can neither be taken nor liquidated unless the traders are willing to effect trades at or within the specified daily limit. Such market conditions could prevent UNG from promptly liquidating its positions in Futures Contracts. During the period ended March 31, 2025, UNG did not purchase or liquidate any of its positions while daily limits were in effect; however, UNG cannot predict whether such an event may occur in the future.

Since the initial offering of shares, UNG has been responsible for expenses relating to: (i) management fees, (ii) brokerage fees and commissions, (iii) licensing fees for the use of intellectual property, (iv) ongoing registration expenses in connection with offers and sales of its shares subsequent to the initial offering, (v) other expenses, including tax reporting costs, (vi) fees and expenses of the independent directors of USCF and (vii) other extraordinary expenses not in the ordinary course of business.

UNG may terminate at any time, regardless of whether UNG has incurred losses, subject to the terms of the LP Agreement. In particular, unforeseen circumstances, including, but not limited to, (i) market conditions, regulatory requirements, risk mitigation measures (including those that may be taken by UNG, UNG's FCMs, counterparties or other market participants) that would lead UNG to determine that it could no longer foreseeably meet its investment objective or that UNG's aggregate net assets in relation to its operating expenses or its margin or collateral requirements make the continued operation of UNG unreasonable or imprudent, or (ii) adjudication of incompetence, bankruptcy, dissolution, withdrawal or removal of USCF as the general partner of UNG could cause UNG to terminate unless a majority interest of the limited partners within 90 days of the event elects to continue the partnership and appoints a successor general partner, or the affirmative vote of a majority in interest of the limited partners subject to certain conditions. However, no level of losses will require USCF to terminate UNG. UNG's termination would cause the liquidation and potential loss of an investor's investment. Termination could also negatively affect the overall maturity and timing of an investor's investment portfolio.

Market Risk

Trading in Futures Contracts and Other Natural Gas-Related Investments, such as forwards, involves UNG entering into contractual commitments to purchase or sell natural gas at a specified date in the future. The aggregate market value of the contracts will significantly exceed UNG's future cash requirements since UNG intends to close out its open positions prior to settlement. As a result, UNG is generally only subject to the risk of loss arising from the change in value of the contracts. UNG considers the "fair value" of its derivative instruments to be the unrealized gain or loss on the contracts. The market risk associated with UNG's commitments to purchase natural gas is limited to the aggregate market value of the contracts held. However, should UNG enter into a contractual commitment to sell natural gas, it would be required to make delivery of the natural gas at the contract price, repurchase the contract at prevailing prices or settle in cash. Since there are no limits on the future price of natural gas, the market risk to UNG could be unlimited.

UNG's exposure to market risk depends on a number of factors, including the markets for natural gas, the volatility of interest rates and foreign exchange rates, the liquidity of the Futures Contracts and Other Natural Gas-Related Investments markets and the relationships among the contracts held by UNG. Drastic market occurrences could ultimately lead to the loss of all or substantially all of an investor's capital.

Credit Risk

When UNG enters into Futures Contracts and Other Natural Gas-Related Investments, it is exposed to the credit risk that the counterparty will not be able to meet its obligations. The counterparty for the Futures Contracts traded on the NYMEX and on most other futures exchanges is the clearinghouse associated with the particular exchange. In general, in addition to margin required to be posted by the clearinghouse in connection with cleared trades, clearinghouses are backed by their members who may be required to share in the financial burden resulting from the nonperformance of one of their members and, therefore, this additional member support should significantly reduce credit risk. UNG is not currently a member of any clearinghouse. Some foreign exchanges are not backed by their clearinghouse members but may be backed by a consortium of banks or other financial institutions. There can be no assurance that any counterparty, clearinghouse, or their members or their financial backers will satisfy their obligations to UNG in such circumstances.

USCF attempts to manage the credit risk of UNG by following various trading limitations and policies. In particular, UNG generally posts margin and/or holds liquid assets that are approximately equal to the market value of its obligations to counterparties under the Futures Contracts and Other Natural Gas-Related Investments it holds. USCF has implemented procedures that include, but are not limited to, executing and clearing trades only with creditworthy parties and/or requiring the posting of collateral or margin by such parties for the benefit of UNG to limit its credit exposure. An FCM, when acting on behalf of UNG in accepting orders to purchase or sell Futures Contracts on United States exchanges, is required by CFTC regulations to separately account for and segregate as belonging to UNG, all assets of UNG relating to domestic Futures Contracts trading. These FCMs are not allowed to commingle UNG's assets with their other assets. In addition, the CFTC requires FCMs to hold in a secure account UNG's assets related to foreign Natural Gas Futures Contracts trading and, in some cases, to cleared swaps executed through the FCMs. Similarly, under its current OTC agreements, UNG requires that collateral it posts or receives be posted with its custodian, and under agreements among the custodian, UNG and its counterparties, such collateral is segregated.

UNG may purchase OTC swaps, see “*Item 3. Quantitative and Qualitative Disclosures About Market Risk*” in this quarterly report on Form 10-Q for a discussion of OTC swaps.

As of March 31, 2025, UNG held cash deposits and short-term investments in the amount of \$432,712,790 with the custodian and FCMs. Some or all of these amounts held by a custodian or an FCM, as applicable, may be subject to loss should UNG's custodian or FCMs, as applicable, cease operations.

Off Balance Sheet Financing

As of March 31, 2025, UNG had no loan guarantee, credit support or other off-balance sheet arrangements of any kind other than agreements entered into in the normal course of business, which may include indemnification provisions relating to certain risks that service providers undertake in performing services which are in the best interests of UNG. While UNG's exposure under these indemnification provisions cannot be estimated, they are not expected to have a material impact on UNG's financial position.

Redemption Basket Obligation

In order to meet its investment objective and pay its contractual obligations described below, UNG requires liquidity to redeem shares, which redemptions must be in blocks of 100,000 shares called “Redemption Baskets.” UNG has to date satisfied this obligation by paying from the cash or cash equivalents it holds or through the sale of its Treasuries in an amount proportionate to the number of shares being redeemed.

Contractual Obligations

UNG's primary contractual obligations are with USCF. In return for its services, USCF is entitled to a management fee calculated daily and paid monthly as a fixed percentage of UNG's NAV, currently 0.60% for a NAV of \$1 billion or less, and thereafter of 0.50% for a NAV above \$1 billion.

USCF agreed to pay the start-up costs associated with the formation of UNG, primarily its legal, accounting and other costs in connection with USCF's registration with the CFTC as a CPO and the registration and listing of UNG and its shares with the SEC, FINRA and NYSE Arca (formerly, AMEX), respectively. However, since UNG's initial offering of shares, offering costs incurred in connection with registering and listing additional shares of UNG have been directly borne on an ongoing basis by UNG, and not by USCF.

USCF pays the fees of the Marketing Agent as well as BNY Mellon's fees for performing administrative, custodial, and transfer agency services. BNY Mellon's fees for performing administrative services include those in connection with the preparation of UNG's financial statements and its SEC, NFA and CFTC reports. USCF and UNG have also entered into a licensing agreement with the NYMEX pursuant to which UNG and the Related Public Funds, other than BNO, USCI and CPER, pay a licensing fee to the NYMEX. UNG also pays the fees and expenses associated with its tax accounting and reporting requirements.

In addition to USCF's management fee, UNG pays its brokerage fees (including fees to FCMs), OTC dealer spreads, any licensing fees for the use of intellectual property, and, subsequent to the initial offering, registration and other fees paid to the SEC, FINRA, or other regulatory agencies in connection with the offer and sale of shares, as well as legal, printing, accounting and other expenses associated therewith, and extraordinary expenses. The latter are expenses not incurred in the ordinary course of UNG's business, including expenses relating to the indemnification of any person against liabilities and obligations to the extent permitted by law and under the LP Agreement, the bringing or defending of actions in law or in equity or otherwise conducting litigation and incurring legal expenses and the settlement of claims and litigation. Commission payments to FCMs are on a contract-by-contract, or round turn, basis. UNG also pays a portion of the fees and expenses of the independent directors of USCF. See *Note 3* to the *Notes to Financial Statements (Unaudited)* in *Item 1* of this quarterly report on Form 10-Q.

The parties cannot anticipate the amount of payments that will be required under these arrangements for future periods, as UNG's per share NAVs and trading levels to meet its investment objective will not be known until a future date. These agreements are effective for a specific term agreed upon by the parties with an option to renew, or, in some cases, are in effect for the duration of UNG's existence. Either party may terminate these agreements earlier for certain reasons described in the agreements.

As of March 31, 2025, UNG's portfolio held 5,138 Natural Gas Futures NG Contracts traded on the NYMEX. For a list of UNG's current holdings, please see UNG's website at www.uscfinvestments.com. As of March 31, 2025, UNG did not hold any Natural Gas Futures Contracts traded on the ICE Futures. The end of day portfolio disclosed on UNG's website would reflect any investments in Futures Contracts beyond the Benchmark Futures Contract, and/or Other Natural Gas-Related Investments, including any made in light of market conditions, regulatory requirements, risk mitigation measures (including those that may be taken by UNG, UNG's FCMs, counterparties or other market participants), liquidity requirements, or other factors. Independent of the UNG website, UNG may make available portfolio holdings information to Authorized Participants that reflects the Fund's anticipated holdings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Commodity Price Risk

UNG is exposed to commodity price risk. In particular, UNG is exposed to natural gas price risk through its holdings of Natural Gas Futures Contracts together with any other derivatives in which it may invest, which are discussed below. As a result, fluctuations in the value of the Natural Gas Futures Contracts that UNG holds in its portfolio, as described in "Contractual Obligations" under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" above, are expected to directly affect the value of UNG's shares.

OTC Contract Risk

UNG may purchase OTC contracts, such as forward contracts or swap or spot contracts. Unlike most exchange-traded futures contracts, cleared swaps or exchange-traded options on such futures, each party to an OTC swap bears the credit risk that the other party may not be able to perform its obligations under its contract.

UNG may enter into certain transactions where an OTC component is exchanged for a corresponding futures contract ("Exchange for Related Position" or "EFRP" transactions). In the most common type of EFRP transaction entered into by UNG, the OTC component is the purchase or sale of one or more baskets of UNG shares. These EFRP transactions may expose UNG to counterparty risk during the interim period between the execution of the OTC component and the exchange for a corresponding futures contract. Generally, the counterparty risk from the EFRP transaction will exist only on the day of execution.

Swap transactions, like other financial transactions, involve a variety of significant risks. The specific risks presented by a particular swap transaction necessarily depend upon the terms and circumstances of the transaction. In general, however, all swap transactions involve some combination of market risk, credit risk, counterparty credit risk, funding risk, liquidity risk and operational risk.

Highly customized swap transactions in particular may increase liquidity risk, which may result in a suspension of redemptions. Highly leveraged transactions may experience substantial gains or losses in value as a result of relatively small changes in the value or level of an underlying or related market factor.

In evaluating the risks and contractual obligations associated with a particular swap transaction, it is important to consider that a swap transaction may be modified or terminated only by mutual consent of the original parties and subject to agreement on individually negotiated terms. Therefore, it may not be possible for USCF to modify, terminate or offset UNG's obligations or its exposure to the risks associated with a transaction prior to its scheduled termination date.

To reduce the credit risk that arises in connection with such contracts, UNG will generally enter into an agreement with each counterparty based on the Master Agreement published by the International Swaps and Derivatives Association, Inc. ("ISDA") that provides for the netting of its overall exposure to its counterparty and, consistent with applicable regulatory requirements, the posting by each party to cover the mark-to-market exposure of a counterparty to the other counterparty is required.

USCF assesses or reviews, as appropriate, the creditworthiness of each potential or existing counterparty to an OTC swap pursuant to guidelines approved by the Board. Furthermore, USCF on behalf of UNG only enters into OTC swaps with counterparties who are, or are affiliates of, (a) banks regulated by a United States federal bank regulator, (b) broker-dealers regulated by the SEC, (c) insurance companies domiciled in the United States, or (d) producers, users or traders of energy, whether or not regulated by the CFTC. Any entity acting as a counterparty shall be regulated in either the United States or the United Kingdom unless otherwise approved by the Board after consultation with its legal counsel. Existing counterparties are also reviewed periodically by USCF. UNG will also require that the counterparty be highly rated and/or provide collateral or other credit support. Even if collateral is used to reduce counterparty credit risk, sudden changes in the value of OTC transactions may leave a party open to financial risk due to a counterparty default since the collateral held may not cover a party's exposure on the transaction in such situations.

In general, valuing OTC derivatives is less certain than valuing actively traded financial instruments such as exchange-traded futures contracts and securities or cleared swaps because the price and terms on which such OTC derivatives are entered into or can be terminated are individually negotiated, and those prices and terms may not reflect the best price or terms available from other sources. In addition, while market makers and dealers generally quote indicative prices or terms for entering into or terminating OTC swaps, they typically are not contractually obligated to do so, particularly if they are not a party to the transaction. As a result, it may be difficult to obtain an independent value for an outstanding OTC derivatives transaction.

During the three months reporting period ended March 31, 2025, UNG's OTC transactions comprised OTC swaps intended to reflect the return on UNG's investments in Natural Gas Futures Contracts and EFRP transactions.

UNG anticipates that the use of Other Natural Gas-Related Investments together with its investments in Natural Gas Futures Contracts will produce price and total return results that closely track the investment goals of UNG. However, there can be no assurance of this. OTC swaps may result in higher transaction-related expenses than the brokerage commissions paid in connection with the purchase of Natural Gas Futures Contracts, which may impact UNG's ability to successfully track the Benchmark Futures Contract.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

UNG maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in UNG's periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time period specified in the SEC's rules and forms.

The duly appointed officers of USCF, including its chief executive officer and chief financial officer, who perform functions equivalent to those of a principal executive officer and principal financial officer of UNG if UNG had any officers, have evaluated the effectiveness of UNG's disclosure controls and procedures and have concluded that the disclosure controls and procedures of UNG have been effective as of the end of the period covered by this quarterly report on Form 10-Q.

Change in Internal Control Over Financial Reporting

There were no changes in UNG's internal control over financial reporting during UNG's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, UNG's internal control over financial reporting.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, UNG may be involved in legal proceedings arising primarily from the ordinary course of its business. UNG is not currently party to any material legal proceedings. In addition, USCF, as the general partner of UNG and the Related Public Funds may, from time to time, be involved in litigation arising out of its operations in the ordinary course of business. Except as described herein, USCF is not currently party to any material legal proceedings.

Optimum Strategies Action

On April 6, 2022, USO and USCF were named as defendants in an action filed by Optimum Strategies Fund I, LP, a purported investor in call option contracts on USO (the “Optimum Strategies Action”). The action was pending in the U.S. District Court for the District of Connecticut at Civil Action No. 3:22-cv-00511.

The Optimum Strategies Action asserted claims under the Securities Exchange Act of 1934, as amended (the “1934 Act”), Rule 10b - 5 thereunder, and the Connecticut Uniform Securities Act (“CUSA”). It purported to challenge statements in registration statements that became effective in February 2020, March 2020, and on April 20, 2020, as well as public statements between February 2020 and May 2020, in connection with certain extraordinary market conditions and the attendant risks that caused the demand for oil to fall precipitously, including the COVID - 19 global pandemic and the Saudi Arabia - Russia oil price war. The complaint was seeking damages, interest, costs, attorney’s fees, and equitable relief.

On March 15, 2023, the court granted the USO defendants’ motion to dismiss the complaint. In its ruling, the court granted the USO defendants’ motion to dismiss, with prejudice, the plaintiff’s claims under Section 10(b) of the 1934 Act and Rule 10b-5 thereunder, and a claim for control person liability under Section 20(a) of the 1934 Act. Having dismissed all claims over which the court had original jurisdiction, the court declined to exercise supplemental jurisdiction over the plaintiff’s state law claim under CUSA and dismissed the claim without prejudice. No notice of appeal was filed.

Settlement of SEC and CFTC Investigations

On November 8, 2021, USCF and USO announced a resolution with each of the SEC and the CFTC relating to matters set forth in certain Wells Notices issued by the staffs of each of the SEC and CFTC as more fully described below. On August 17, 2020, USCF, USO, and John Love received a “Wells Notice” from the staff of the SEC (the “SEC Wells Notice”). The SEC Wells Notice stated that the SEC staff made a preliminary determination to recommend that the SEC file an enforcement action against USCF, USO, and Mr. Love alleging violations of Sections 17(a)(1) and 17(a)(3) of the Securities Act of 1933, as amended (the “1933 Act”), and Section 10(b) of the 1934 Act, and Rule 10b-5 thereunder.

Subsequently, on August 19, 2020, USCF, USO, and Mr. Love received a Wells Notice from the staff of the CFTC (the “CFTC Wells Notice”). The CFTC Wells Notice stated that the CFTC staff made a preliminary determination to recommend that the CFTC file an enforcement action against USCF, USO, and Mr. Love alleging violations of Sections 4o(1)(A) and (B) and 6(c)(1) of the Commodity Exchange Act of 1936, as amended (the “CEA”), 7 U.S.C. §§ 6o(1)(A) and (B) and 9(1) (2018), and CFTC Regulations 4.26, 4.41, and 180.1(a), 17 C.F.R. §§ 4.26, 4.41, 180.1(a) (2019).

On November 8, 2021, acting pursuant to an offer of settlement submitted by USCF and USO, the SEC issued an order instituting cease-and-desist proceedings, making findings, and imposing a cease-and-desist order pursuant to Section 8A of the 1933 Act, directing USCF and USO to cease and desist from committing or causing any violations of Section 17(a)(3) of the 1933 Act, 15 U.S.C. § 77q(a)(3) (the “SEC Order”). In the SEC Order, the SEC made findings that, from April 24, 2020 to May 21, 2020, USCF and USO violated Section 17(a)(3) of 1933 Act, which provides that it is “unlawful for any person in the offer or sale of any securities to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.” USCF and USO consented to entry of the SEC Order without admitting or denying the findings contained therein, except as to jurisdiction.

Separately, on November 8, 2021, acting pursuant to an offer of settlement submitted by USCF, the CFTC issued an order instituting cease-and-desist proceedings, making findings, and imposing a cease-and-desist order pursuant to Section 6(c) and (d) of the CEA, directing USCF to cease and desist from committing or causing any violations of Section 4o(1)(B) of the CEA, 7 U.S.C. § 6o(1) (B), and CFTC Regulation 4.41(a)(2), 17 C.F.R. § 4.41(a)(2) (the “CFTC Order”). In the CFTC Order, the CFTC made findings that, from on or about April 22, 2020 to June 12, 2020, USCF violated Section 4o(1)(B) of the CEA and CFTC Regulation 4.41(a)(2), which make it unlawful for any commodity pool operator (“CPO”) to engage in “any transaction, practice, or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant” and prohibit a CPO from advertising in a manner which “operates as a fraud or deceit upon any client or participant or prospective client or participant,” respectively. USCF consented to entry of the CFTC Order without admitting or denying the findings contained therein, except as to jurisdiction.

Pursuant to the SEC Order and the CFTC Order, in addition to the command to cease and desist from committing or causing any violations of Section 17(a)(3) of the 1933 Act, Section 4o(1)(B) of the CEA, and CFTC Regulation 4.14(a)(2), civil monetary penalties totaling two million five hundred thousand dollars (\$2,500,000) in the aggregate were required to be paid to the SEC and CFTC, of which one million two hundred fifty thousand dollars (\$1,250,000) was paid by USCF to each of the SEC and the CFTC, respectively, pursuant to the offsets permitted under the orders.

In re: United States Oil Fund, LP Securities Litigation

On June 19, 2020, USCF, USO, John P. Love, and Stuart P. Crumbaugh were named as defendants in a putative class action filed by purported shareholder Robert Lucas (the “Lucas Class Action”). The Court thereafter consolidated the Lucas Class Action with two related putative class actions filed on July 31, 2020 and August 13, 2020, and appointed a lead plaintiff. The consolidated class action is pending in the U.S. District Court for the Southern District of New York under the caption *In re: United States Oil Fund, LP Securities Litigation*, Civil Action No. 1:20-cv-04740.

On November 30, 2020, the lead plaintiff filed an amended complaint (the “Amended Lucas Class Complaint”). The Amended Lucas Class Complaint asserts claims under the 1933 Act, the Exchange Act, and Rule 10b-5. The Amended Lucas Class Complaint challenges statements in registration statements that became effective on February 25, 2020 and March 23, 2020 as well as subsequent public statements through April 2020 concerning certain extraordinary market conditions and the attendant risks that caused the demand for oil to fall precipitously, including the COVID-19 global pandemic and the Saudi Arabia-Russia oil price war. The Amended Lucas Class Complaint purports to have been brought by an investor in USO on behalf of a class of similarly-situated shareholders who purchased USO securities between February 25, 2020 and April 28, 2020 and pursuant to the challenged registration statements. The Amended Lucas Class Complaint seeks to certify a class and to award the class compensatory damages at an amount to be determined at trial as well as costs and attorney’s fees. The Amended Lucas Class Complaint named as defendants USCF, USO, John P. Love, Stuart P. Crumbaugh, Nicholas D. Gerber, Andrew F Ngim, Robert L. Nguyen, Peter M. Robinson, Gordon L. Ellis, and Malcolm R. Fobes III, as well as the marketing agent, ALPS Distributors, Inc., and the Authorized Participants: ABN Amro, BNP Paribas Securities Corporation, Citadel Securities LLC, Citigroup Global Markets Inc., Credit Suisse Securities USA LLC, Deutsche Bank Securities Inc., Goldman Sachs & Company, J.P. Morgan Securities Inc., Merrill Lynch Professional Clearing Corporation, Morgan Stanley & Company Inc., Nomura Securities International Inc., RBC Capital Markets LLC, SG Americas Securities LLC, UBS Securities LLC, and Virtu Financial BD LLC.

The lead plaintiff has filed a notice of voluntary dismissal of its claims against BNP Paribas Securities Corporation, Citadel Securities LLC, Citigroup Global Markets Inc., Credit Suisse Securities USA LLC, Deutsche Bank Securities Inc., Morgan Stanley & Company, Inc., Nomura Securities International, Inc., RBC Capital Markets, LLC, SG Americas Securities LLC, and UBS Securities LLC.

USCF, USO, and the individual defendants in *In re: United States Oil Fund, LP Securities Litigation* intend to vigorously contest such claims and have moved for their dismissal.

Wang Class Action

On July 10, 2020, purported shareholder Momo Wang filed a putative class action complaint, individually and on behalf of others similarly situated, against defendants USO, USCF, John P. Love, Stuart P. Crumbaugh, Nicholas D. Gerber, Andrew F Ngim, Robert L. Nguyen, Peter M. Robinson, Gordon L. Ellis, Malcolm R. Fobes, III, ABN Amro, BNP Paribas Securities Corp., Citadel Securities LLC, Citigroup Global Markets Inc., Credit Suisse Securities USA LLC, Deutsche Bank Securities Inc., Goldman Sachs & Company, JP Morgan Securities Inc., Merrill Lynch Professional Clearing Corp., Morgan Stanley & Company Inc., Nomura Securities International Inc., RBC Capital Markets LLC, SG Americas Securities LLC, UBS Securities LLC, and Virtu Financial BD LLC, in the U.S. District Court for the Northern District of California as Civil Action No. 3:20-cv-4596 (the “Wang Class Action”).

The Wang Class Action asserted federal securities claims under the 1933 Act, challenging disclosures in a March 19, 2020 registration statement. It alleged that the defendants failed to disclose to investors in USO certain extraordinary market conditions and the attendant risks that caused the demand for oil to fall precipitously, including the COVID-19 global pandemic and the Saudi Arabia-Russia oil price war. The Wang Class Action was voluntarily dismissed on August 4, 2020.

Mehan Action

On August 10, 2020, purported shareholder Darshan Mehan filed a derivative action on behalf of nominal defendant USO, against defendants USCF, John P. Love, Stuart P. Crumbaugh, Nicholas D. Gerber, Andrew F Ngim, Robert L. Nguyen, Peter M. Robinson, Gordon L. Ellis, and Malcolm R. Fobes, III (the “Mehan Action”). The action is pending in the Superior Court of the State of California for the County of Alameda as Case No. RG20070732.

The Mehan Action alleges that the defendants breached their fiduciary duties to USO and failed to act in good faith in connection with a March 19, 2020 registration statement and offering and disclosures regarding certain extraordinary market conditions that caused demand for oil to fall precipitously, including the COVID-19 global pandemic and the Saudi Arabia-Russia oil price war. The complaint seeks, on behalf of USO, compensatory damages, restitution, equitable relief, attorney’s fees, and costs. All proceedings in the Mehan Action are stayed pending disposition of the motion(s) to dismiss in *In re: United States Oil Fund, LP Securities Litigation*.

USCF, USO, and the other defendants intend to vigorously contest such claims.

In re United States Oil Fund, LP Derivative Litigation

On August 27, 2020, purported shareholders Michael Cantrell and AML Pharm. Inc. DBA Golden International filed two separate derivative actions on behalf of nominal defendant USO, against defendants USCF, John P. Love, Stuart P. Crumbaugh, Andrew F Ngim, Gordon L. Ellis, Malcolm R. Fobes, III, Nicholas D. Gerber, Robert L. Nguyen, and Peter M. Robinson in the U.S. District Court for the Southern District of New York at Civil Action No. 1:20-cv-06974 (the “Cantrell Action”) and Civil Action No. 1:20-cv-06981 (the “AML Action”), respectively.

The complaints in the Cantrell and AML Actions are nearly identical. They each allege violations of Sections 10(b), 20(a) and 21D of the Exchange Act, Rule 10b-5 thereunder, and common law claims of breach of fiduciary duties, unjust enrichment, abuse of control, gross mismanagement, and waste of corporate assets. These allegations stem from USO’s disclosures and defendants’ alleged actions in light of the extraordinary market conditions in 2020 that caused demand for oil to fall precipitously, including the COVID-19 global pandemic and the Saudi Arabia-Russia oil price war. The complaints seek, on behalf of USO, compensatory damages, restitution, equitable relief, attorney’s fees, and costs. The plaintiffs in the Cantrell and AML Actions have marked their actions as related to the Lucas Class Action.

The Court consolidated the Cantrell and AML Actions under the caption *In re United States Oil Fund, LP Derivative Litigation*, Civil Action No. 1:20-cv-06974 and appointed co-lead counsel. All proceedings in *In re United States Oil Fund, LP Derivative Litigation* are stayed pending disposition of the motion(s) to dismiss in *In re: United States Oil Fund, LP Securities Litigation*.

USCF, USO, and the other defendants intend to vigorously contest the claims in *In re United States Oil Fund, LP Derivative Litigation*.

Item 1A. Risk Factors.

There have been no material changes to the risk factors previously disclosed in UNG's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed on February 28, 2025 (the "Form 10-K"), except for the following:

The impact of changes in U.S. federal income tax laws on UNG is uncertain.

In general, legislative or other actions relating to U.S. federal income taxes could have a negative effect on UNG or its investors. Matters pertaining to U.S. federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. The Trump Administration has proposed significant changes to the Code and existing U.S. federal income tax regulations and there are a number of proposals in Congress that, if enacted, would similarly modify the Code. The likelihood of any such legislation being enacted is uncertain, but new legislation and any U.S. Treasury regulations, administrative interpretations or court decisions interpreting such legislation could result in adverse tax consequences to UNG and its investors. Investors are urged to consult with their tax advisor with respect to the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in UNG shares.

As inflation increases, the present value of UNG's assets may decline.

Inflation is a general increase in the overall price level of goods and services in the economy. The United States Federal Reserve has a stated goal of maintaining a two percent increase in inflation over the long run, as measured by the annual change in the price index for personal consumption expenditures.

Following the COVID-19 pandemic, the United States experienced inflation above the Federal Reserve's stated two-percent goal. Other world economies similarly experienced elevated inflation rates. The Federal Reserve increased interest rates and successfully reduced inflation so that it is close to the stated two percent goal. As a result, in 2024, the Federal Reserve began reducing interest rates. However, the rate of inflation in the United States is still above the stated two percent goal. Inflation has the effect of eroding the value of cash or bonds. In a high inflation environment, the value of UNG's cash and Treasury investments may decline.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

- (a) None.
- (b) Not applicable.
- (c) UNG does not purchase shares directly from its shareholders. In connection with its redemption of baskets held by Authorized Participants, UNG redeemed 399 baskets (comprising 39,900,000 shares) during the first quarter of the year ending December 31, 2025. The following table summarizes the redemptions by Authorized Participants during the three months ended March 31, 2025:

Issuer Purchases of Equity Securities

| Period | Total Number of Shares Redeemed | Average Price Per Share |
|-------------------|--|----------------------------|
| 1/1/25 to 1/31/25 | 14,000,000 | \$ 18.00 |
| 2/1/25 to 2/29/25 | 21,200,000 | \$ 21.12 |
| 3/1/25 to 3/31/25 | 4,700,000 | \$ 22.60 |
| Total | 39,900,000 | |

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

No officers or directors of the Company have adopted, modified or terminated trading plans under either a Rule 10b5-1 or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933) for the three-month period ended March 31, 2025.

Monthly Account Statements

Pursuant to the requirement under Rule 4.22 under the Commodity Exchange Act, each month UNG publishes an account statement for its shareholders, which includes a Statement of Income (Loss) and a Statement of Changes in Net Asset Value. The account statement is furnished to the SEC on a current report on Form 8-K pursuant to Section 13 or 15(d) of the Exchange Act and posted each month on UNG's website at www.uscfinvestments.com.

Item 6. Exhibits.

Listed below are the exhibits, which are filed as part of this quarterly report on Form 10-Q (according to the number assigned to them in Item 601 of Regulation S-K):

| Exhibit Number | Description of Document |
|-----------------------|--|
| 31.1(1) | Certification by Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2(1) | Certification by Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1(1) | Certification by Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2(1) | Certification by Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS | XBRL Instance Document. |
| 101.SCH | XBRL Taxonomy Extension Schema. |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase. |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase. |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase. |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase. |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). |

(1) Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

United States Natural Gas Fund, LP (Registrant)

By: United States Commodity Funds LLC, its general partner

By: /s/ John P. Love

John P. Love
President and Chief Executive Officer
(Principal executive officer)

Date: May 9, 2025

By: /s/ Stuart P. Crumbaugh

Stuart P. Crumbaugh
Chief Financial Officer
(Principal financial and accounting officer)

Date May 9, 2025

**Certification by Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, John P. Love, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of United States Natural Gas Fund, LP;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2025

By /s/ John P. Love

Name: John P. Love

Title: President and Chief Executive Officer

United States Commodity Funds LLC,

General Partner of United States Natural Gas Fund, LP

**Certification by Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Stuart P. Crumbaugh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of United States Natural Gas Fund, LP;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2025

By /s/ Stuart P. Crumbaugh

Name: Stuart P. Crumbaugh

Title: Chief Financial Officer

United States Commodity Funds LLC,

General Partner of United States Natural Gas Fund, LP

General Partner of United States Natural Gas Fund, LP

**Certification by Principal Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (the "Report") of United States Natural Gas Fund, LP (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, John P. Love, the President and Chief Executive Officer of United States Commodity Funds LLC, General Partner of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: May 9, 2025

By /s/ John P. Love

Name: John P. Love

Title: President and Chief Executive Officer

United States Commodity Funds LLC,

General Partner of United States Natural Gas Fund, LP

**Certification by Principal Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (the "Report") of United States Natural Gas Fund, LP (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, Stuart P. Crumbaugh, the Chief Financial Officer of United States Commodity Funds LLC, General Partner of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: May 9, 2025

By /s/ Stuart P. Crumbaugh

Name: Stuart P. Crumbaugh

Title: Chief Financial Officer

United States Commodity Funds LLC,

General Partner of United States Natural Gas Fund, LP
