Global & Regional Market Analysis

2020 April

06/05/2020

Source: Euractiv, ICIS, Platts

Stories of the recent weeks

New Greek LNG terminal and Baltic pipeline due to start operation in Q4 2022
New capacity booking at Krk LNG Terminal

Romania-Hungary gas link failure due to low interest, no appetite for expanded cross-border gas capacity – possible setback for Black Sea projects

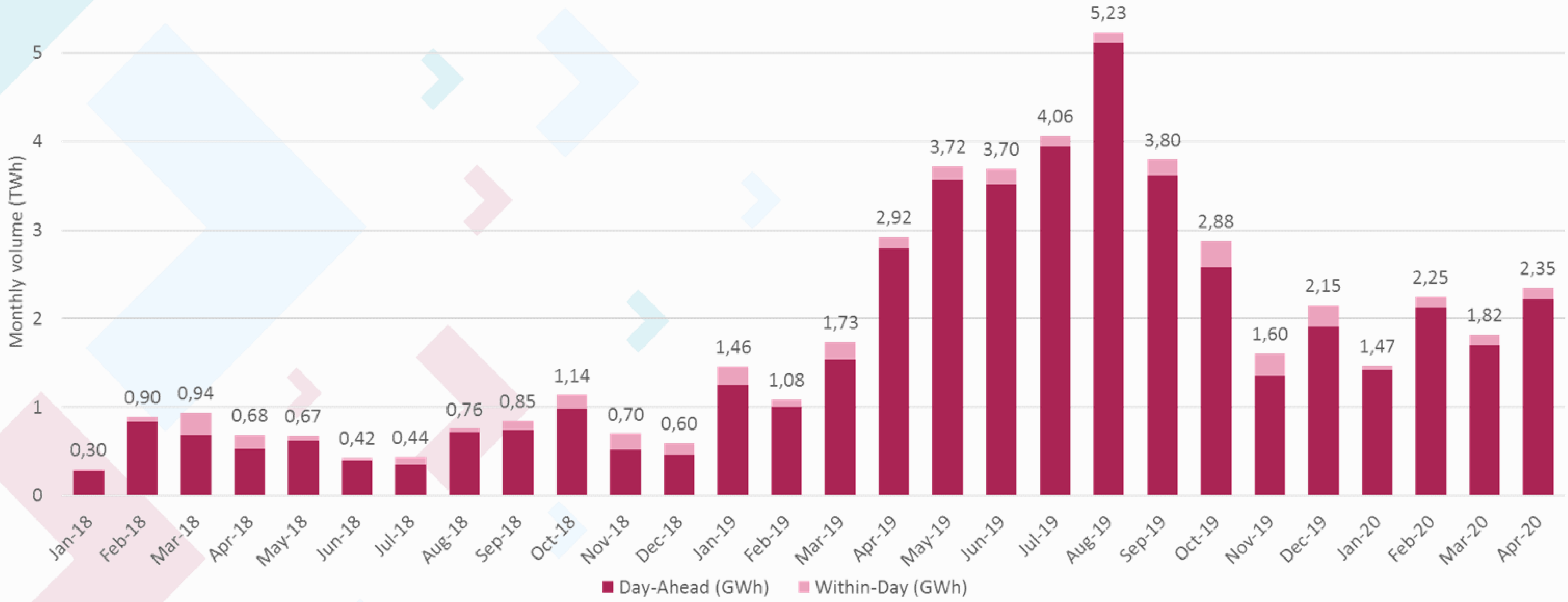
Shippers looking to store gas in Ukraine due to the high storage capacity,
Slovakia cuts border tariffs as storage interest rises

JKM and TTF front month became cheaper than HH with the LNG prices down,
meanwhile the number of LNG contract cancellation has increased

Sweden and Austria have shut down their last coal-fired power plants
after Belgium was the first in 2016

Spot market monthly volumes of CEEGEX

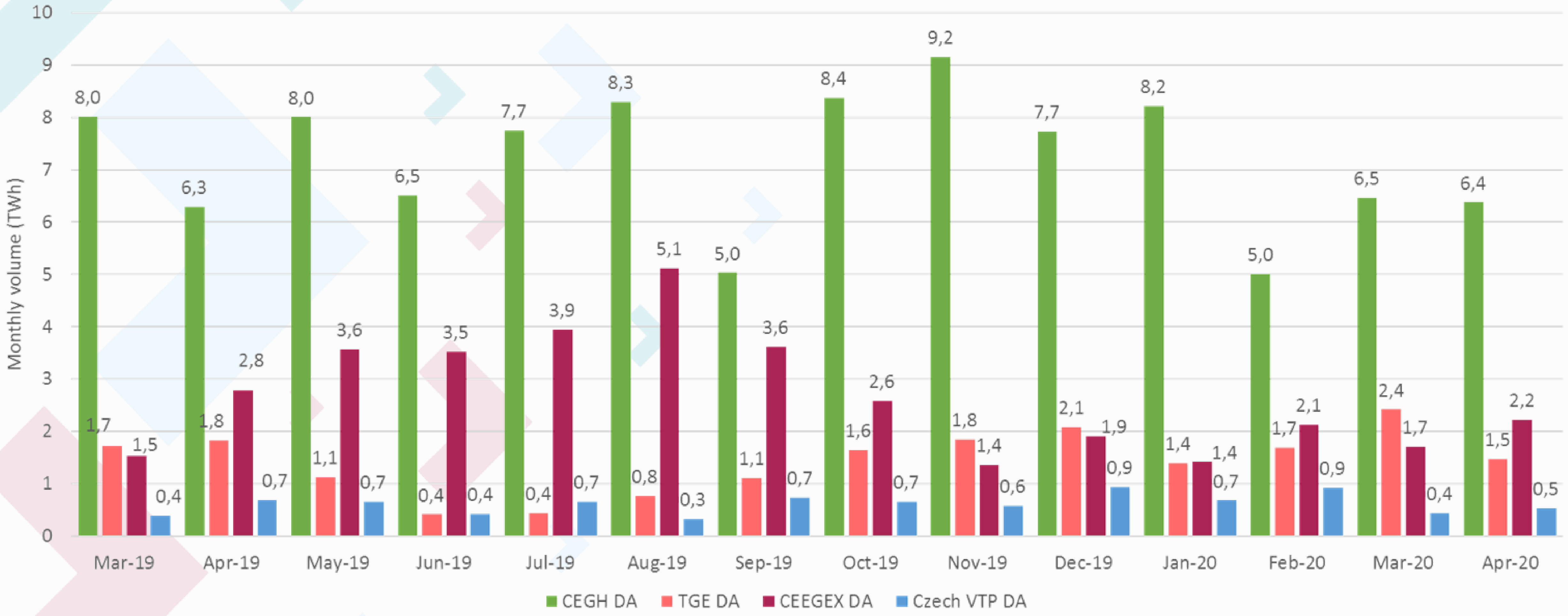
Source: CEEGEX



The volatility of monthly traded volume is decreasing and the amount of traded volumes stabilized at around 2 TWh since the start of the gas year with April 2020 being the most liquid of the last 6 month

Regional Day-Ahead monthly volumes

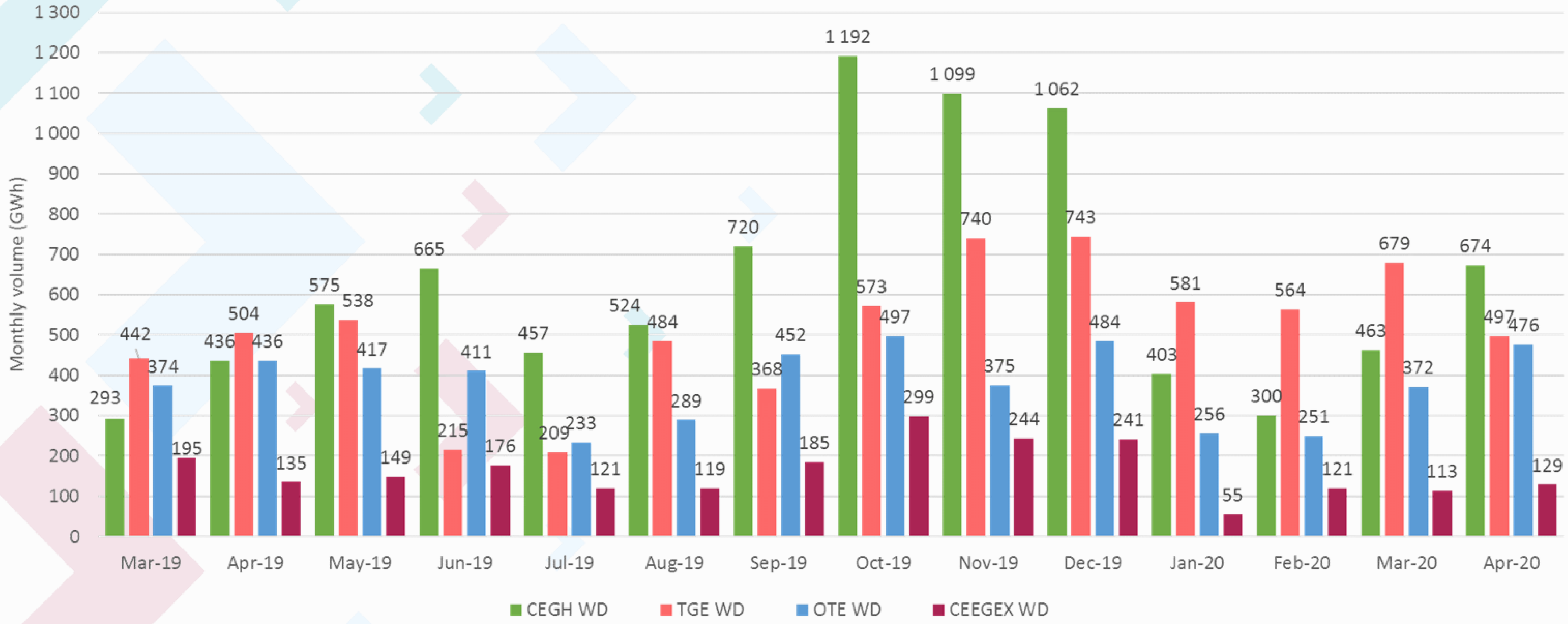
Source: CEGH, TGE, CEEGEX



TGE had a significant fall in the DA volumes on monthly and yearly comparison, thus CEEGEX overtook TGE in April again and the year-to-date traded DA volume on CEEGEX is the second in the region, just as in 2019

Regional Within-Day monthly volumes

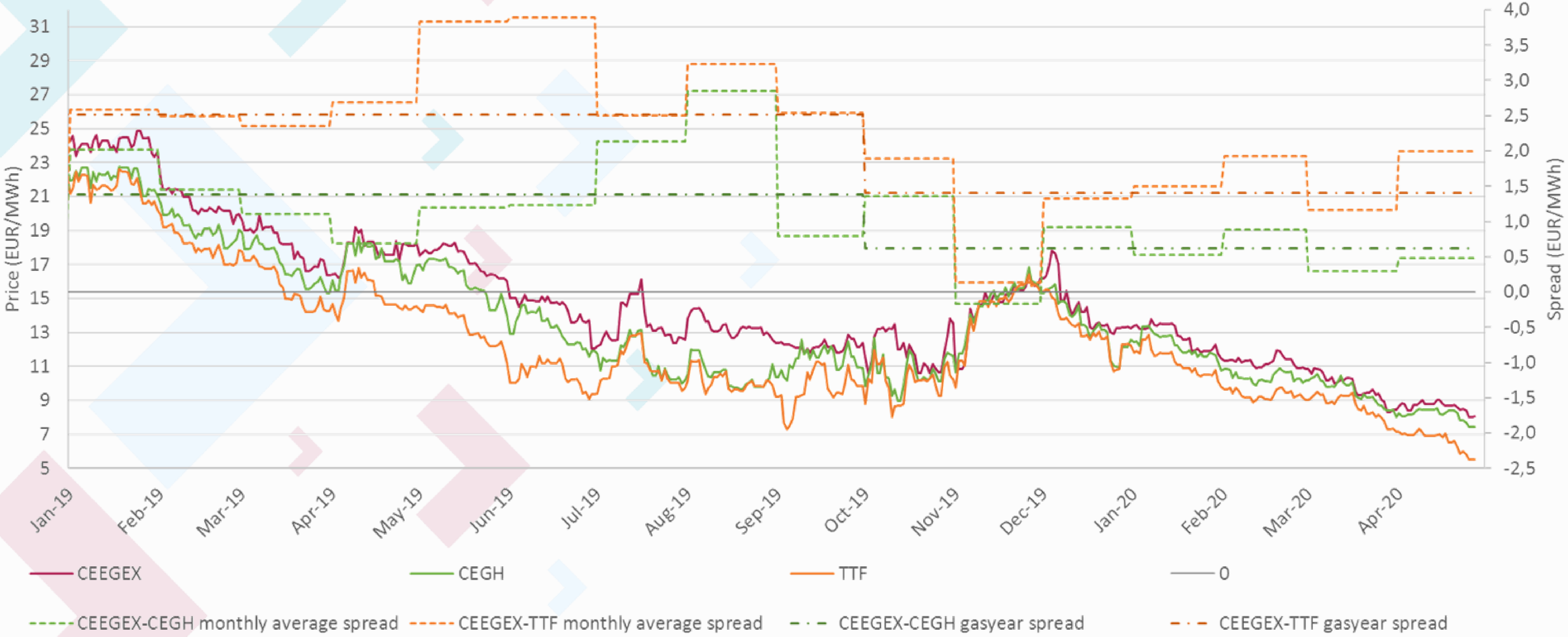
Source: CEGH, OTE, TGE, CEEGEX



CEGH WD and OTE WD grew in April, but TGE suffered a significant fall compared to March. CEEGEX had a slightly lower volume compared to April of 2019, but higher than March of 2020

Hungarian and benchmark spot gas prices

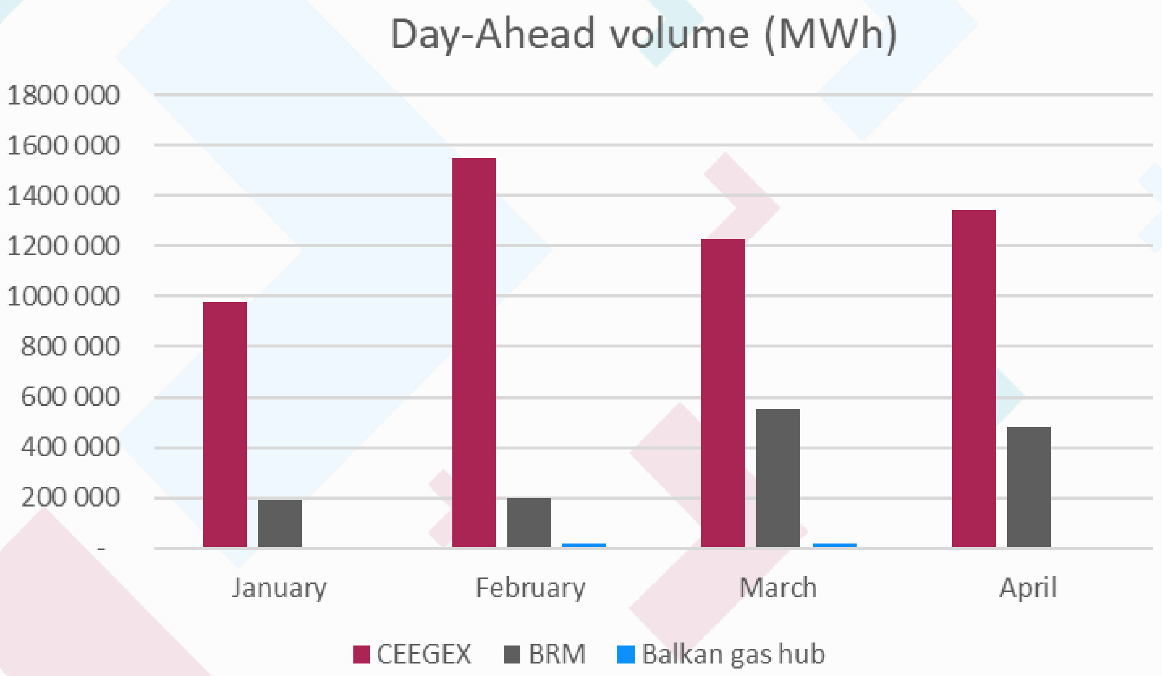
Source: PEGAS, CEEGEX

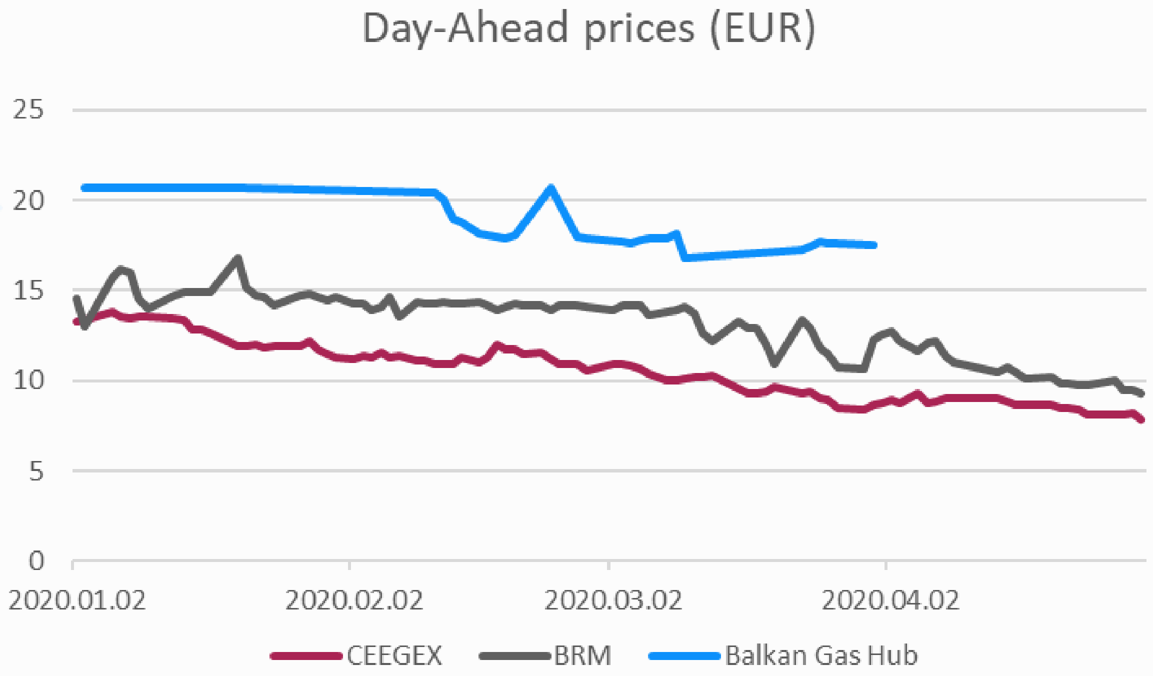


The spot prices continued to decrease due to the high European LNG import, economic crises caused by COVID-19 pandemic and the all-time low oil prices with CEEGEX scratching historic low 8 EUR/MWh and TTF 5 EUR/MWh at the end of the month

SEE Day-Ahead volumes and prices

Source: CEEGEX, BRM, Balkan Gas Hub

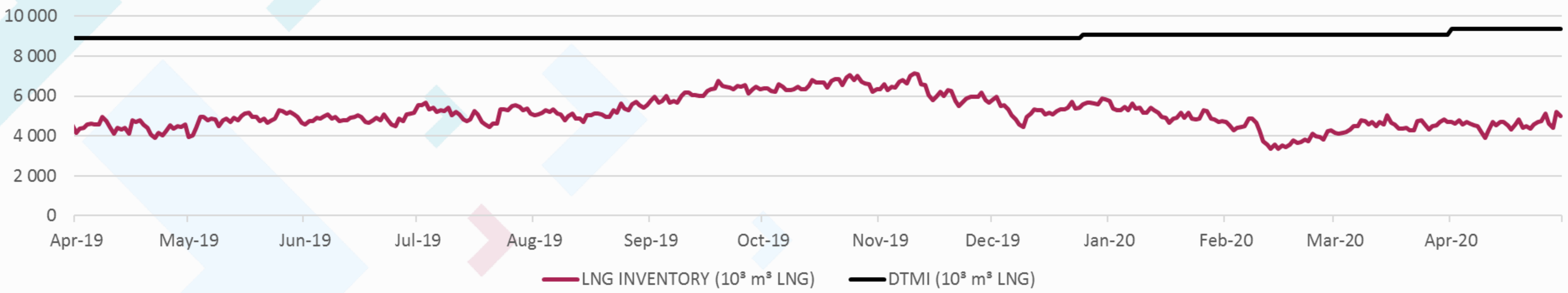


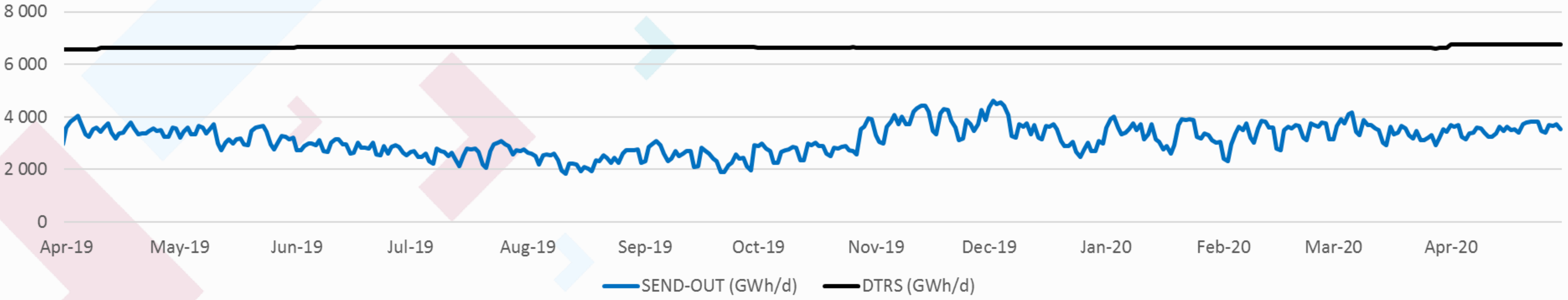


Bulgaria launched the Balkan Gas Hub in the recent months with only a moderate trading activity and volumes, meanwhile the traded volumes of the Romanian BRM are visible, however still lower than the Polish TGE and CEGH Czech VTP, thus only being 5th in the region

LNG flows to Europe

Source: ALSI

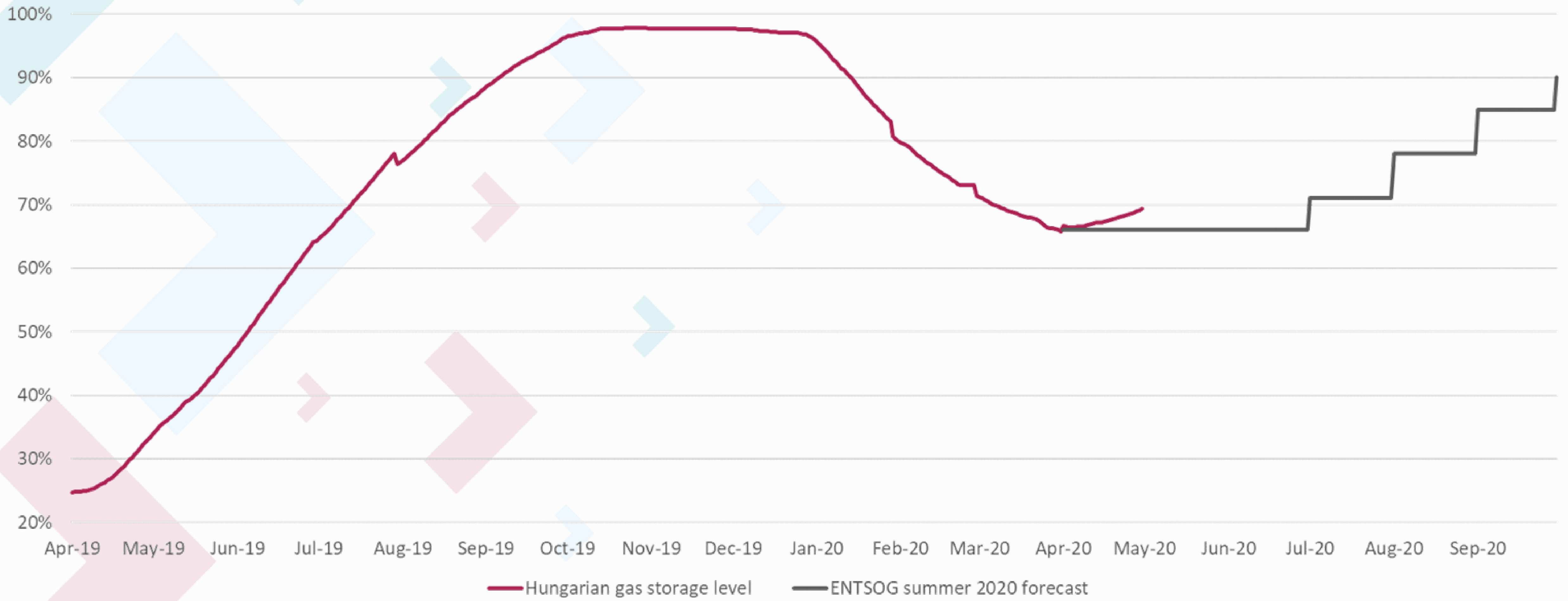




Despite the weakened overall gas demand in Europe, the LNG import volumes seemed to be constant throughout April, and one of the reasons behind the stability of these volumes could be that long-term LNG contracts have been delivered

ENTSOG expectations of Hungarian gas storage levels

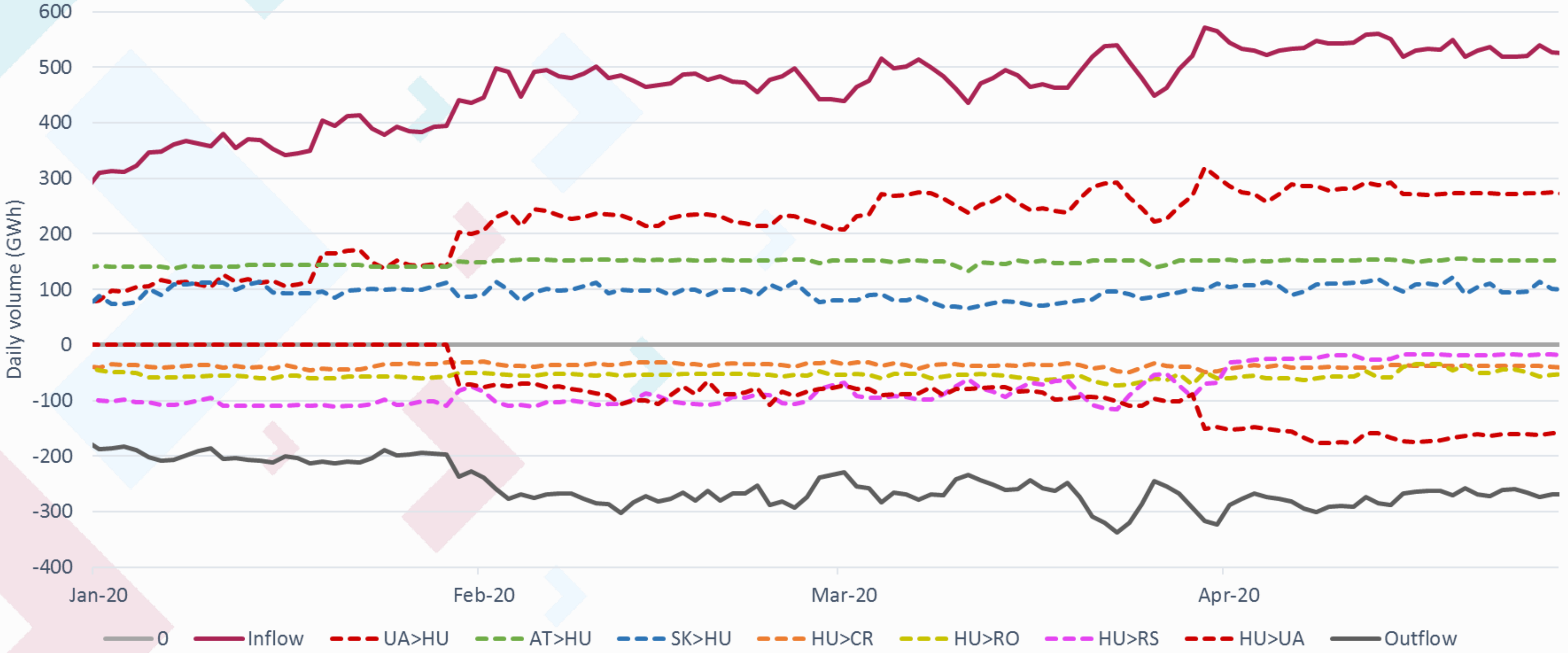
Source: AGSI, ENTSOG



Hungarian UGS fulfillment is expected to reach 90% by the end of September 2020, based on the ENTSOG Summer Outlook referring to the 90% storage target model. The already-high levels give lesser space to the injection of the currently low priced commodity

International gas flows in Hungary

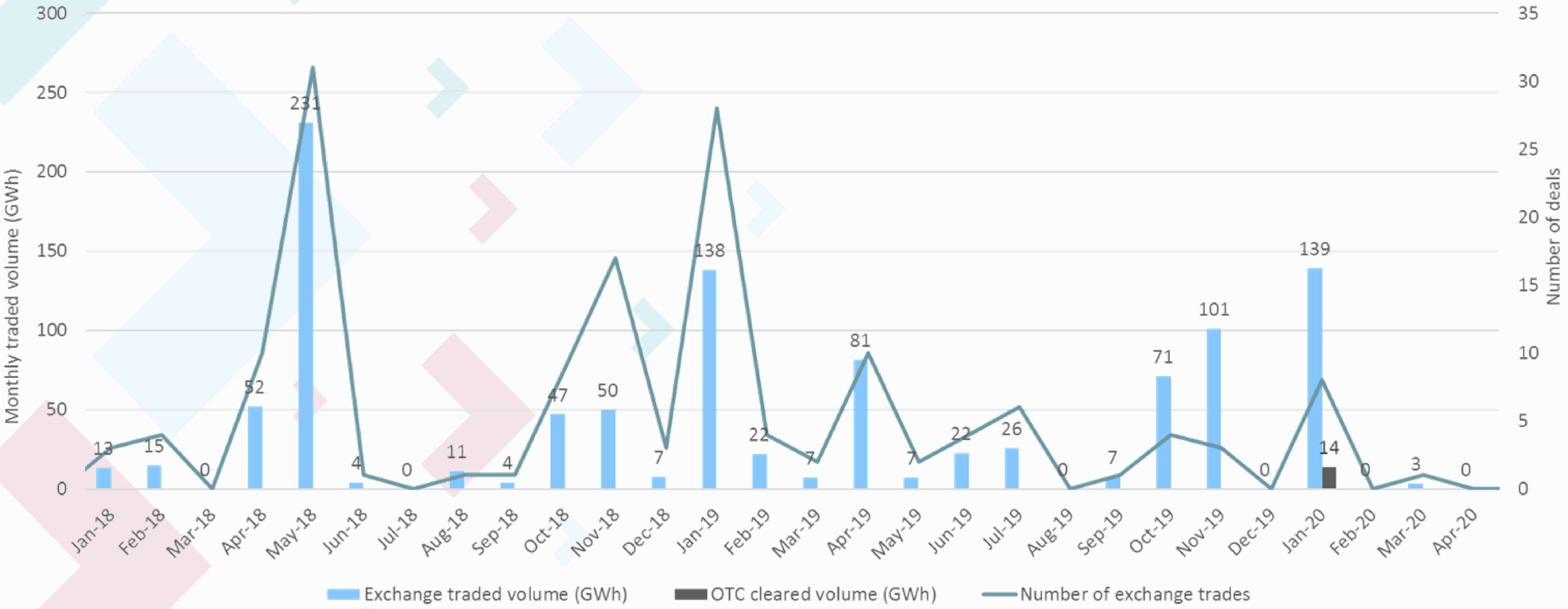
Source: FGSZ IP



Both the inflow and outflow volumes stayed constant throughout April. While the there was no significant change in the ratios on the inflow side, the outflow volumes have shifted from Serbia to Ukraine with the same amount

HUDEX Natural Gas Segment

Source: HUDEX



Since the pandemic caused shut downs all around Europe, the futures product demand has been ceased. In April there was zero activity on the HUDEX gas segment