Global & Regional Market Analysis

Natural Gas

2020 January

06/02/2020

Top stories of January

Supply of European gas markets: storage withdrawal ramping up, but European gas markets are still oversupplied with more LNG regasification than in last January mainly drive by UK

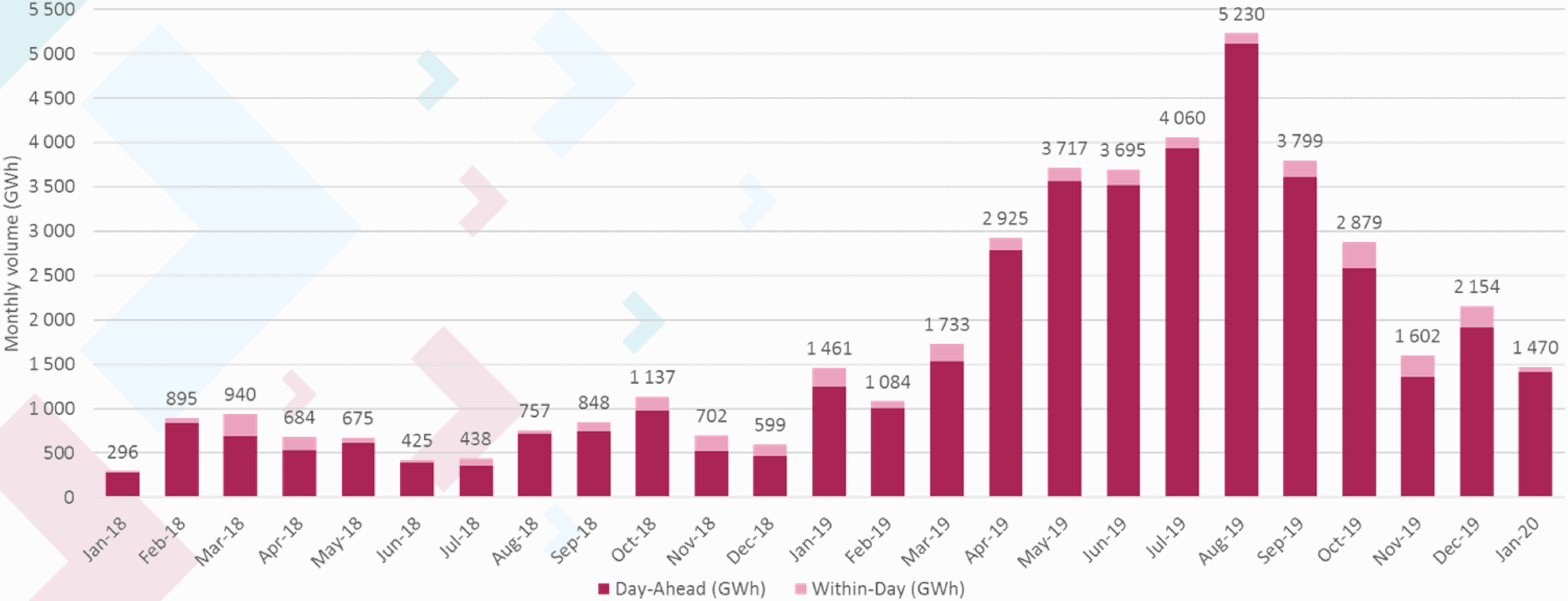
Gas prices: TTF and CEEGEX prices are once again below 10 and 12 EUR/MWh

EUA CO_2: In January the bearish trend continued on the CO2 market with EUA dropped below 24 EUR/t

Price of balancing gas: small adjustment is increased from 1% to 6% from the 1st January

Spot market monthly volumes of CEEGEX

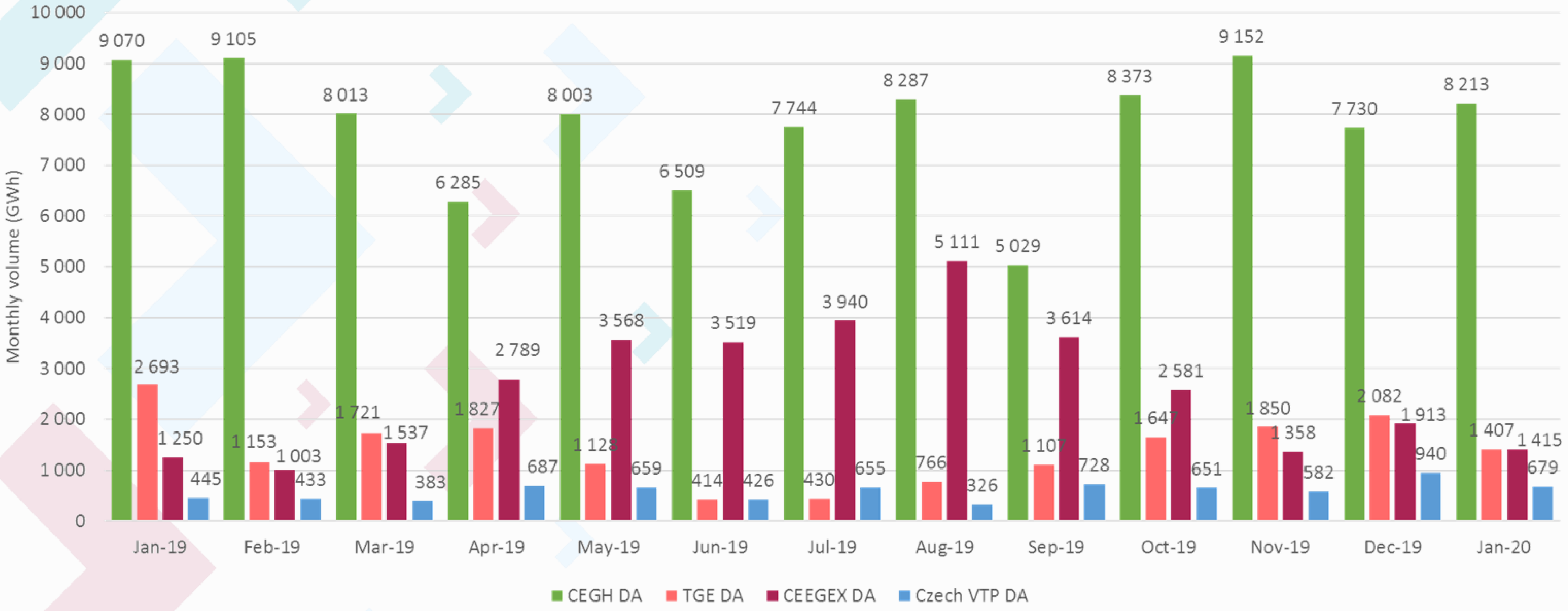
Source: CEEGEX



With the start of 2020 CEEGEX volumes are still growing year-on-year basis with smaller volumes traded at the start of January, but daily traded volumes grew above 70 GWh by the end of the month

Regional Day-Ahead monthly volumes

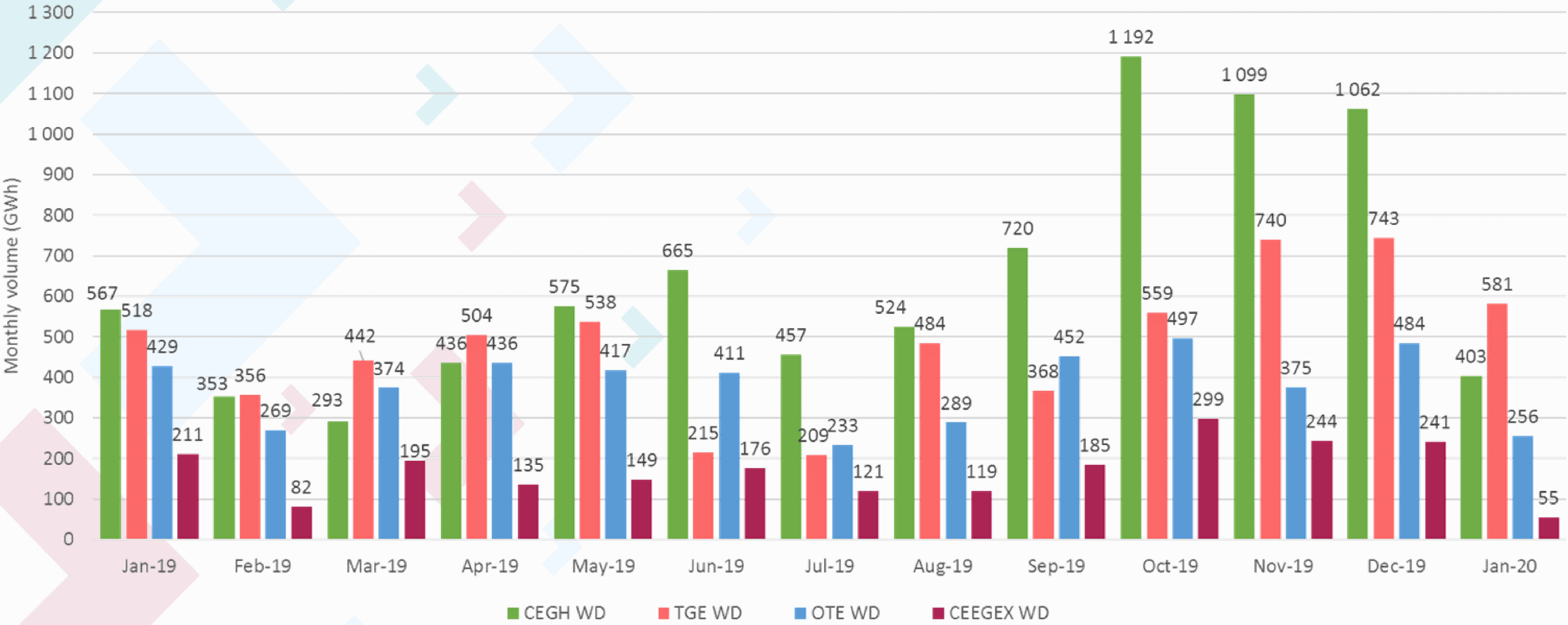
Source: CEGH, TGE, CEEGEX



In the region CEEGEX was the second most liquid natural gas exchange again after October in terms of DA traded volume with 1.42 TWh traded volume

Regional Within-Day monthly volumes

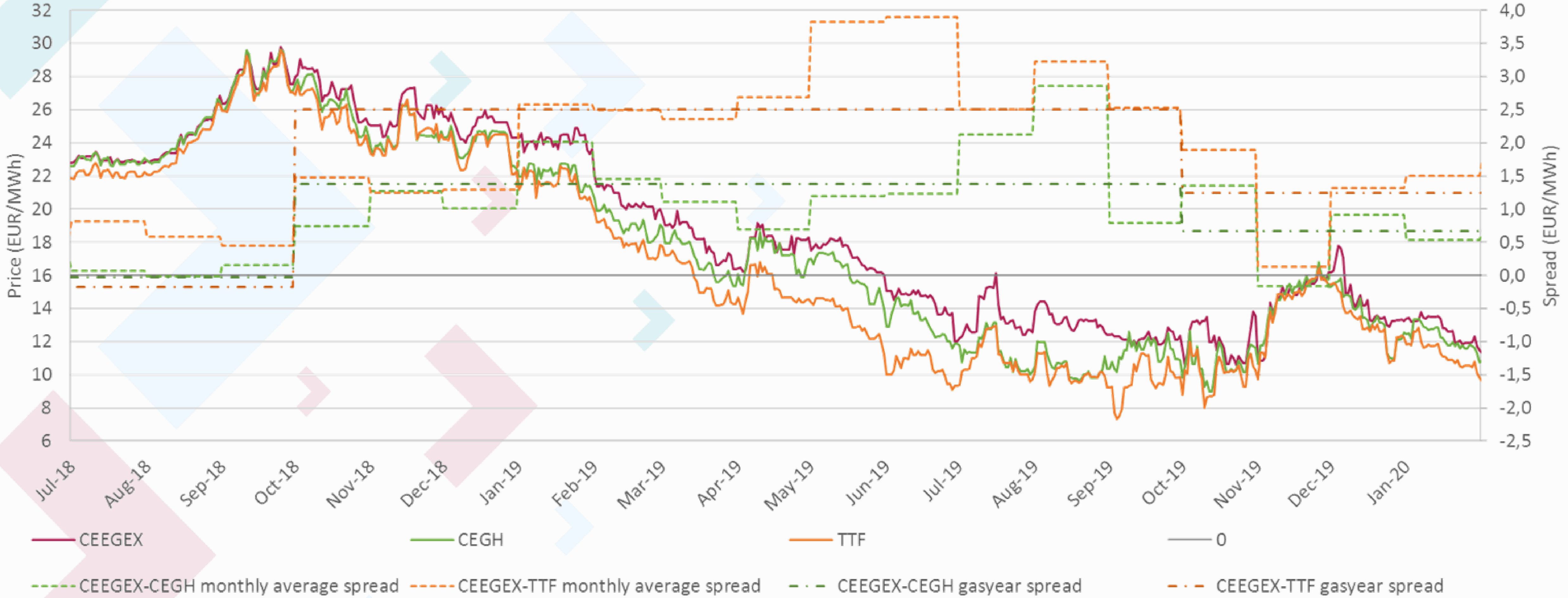
Source: CEGH, TGE, CEEGEX



CEEGEX Within-Day volumes decreased in January even with the stricter balancing rules, which could be the result of the warm weather compared to historical average and the low fluctuation of temperature

Hungarian and benchmark spot gas prices

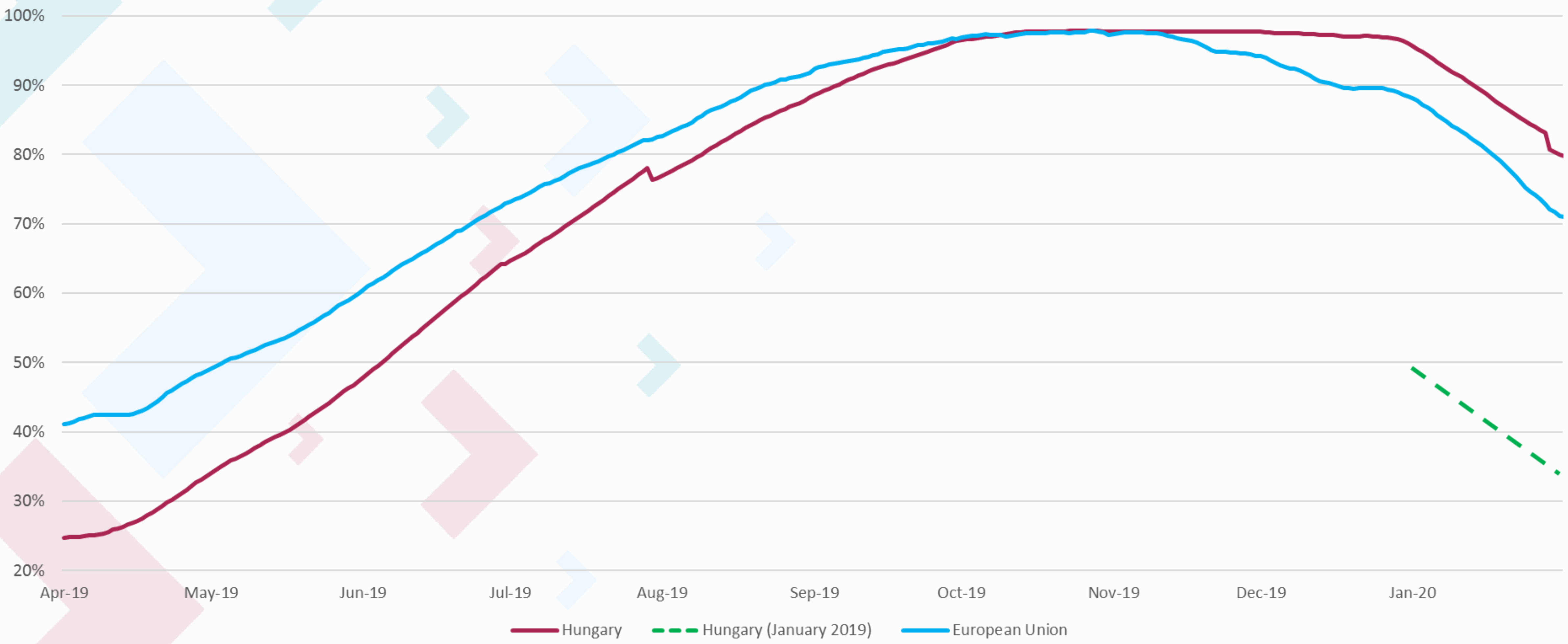
Source: PEGAS, CEEGEX



The bearish price trend continued with CEEGEX prices seen now below 12 EUR/MWh like it occurred in September and October, meanwhile CEGH-CEEGEX spread decreased to 0.5 EUR/MWh in January

Hungarian and European gas storage levels

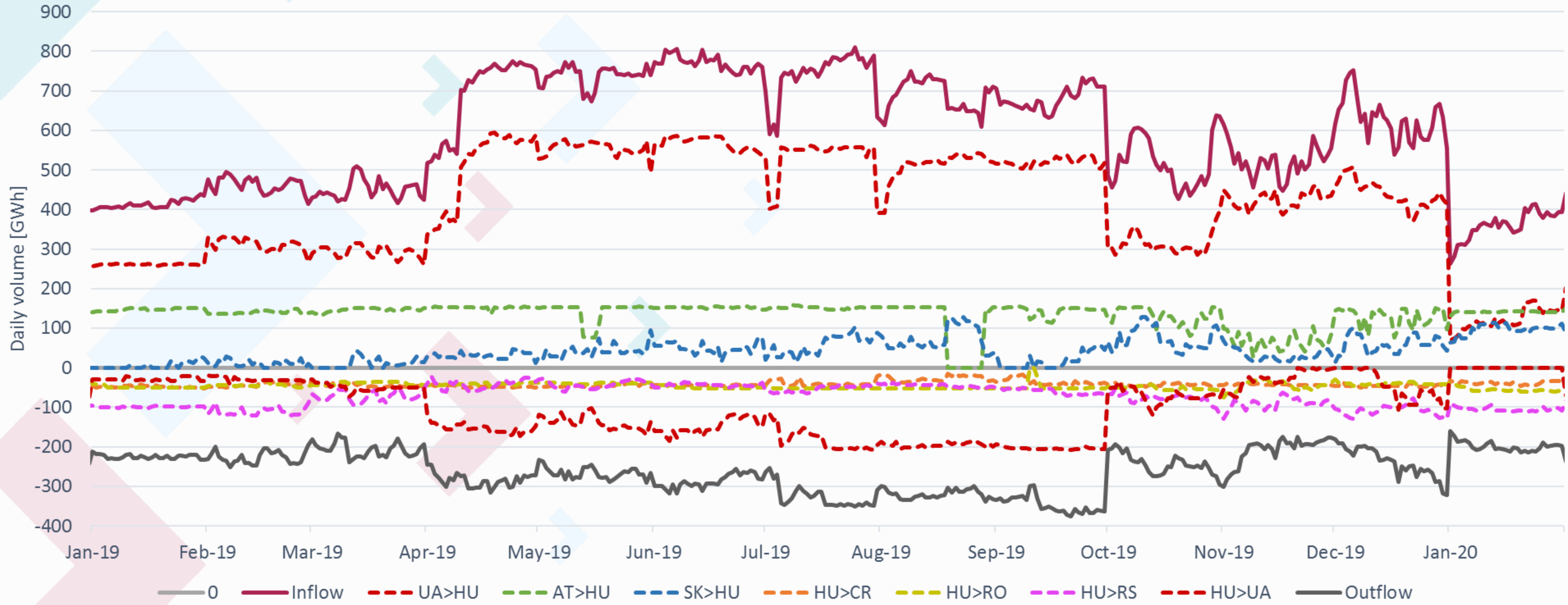
Source: AGSI



The Hungarian storage withdrawal started later than the European average and fulfillment levels remained above 80% in January, due to the mild weather conditions in the mid-winter period. The demand was covered through import gas sources, also contributed to this tendencies

Gas flows on Hungarian cross-border points

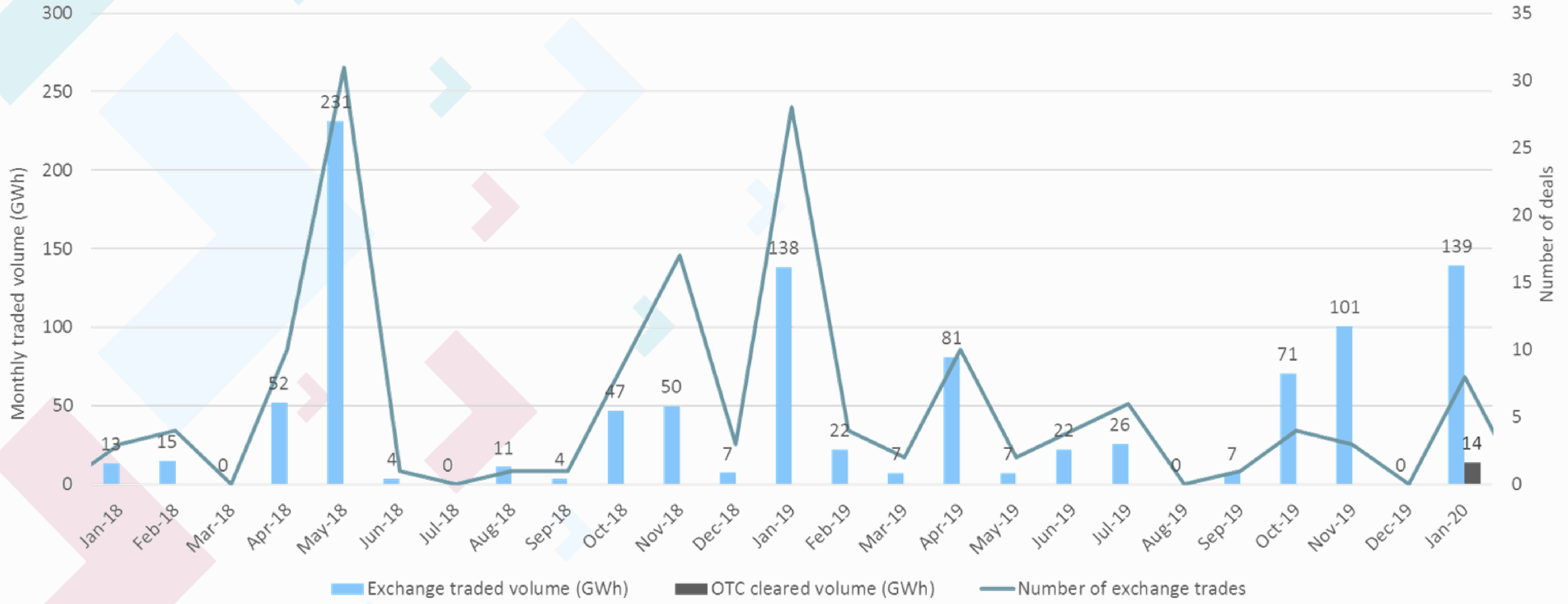
Source: FGSZ IP



The late agreement of Russia and Ukraine on gas transmission made supply from Ukraine hard to plan, which can be seen on the drop of inflow in the beginning of January. The majority of monthly supply was covered from import gas, flowing from all the main sourcing border points. AT>HU, HU>RS and HU>RO were running on maximum capacities

HUDEX Natural Gas Segment monthly volume

Source: HUDEX



HUDEX Natural Gas segment improved further in January reaching 153 GWh traded volume of which 139 GWh was traded on the exchange and registered its first dealing in OTC-clearing since the start in January 2018