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European natural gas prices continued their volatile but discernibly upwards trajectory on Friday, reversing their 5% losses in the previous session and taking carbon prices with them. Asian prices rallied after two consecutive substantial falls.

Gas prices in Europe remain highly sensitive to any change in driving factors but amidst the volatility there are signs of an underlying rising trend – with prices now between a fifth and a quarter higher than they were a month ago.

Market sentiment in the short term appears to have been influenced by external factors, in particular events in Russia, where more than 137 people died in an attack on a Moscow rock concert on Friday.

President Vladimir Putin blamed Ukraine, launching an attack on the country's energy infrastructure, but responsibility was claimed by Islamic State.

Europe's nervousness – in the face of a widespread upsurge in Islamic State activity in recent months and an escalation of the war between Russia and Ukraine – was highlighted by France's decision on Sunday to raise its security alert to the maximum level.

In continental Europe, the April TTF contract rose by 4.7%, from USD 8.40/MMBtu on Thursday to USD 8.80/MMBtu on Friday and continued to move upwards on Monday morning. In local currency terms, Friday's closing price of EUR 27.78/MWh was a 21% increase on the lowest front-month closing price of 2024 – EUR 22.93/MWh on 23 February.

In the UK, April NBP was up 4.5%, from USD 8.65/MMBtu on Thursday to USD 9.04/MMBtu on Friday, and still rising on Monday morning. In local currency, the closing price of 71.74 p/therm was a 27% increase on the lowest front-month price of 2024 – 56.46 p/therm, also on 23 February.

In Asia, the JKM LNG price rose by 1.7%, from USD 9.29/MMBtu on Thursday to USD 9.45/MMBtu on Friday, but this came after two consecutive falls of around 3% each. The TTF-JKM spread narrowed from USD 0.88/MMBtu to USD 0.65/MMBtu.

In the US, Henry Hub fell by 1.4%, from USD 1.68/MMBtu on Thursday to USD 1.66/MMBtu on Friday, with demand tepid.

Crude oil prices, while they remain elevated compared with the first two months of the year, fell again on Friday. Brent was down 0.4% to USD 85.43/barrel, while WTI was down 0.5% to USD 80.63/barrel.

European coal prices moved up, with API2 rising by 0.8%, from USD 4.50/MMBtu on Thursday to USD 4.54/MMBtu on Friday, the highest level since early January.

EU emissions allowances almost matched the rise in gas, up 4.2% from EUR 57.55/tonne to EUR 59.95/tonne.

Front-month futures and indexes at last close with day-on-day changes:

Front-month futures/index	22/03/2024	21/03/2024	Daily +/- (\$)	Daily
Henry Hub (\$/MMBtu)	1.66	1.68	-0.02	
NBP (\$/MMBtu)	9.04	8.65	0.39	
NBP (£p/th)	71.74	68.37	3.37	
Henry Hub-NBP spread	7.38	6.97	0.41	
TTF (\$/MMBtu)	8.80	8.40	0.39	
TTF (€/MWh)	27.78	26.40	1.37	
Henry Hub-TTF spread	7.14	6.72	0.42	
JKM (\$/MMBtu)	9.45	9.29	0.16	
TTF-JKM spread	0.65	0.88	-0.23	
Henry Hub-JKM spread	7.79	7.60	0.18	
Brent (\$/barrel)	85.43	85.78	-0.35	
WTI (\$/barrel)	80.63	81.07	-0.44	
Brent-WTI spread (\$/barrel)	4.80	4.71	0.09	
API2 Coal (\$/tonne)	113.40	112.55	0.85	
API2 Coal (\$/MMBtu)	4.54	4.50	0.03	
EU CO ₂ emissions allowances (€/tonne)	59.95	57.55	2.40	

US, UK and EU gas hubs, Asian LNG (left axis), API2 coal front-month futures and Brent crude (right axis), since



EU carbon allowances (EUAs) on the Emissions Trading System (ETS)



[1]

Time references based on London GMT. Brent, WTI, NBP, TTF and EU CO2 data from ICE. Henry Hub, JKM and API2 data from CME. Prices in USD/MMBtu based on exchange rates at last market close. All monetary values rounded to nearest whole cent/penny. Text and graphic copyright © Gas Strategies, all rights.



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