Gas Strategies
Information Services

28 March 2024

Copyright © 2024 Gas Strategies Group Ltd. All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher. If you would like to distribute this content please contact the Editorial team at Gas Strategies.

Contents

Pricewatch | 10 Sep 2021 | Gas Matters Today
Publication date: 10 September 2021

Gas Strategies Group

10 Saint Bride Street
London UK
EC4A 4AD

ISSN: 0964-8496

T: +44(0) 20 7332 9900
W: www.gasstrategies.com
Twitter @GasStrategies

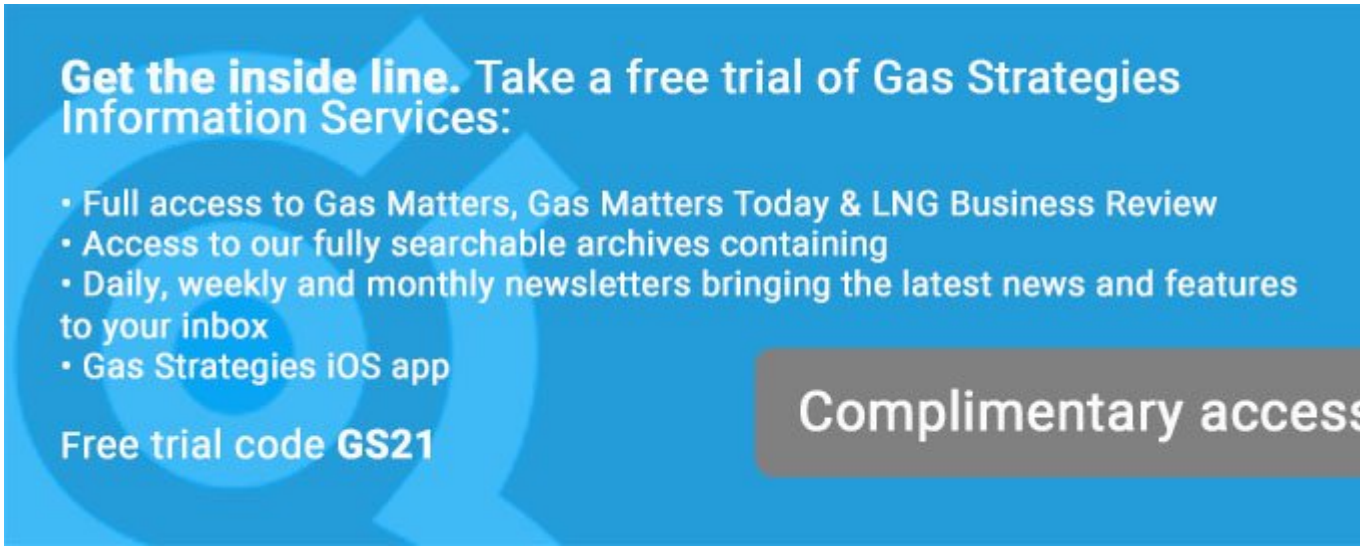
Editorials

+44(0) 20 7332 9957
editor@gasstrategies.com

Subscriptions

+44(0) 20 7332 9976
subscriptions@gasstrategies.com

Pricewatch | 10 Sep 2021 | Gas Matters Today



[1]

The gas price bull run continued on Thursday, with European gas prices hitting all-time highs and prices in the US hitting seven-year highs.

The front-month TTF and NBP contracts hit fresh record highs on Thursday, with the rally again pinned on weak supply and concerns over gas storage levels heading into winter.

NBP maintained its premium over TTF after settling at the equivalent of USD 19.69/MMBtu – USD 0.08/MMBtu higher than the Dutch gas benchmark.

On Friday morning, Gazprom confirmed that construction of its Nord Stream 2 gas pipeline was fully completed. The announcement is not expected to weigh on prices as completion was expected. However, if flows via NS2 do start in the coming weeks, European gas prices could start to fall. Reports this week have suggested Gazprom is looking to start operations on NS2 on 1 October, however the project still needs to be certified before gas can flow.

Strengthening European gas prices helped lift the European carbon price to a fresh record high, with the September-dated EUA contract closing at EUR 62.69/tonne.

Whilst NBP and TTF settled at record highs, Asian LNG marker JKM continued to fall, settling 0.3% lower at USD 18.63/MMBtu. The loss, coupled with the rally by the European gas benchmarks, extended TTF and NBP's premium over JKM.

Copyright © 2024 Gas Strategies Group Ltd. All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher. If you would like to distribute this content please contact the Editorial team at Gas Strategies.

In the US, the front-month Henry Hub contract hit a seven-year high after rallying by 10.1% to close at USD 5.03/MMBtu.

Ongoing oil and gas production outages in the US Gulf of Mexico are supporting the Henry Hub rally.

As of Thursday, ~77% of US GoM oil and gas production remained offline, according to data compiled by the US Bureau of Safety and Environmental Enforcement (BSEE). Over 95% of US GoM production was shut-in ahead of Hurricane Ida, which made landfall in Louisiana on 29 August.

The US Energy Information Administration (EIA) released its latest gas storage report on Thursday, which showed a larger than expected injection into US gas storage last week. News of the storage build failed to exert any downward pressure on Henry Hub.

52 Bcf of gas was injected into US gas storage sites last week, a volume much higher than the ~30 Bcf addition expected by analysts. Gas inventories are holding 2.923 Tcf of gas currently, a level ~7% lower than the five-year average, according to the EIA.

Oil prices failed to build on Wednesday's rally, with prices dipping amid news of China's plans to release state oil reserves. A smaller than expected draw on US crude storage also weighed on oil prices.

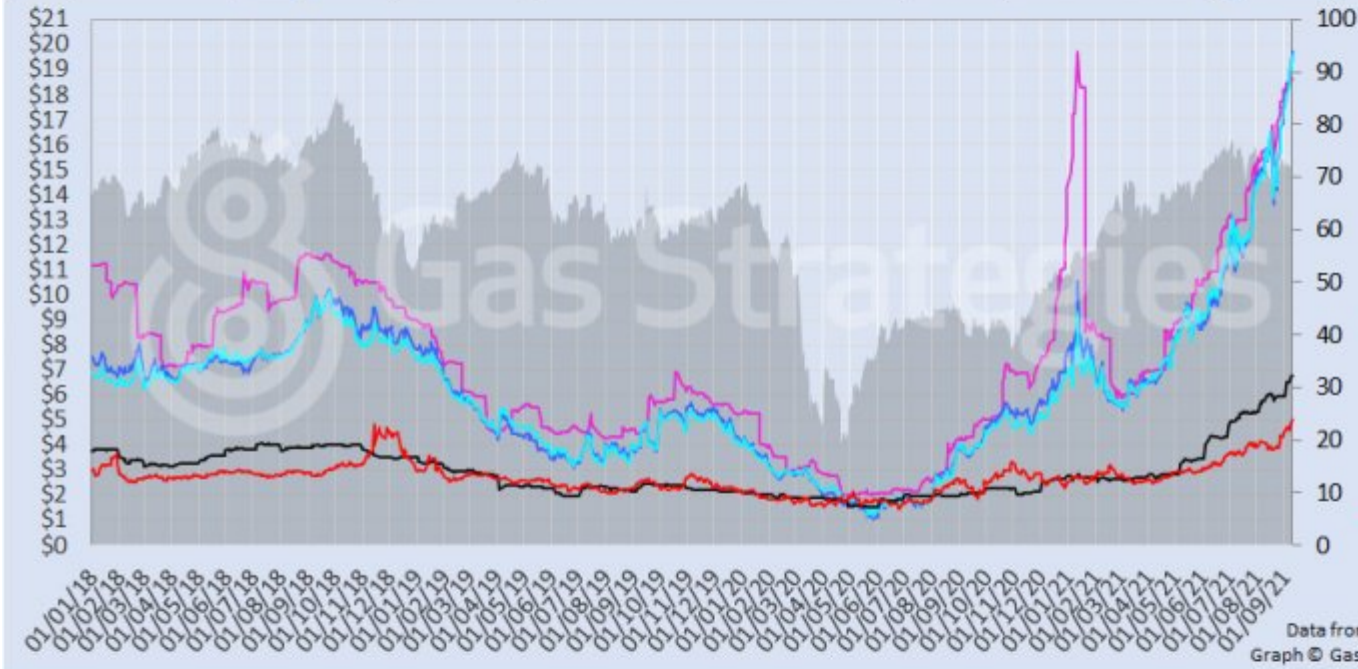
Brent and WTI fell by 0.3% to close at USD 71.45/barrel and USD 68.14/barrel respectively.

Front-month futures and indexes at last close with day-on-day changes (click to enlarge):

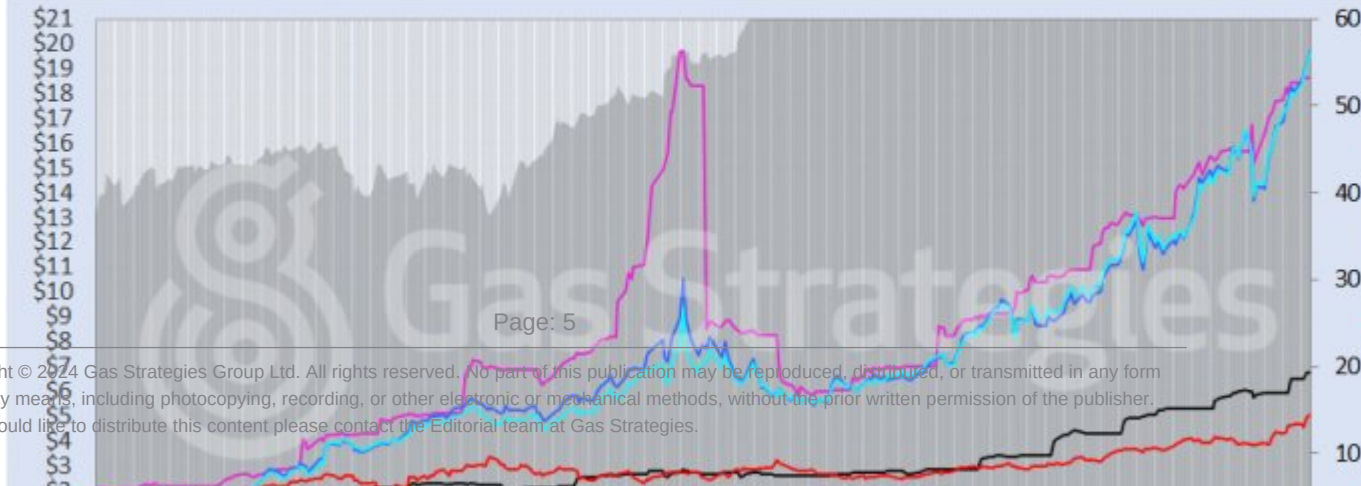
Copyright © 2024 Gas Strategies Group Ltd. All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher. If you would like to distribute this content please contact the Editorial team at Gas Strategies.

Front-month futures/index	09/09/2021	08/09/2021	Daily +/- ($)	Daily
Henry Hub ($/MMBtu)	5.03	4.57	0.46	
NBP ($/MMBtu)	19.69	18.82	0.87	
NBP (£p/th)	142.15	136.44	5.71	
***Henry Hub-NBP** spread*	*14.66*	*14.25*	*0.41*	
TTF ($/MMBtu)	19.61	18.72	0.89	
TTF (€/MWh)	56.58	53.91	2.67	
***Henry Hub-TTF** spread*	*14.58*	*14.15*	*0.43*	
JKM ($/MMBtu)	18.63	18.69	-0.06	
***TTF-JKM** spread*	*-0.98*	*-0.04*	*-0.95*	
***Henry Hub-JKM** spread*	*13.59*	*14.12*	*-0.52*	
Brent ($/barrel)	71.45	71.69	-0.24	
WTI ($/barrel)	68.14	68.35	-0.21	
***Brent-WTI spread** ($/barrel)*	*3.31*	*3.34*	*-0.03*	
API2 Coal ($/tonne)	169.65	168.80	0.85	
API2 Coal ($/MMBtu)	6.79	6.75	0.03	
EU CO_2 emissions allowances (€/tonne)	62.69	61.95	0.74	

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



US, UK and EU gas hubs, Asian LNG, API2 coal front-month futures (left axis) and Brent crude (right axis), since 1



Copyright © 2024 Gas Strategies Group Ltd. All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher. If you would like to distribute this content please contact the Editorial team at Gas Strategies.

[2]

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.

Copyright © 2024 Gas Strategies Group Ltd. All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher. If you would like to distribute this content please contact the Editorial team at Gas Strategies.

Gas Strategies

Consulting

+44 (0) 20 7332 9900
consult@gasstrategies.com

Alphatania Training

+44 (0) 20 7332 9910
training@gasstrategies.com

Information Services

+44 (0) 20 7332 9976
subscriptions@gasstrategies.com

Copyright © 2024 Gas StrategiesGroup Ltd.
Gas Strategies Group Limited is a company registered in England and Wales under company number 2225820.
Gas Strategies is the trading name of Gas Strategies Group Limited.
Registered company address: 10 St Bride Street, London, EC4A 4AD