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[1]

Natural gas prices fell across-the-board on Tuesday, with European prices slipping to their lowest since November 2021.

A mild winter has enabled European countries to tap less gas from stocks that were built up in anticipation of cuts in supplies from Russia, the continent's main supplier before the start of the war in Ukraine.

The front-month TTF contract price on Tuesday reached USD 22.38/MMBtu, down 7% day-on-day to its lowest since 1 November 2021. As the Asian LNG marker JM was relatively stable on Tuesday, declining by 0.6% to USD 29.35/MMBtu, the gap between TTF and JKM has widened 28% to USD 6.97.

European storage inventories were at 83.5% on Tuesday, up slightly from 83.1% a week ago, according to Gas Infrastructure Europe data. LNG imports have also reportedly remained strong, which helped maintain storage levels.

In addition, Germany's Uniper on Tuesday announced that it has received the first-ever LNG cargo at its Wilhelmshaven LNG terminal.

A downward trend was also seen in the UK benchmark NBP, with the price down 8.6% on Tuesday to USD20.49/MMBtu.

In the US, Henry Hub moved along the same trajectory plunging 11% to USD 3.99/MMBtu to its multi-

month low on forecasts for warmer-than-normal weather and lower heating demand in January than previously expected.

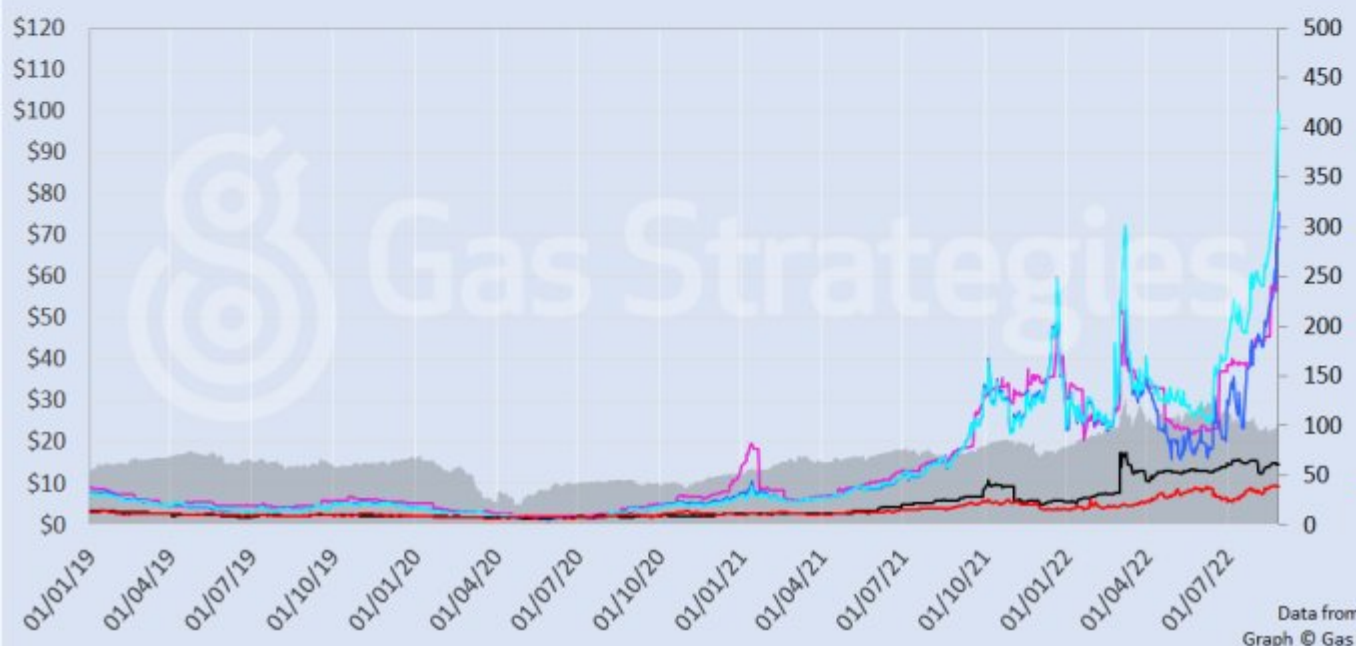
Meanwhile, crude fell by over 4% pressured by weaker demand forecasts from China and a stronger US dollar, according to Reuters.

Brent dipped 4.4% to USD 82.10/barrel, while WTI dropped by 4.1% to USD 76.93/barrel.

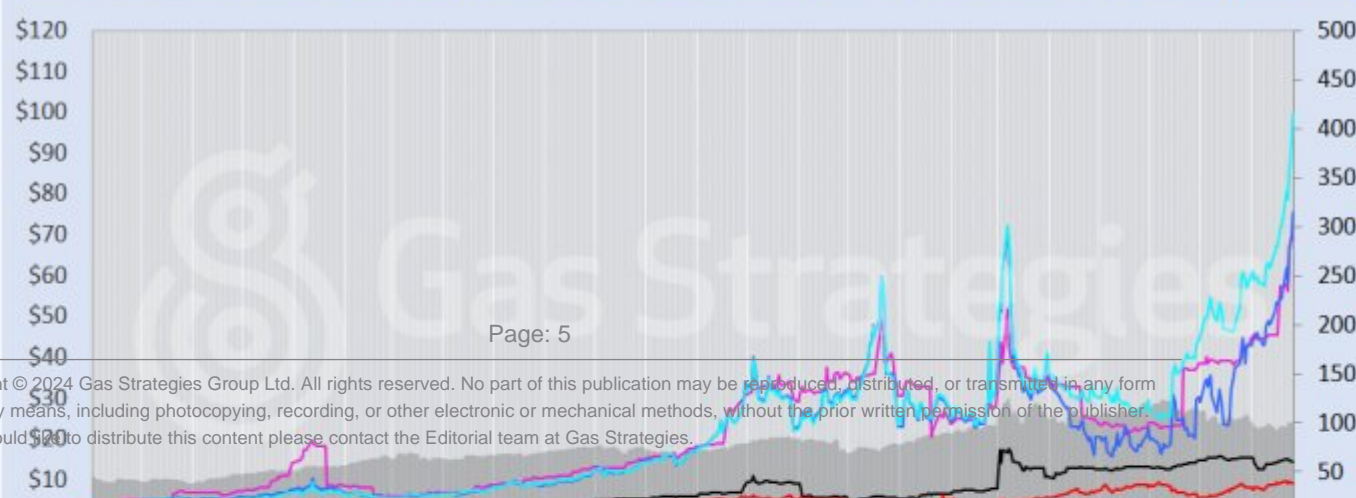
Front-month futures and indexes at last close with day-on-day changes (click to enlarge):

Front-month futures/index	03/01/2023	02/01/2023	Daily +/- (\$)	Daily
Henry Hub (\$/MMBtu)	3.99	4.48	-0.49	
NBP (\$/MMBtu)	20.49	22.41	-1.92	
NBP (£p/th)	171.18	186.05	-14.87	
Henry Hub-NBP spread	16.50	17.94	-1.44	
TTF (\$/MMBtu)	22.38	24.05	-1.68	
TTF (€/MWh)	72.31	77.02	-4.70	
Henry Hub-TTF spread	18.39	19.58	-1.19	
JKM (\$/MMBtu)	29.35	29.52	-0.17	
TTF-JKM spread	6.97	5.46	1.51	
Henry Hub-JKM spread	25.36	25.04	0.32	
Brent (\$/barrel)	82.10	85.91	-3.81	
WTI (\$/barrel)	76.93	80.26	-3.33	
Brent-WTI spread (\$/barrel)	5.17	5.65	-0.48	
API2 Coal (\$/tonne)	227.88	227.90	-0.02	
API2 Coal (\$/MMBtu)	9.12	9.12	0.00	
EU CO ₂ emissions allowances (€/tonne)	80.72	83.40	-2.68	

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



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



[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.



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