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[1]

Global natural gas prices plunged on Friday, as wind power generation prevailed in Europe and US production kept outpacing demand.

The Dutch TTF saw a 3.1% decline to US 20.54/MMBtu, while the UK's NBP fell 2.8% to USD 19.82/MMBtu.

The plunge comes amid strong wind levels delivering a relief to prices. Germany's windfarms produced 71% of electricity fed into the grid from wind on Friday, followed by a 45% share in the UK, according to WindEurope. Europe's largest wind power generation country Denmark saw its share surge to 116% on Friday.

Meanwhile, the Asian LNG marker JKM was relatively flat, up 0.2% to USD 26.81/MMBtu.

Henry Hub's front-month contracts traded at 3.42/MMBtu on Friday, down 7% day on day. US gas prices have halved in less than a month, and experts predict declines are set to continue this year on production growth continuing to outpace demand growth.

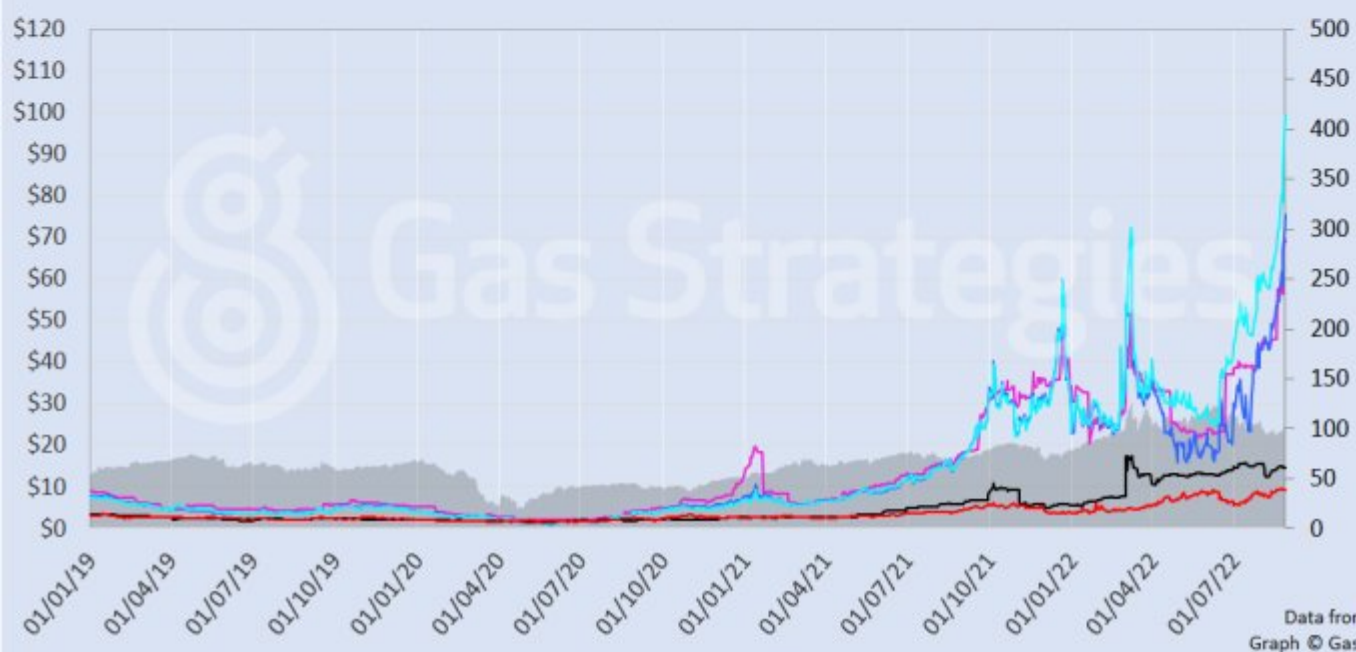
Oil prices settled higher on Friday on the US dollar's drop to a seven-month low and more indicators pointing towards growing demand from top oil importer China, according to Reuters.

Brent was up 1.5%, settling at USD 85.28/barrel, while WTI rose 1.9% to USD 79.86/barrel.

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

| Front-month futures/index | 13/01/2023 | 12/01/2023 | Daily +/- (\$) | Daily |
|---|------------|------------|----------------|-------|
| Henry Hub (\$/MMBtu) | 3.42 | 3.68 | -0.26 | |
| NBP (\$/MMBtu) | 19.82 | 20.39 | -0.57 | |
| NBP (£p/th) | 162.54 | 167.42 | -4.88 | |
| Henry Hub-NBP spread | 16.40 | 16.71 | -0.31 | |
| TTF (\$/MMBtu) | 20.54 | 21.19 | -0.66 | |
| TTF (€/MWh) | 64.81 | 66.81 | -2.00 | |
| Henry Hub-TTF spread | 17.12 | 17.52 | -0.40 | |
| JKM (\$/MMBtu) | 26.81 | 26.76 | 0.05 | |
| TTF-JKM spread | 6.27 | 5.57 | 0.71 | |
| Henry Hub-JKM spread | 23.39 | 23.08 | 0.31 | |
| Brent (\$/barrel) | 85.28 | 84.03 | 1.25 | |
| WTI (\$/barrel) | 79.86 | 78.39 | 1.47 | |
| Brent-WTI spread (\$/barrel) | 5.42 | 5.64 | -0.22 | |
| API2 Coal (\$/tonne) | 169.00 | 174.75 | -5.75 | |
| API2 Coal (\$/MMBtu) | 6.76 | 6.99 | -0.23 | |
| EU CO ₂ emissions allowances (€/tonne) | 77.05 | 77.41 | -0.36 | |

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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