

28 September 2023

Contents

Pricewatch | 15 September 2023 | Gas Matters Today
Publication date: 15 September 2023

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 | 15 September 2023 | Gas Matters Today

Get the inside line. Take a free trial of Gas Strategies Information Services:

- Full access to Gas Matters, Gas Matters Today & LNG Business Review
- Access to our fully searchable archives containing
- Daily, weekly and monthly newsletters bringing the latest news and features to your inbox
- Gas Strategies iOS app

Free trial code **GS22**

Complimentary access

The European gas market retreated on Thursday, erasing the gains from the prior day of trading.

According to Energi Danmark, strong renewables output overshadowed the effects of the production outages in Norway. The strike in Australia continues, but the market has already priced this in although further price reaction is expected should the strike action extend the original timeline of the end of September.

However, Chevron's two western Australian plants continued exports of LNG on Friday, despite a step-up in strikes and a fault at the Wheatstone plant that cut production by a quarter.

According to shipping data from LSEG Eikon and Kpler, JERA's tanker Pacific Enlighten docked at the Wheatstone terminal on Thursday and loaded 140,650 cm of LNG, and will be heading to Japan. The tanker Macoma loaded a cargo for China at Gorgon on Thursday.

TTF settled 4.2% lower at USD 11.1/MMBtu, while NBP was down 3.9% to USD 11.08/MMBtu.

On Thursday, EU Commissioner for energy Kadri Simson once again urged EU member states to reduce their reliance on Russian LNG.

She said: "We see that over the past seven months Russia has exported 12.4 Bcm of LNG to EU destinations. Russian LNG exports may well remain this year as high as they were last year, or even slightly bigger. We cannot be happy with that."

"We can and we must reduce Russian LNG exports, to phase them out completely. I urge once again all

companies and Member States to do their part,” Simson said.

In the US, Henry Hub rose 1% to USD 2.71/MMBtu. Natural gas futures found fresh footing after the latest government inventory report indicated further progress toward supply/demand balance and a Freeport LNG showed signs of bouncing back from an unplanned interruption.

The EIA data revealed that natural gas injections into storage in the week ending 8 September reached 57 Bcf, at the higher range of the forecast of 39-58 Bcf. This is significantly lower than the year-ago level of 74 Bcf.

Meanwhile, Fitch Ratings has revised downward its Henry Hub price deck for 2023 to USD 2.80/Mcf and USD 3.25/Mcf in 2024, from USD 3.00/Mcf and USD 3.50/Mcf respectively.

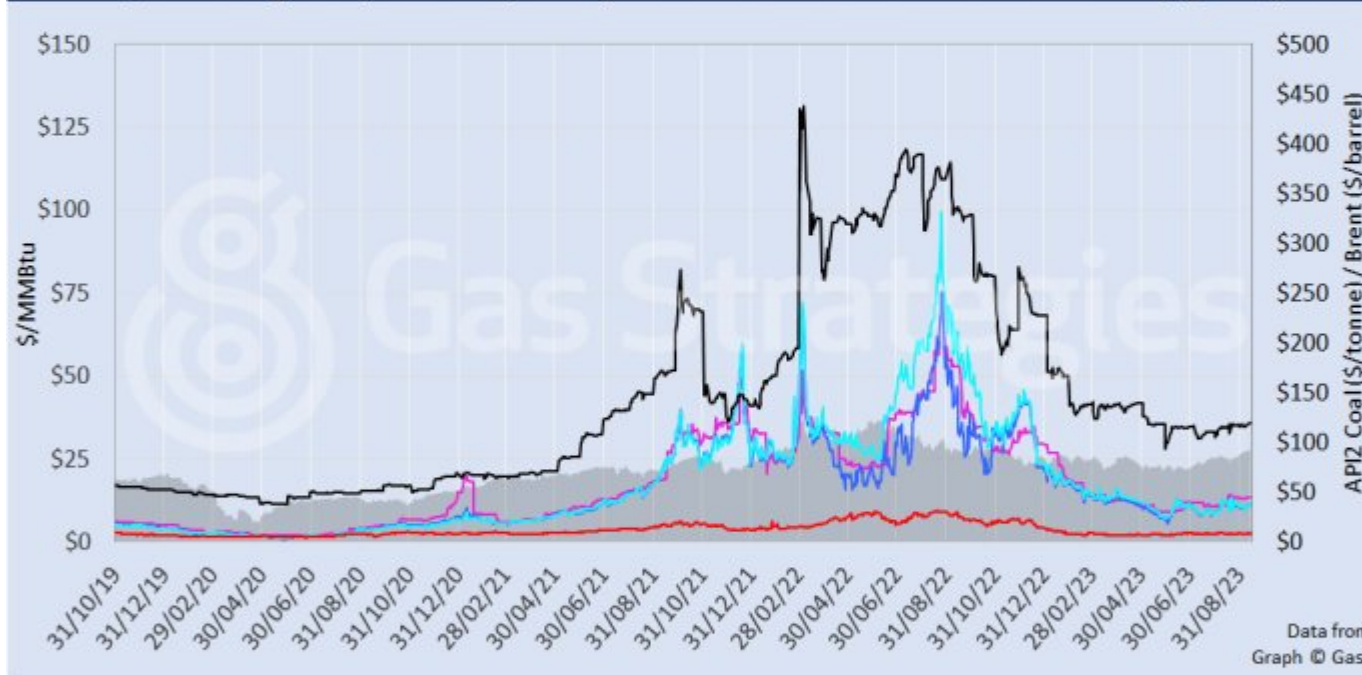
This was mainly due to expected mild winter weather from the El Niño phenomenon and continued production growth, Fitch said.

Crude prices rose on Thursday, with Brent up 2% to USD 93.7/barrel and WTI up 1.9% to USD 90.16/barrel. The price level is the highest this year, as expectations of tighter supply outweighed worries about weaker economic growth and rising US crude inventories.

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

Front-month futures/index	14/09/2023	13/09/2023	Daily +/- (\$)	Daily
Henry Hub (\$/MMBtu)	2.71	2.68	0.03	
NBP (\$/MMBtu)	11.08	11.53	-0.45	
NBP (£p/th)	89.27	92.30	-3.03	
Henry Hub-NBP spread	8.37	8.85	-0.48	
TTF (\$/MMBtu)	11.10	11.58	-0.49	
TTF (€/MWh)	35.52	36.82	-1.30	
Henry Hub-TTF spread	8.39	8.90	-0.52	
JKM (\$/MMBtu)	13.37	13.39	-0.03	
TTF-JKM spread	2.27	1.81	0.46	
Henry Hub-JKM spread	10.66	10.71	-0.05	
Brent (\$/barrel)	93.70	91.88	1.82	
WTI (\$/barrel)	90.16	88.52	1.64	
Brent-WTI spread (\$/barrel)	3.54	3.36	0.18	
API2 Coal (\$/tonne)	120.60	119.60	1.00	
API2 Coal (\$/MMBtu)	4.82	4.78	0.04	
EU CO ₂ emissions allowances (€/tonne)	82.23	82.15	0.08	

US, UK and EU gas hubs, Asian LNG (left axis), API2 coal front-month futures and Brent crude (right axis), since 2019



[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.



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