

# Global & Regional Market Analysis

2020 May

*05/06/2020*



# Stories of the recent weeks

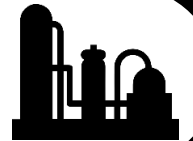
Bearish outlook for the summer based on the futures prices, meanwhile TTF is still cheaper than HH and JKM  
Ongoing discussions about the technical possibility of negative gas prices



Record low DA prices on CEEGEX, 5.72 EUR/MWh reference price on the 23rd of May



High gas storage injections in the EU and shippers are still looking at storing gas in Ukraine, while Hungarian gas storages above 70% with smaller injection rates



Decreasing LNG imports in Europe compared to previous month  
Qatar is building the future, 100 new LNG ships until 2027

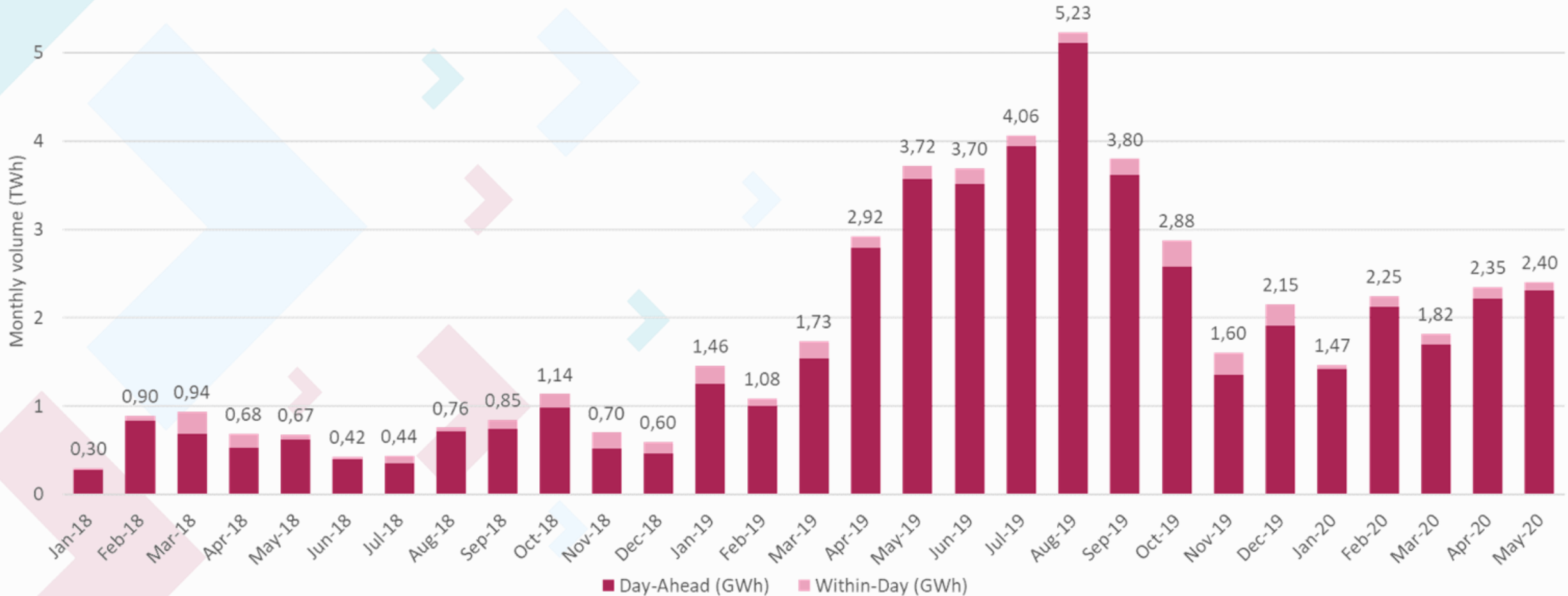


Long term transit agreement between Russia and Poland ended (May 17th)  
Nord Stream 2 exemption was rejected by German regulator



# Spot market monthly volumes of CEEGEX

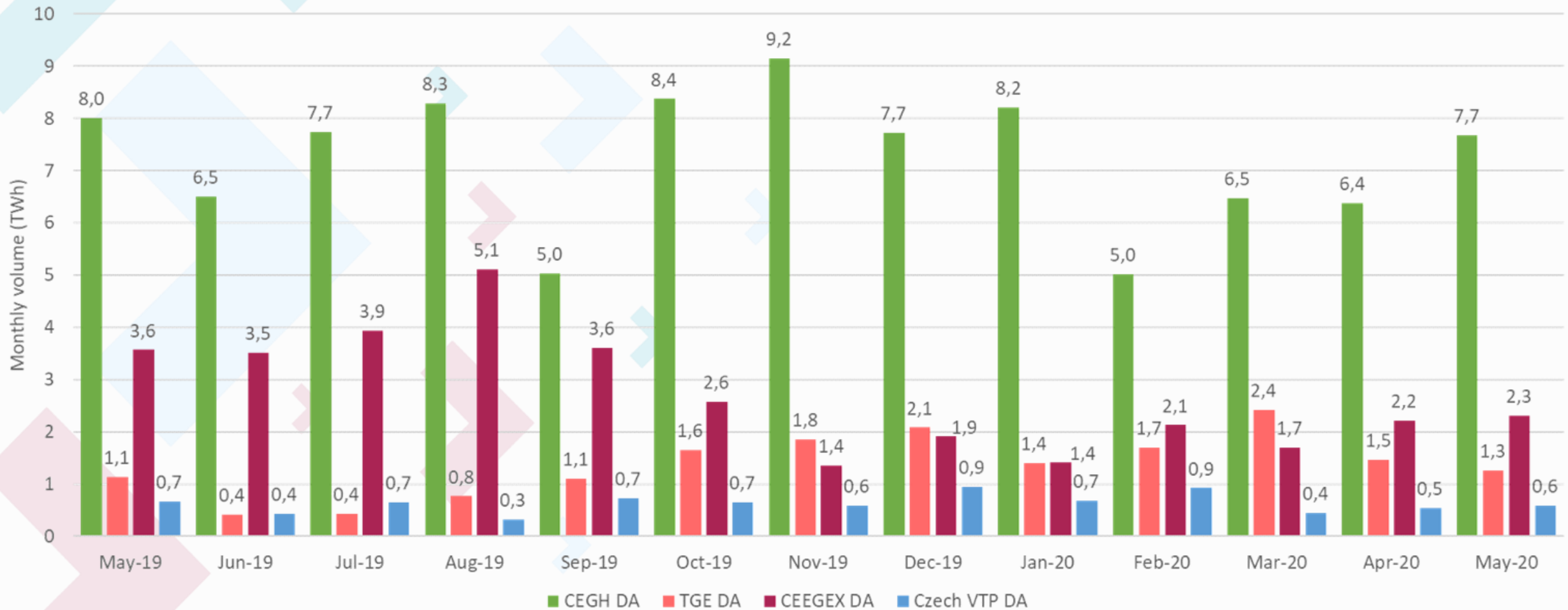
Source: CEEGEX



CEEGEX reached its highest traded volume of 2020 in May with 2.4 TWh, meanwhile the volatility of monthly traded volume decreased and the amount of traded volumes stabilized above 2 TWh since the start of the gas year

# Regional Day-Ahead monthly volumes

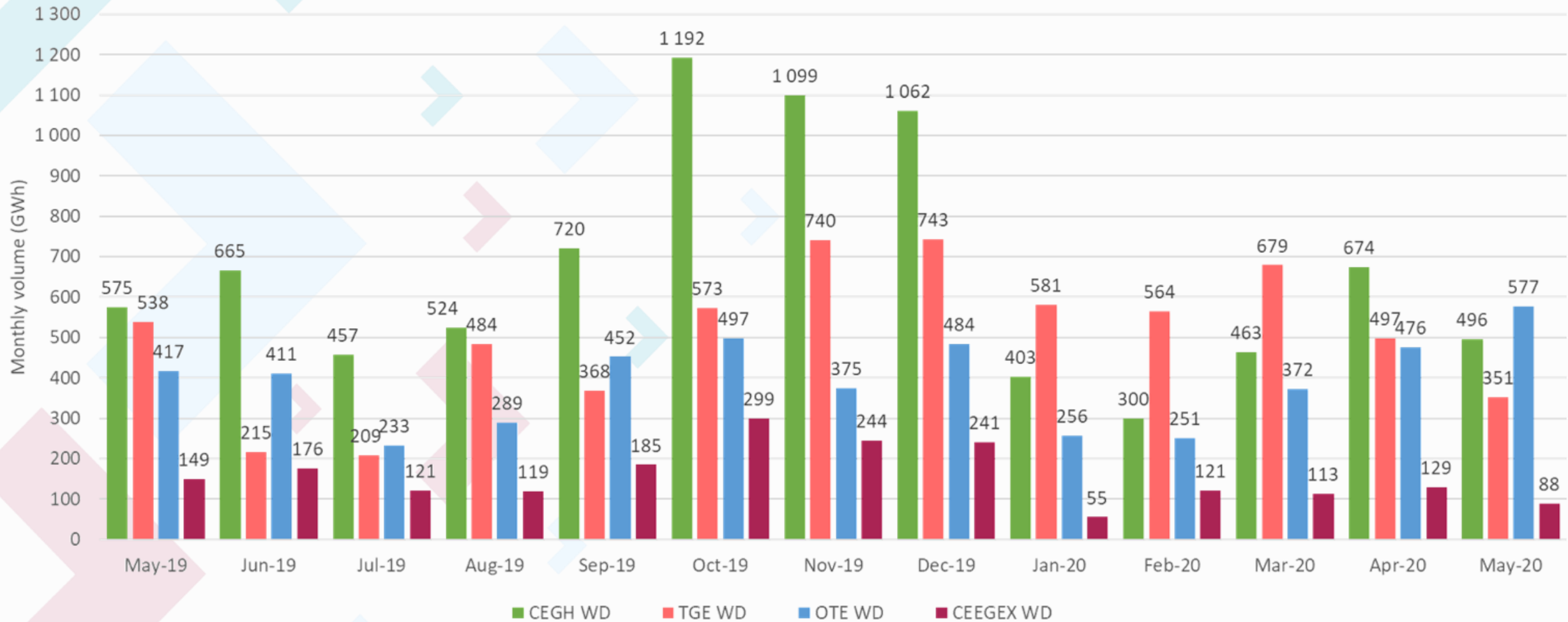
Source: CEGH, TGE, CEEGEX



CEEGEX keeps being stronger than TGE on regional level, meanwhile CEGH reached it's highest month after January in terms of DA traded volumes

# Regional Within-Day monthly volumes

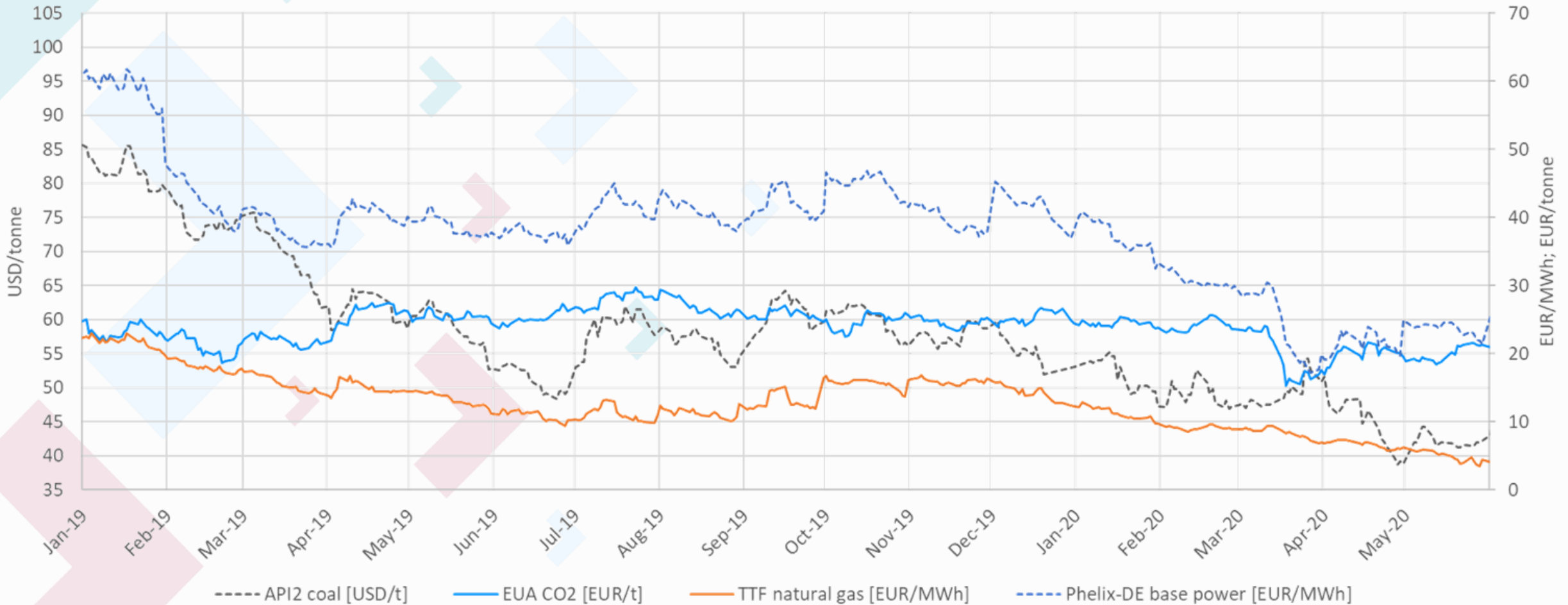
Source: CEGH, OTE, TGE, CEEGEX



In May Within-Day activity in the region was volatile but strong, meanwhile on CEEGEX WD volumes remain under 100 GWh after January again

# European commodity prices

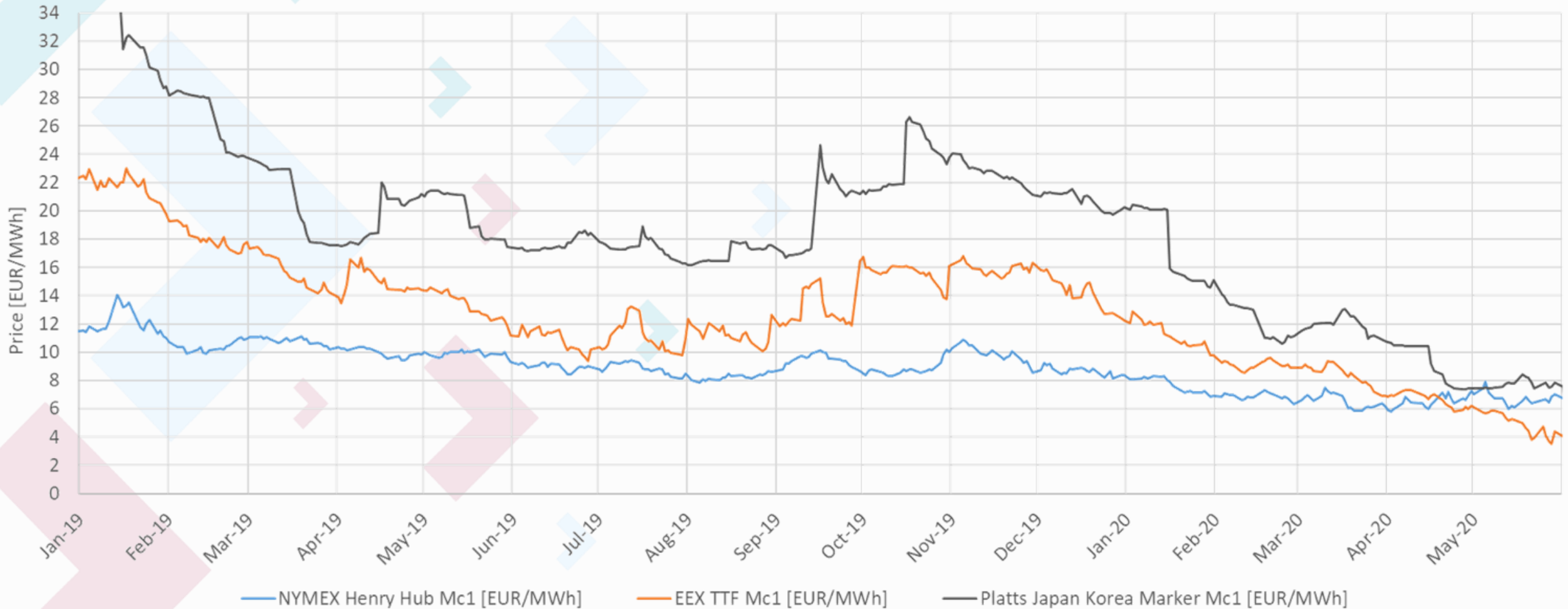
Source: Refinitiv



The EUA CO2 price went back above the 20 EUR/t key level in May, which resulted a smaller correction in the price of electricity as not just natural gas, but coal is at multi-year lows, the latter suffered only a temporary increase

# Global natural gas prices

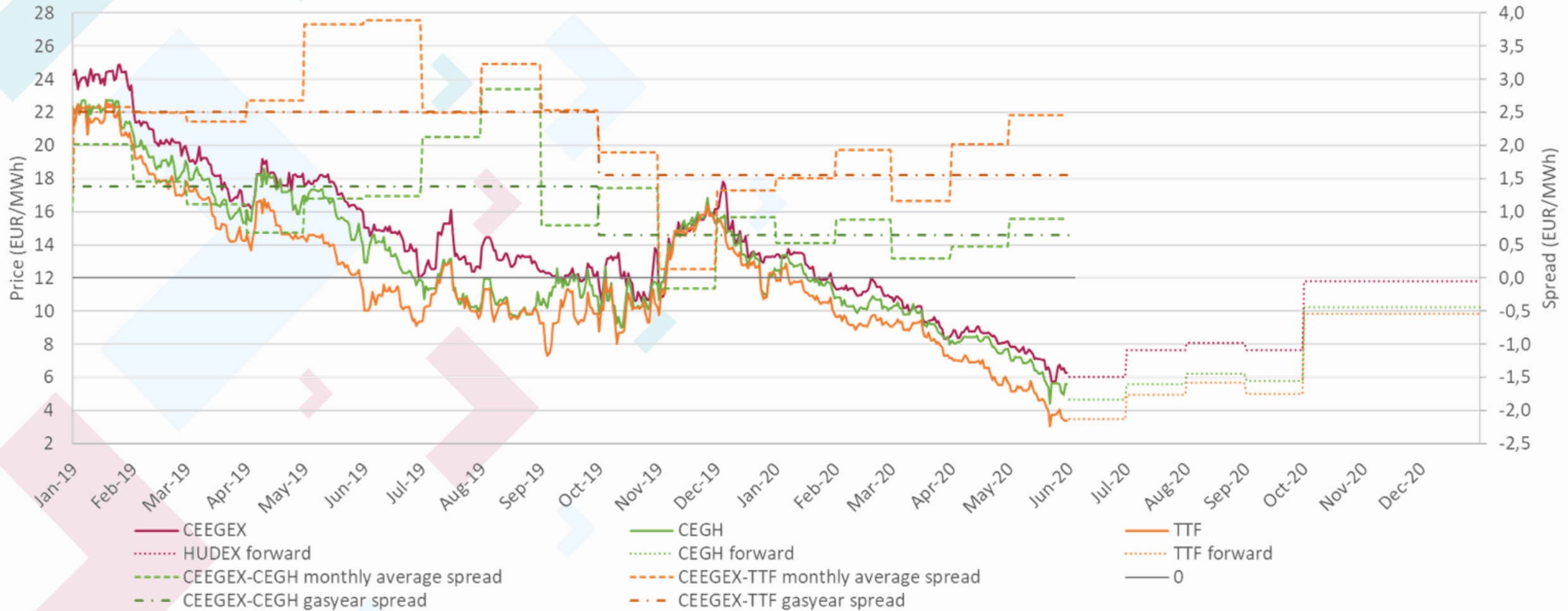
Source: Refinitiv



The European gas prices crossed the US gas prices without correction in the second half of April, and even the Asian gas prices were temporary cheaper, thus front month settlement prices indicate this trend will continue in June

# Hungarian and benchmark spot gas prices

Source: EEX, Refinitiv, CEEGEX



In May spot prices fell to new historic lows with CEEGEX DA already traded at 5 EUR/MWh and TTF DA traded at 1.5 EUR/MWh, meanwhile the CEEGEX-TTF and CEEGEX-CEGH premium widened. Future settlement prices indicate only a moderate price rebound in the upcoming months



# Technical analysis of Hungarian gas price

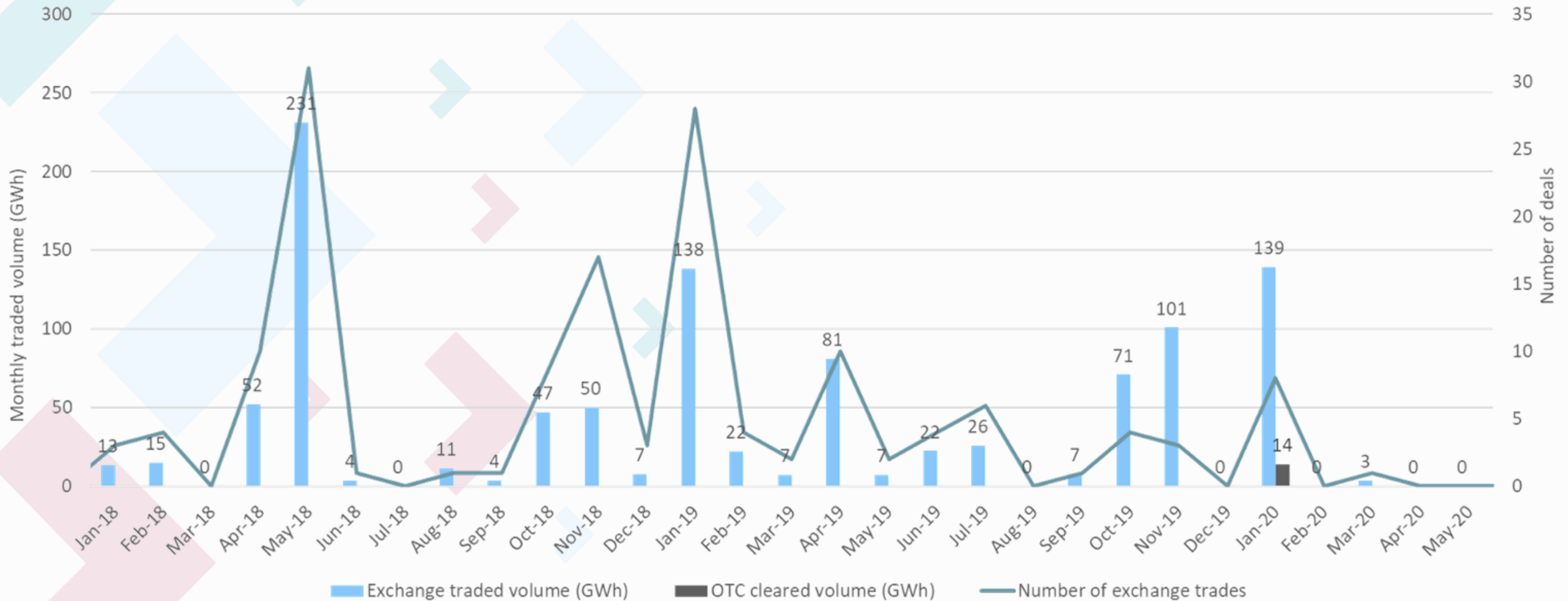
Source: CEEGEX



The spread between MA-100 and the gas price is smaller and less volatile than in H1 2019, while MA-20 serves as a stable upper limit for gas prices since January, which technical limit was supported by less volatility of intraday price movements

# HUDEX Natural Gas Segment

Source: HUDEX



Since the pandemic caused shut downs all around Europe, the futures product demand has been ceased. In May there was zero activity on the HUDEX Natural Gas segment