

# Global & Regional Market Analysis

Natural Gas

October 2019

*01/11/2019*



# Stories of the recent weeks

Bearish gas prices in the WE and in the region, mild weather and security of supply Europe keeps the market calm



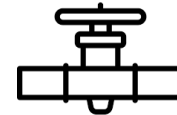
High LNG supply from Qatar and Russia, vessels just floating in front of the port and slowly making their way to discharge



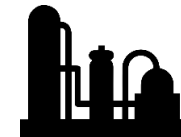
Hungarian gas production could start in the Szandaszőlős area after successful exploration



Denmark gave the go-ahead to the Nord Stream 2 gas pipeline

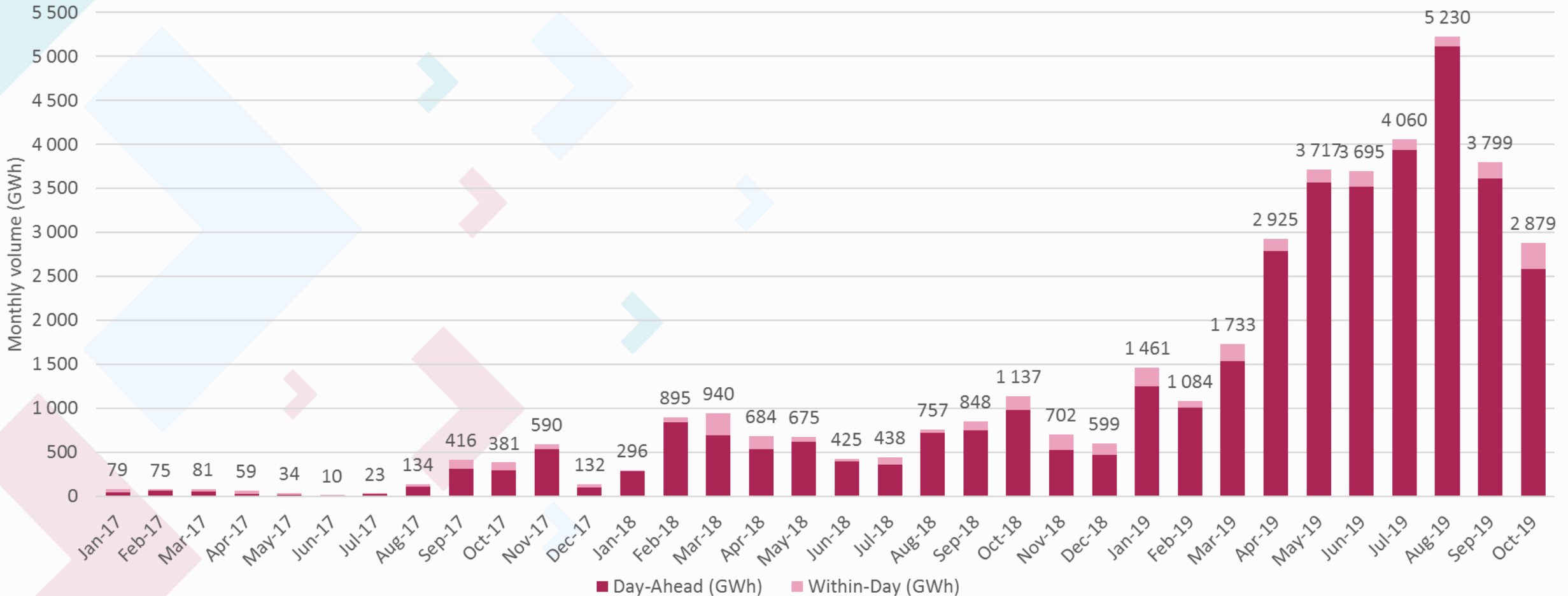


Withdrawal from storages has started, only from two smaller storages, Zsana will start in mid November after a planned maintenance



# Spot market monthly volumes of CEEGEX

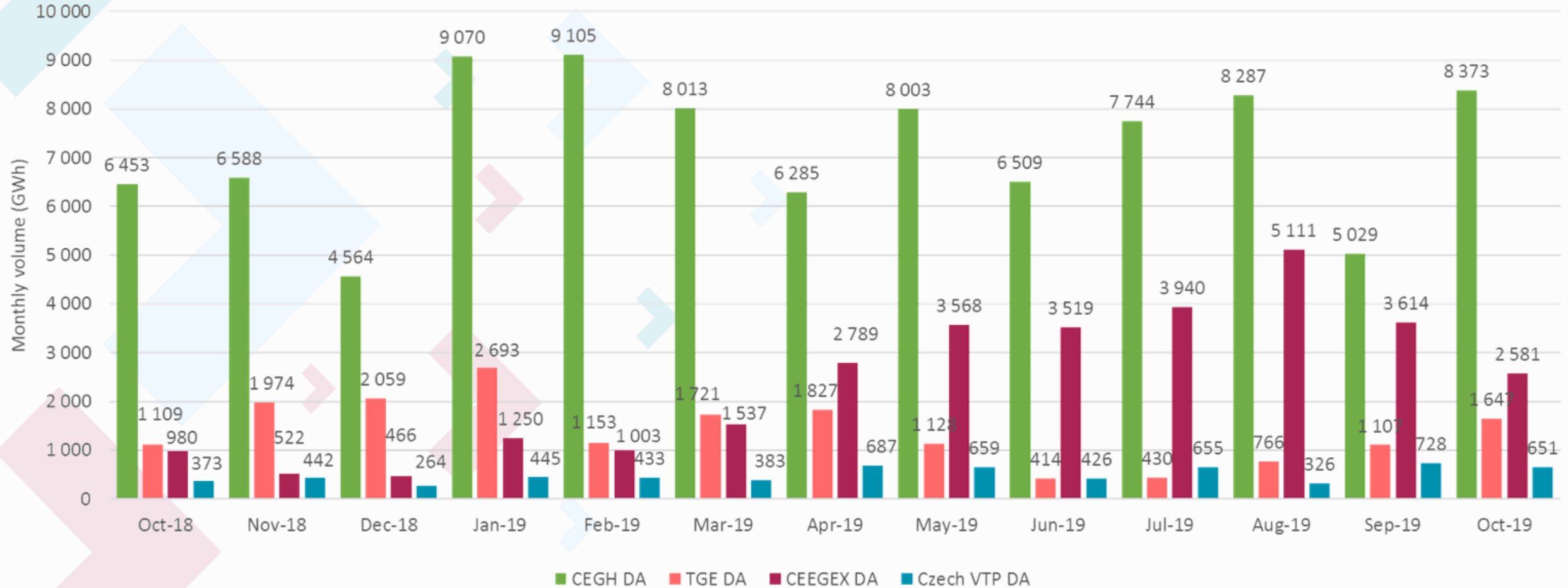
Source: CEEGEX



The traded volume of CEEGEX is dropping for 2 months in a row due to seasonal effects and membership terminations, however the growth is still huge year-on-year (+250%)

# Regional Day-Ahead monthly volumes

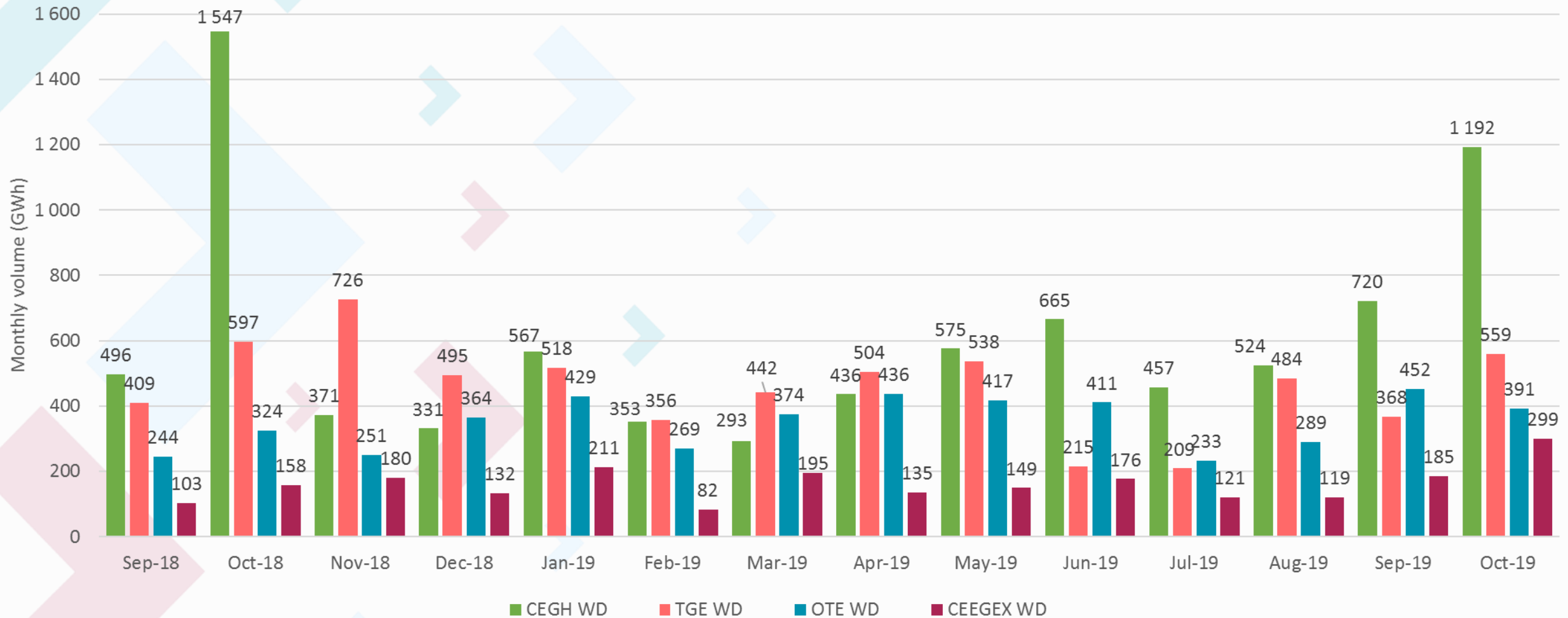
Source: CEGH, TGE, CEEGEX



While CEEGEX volumes are falling, CEGH realized a huge increase in liquidity and TGE volumes also grew in October compared to last months

# Regional Within-Day monthly volumes

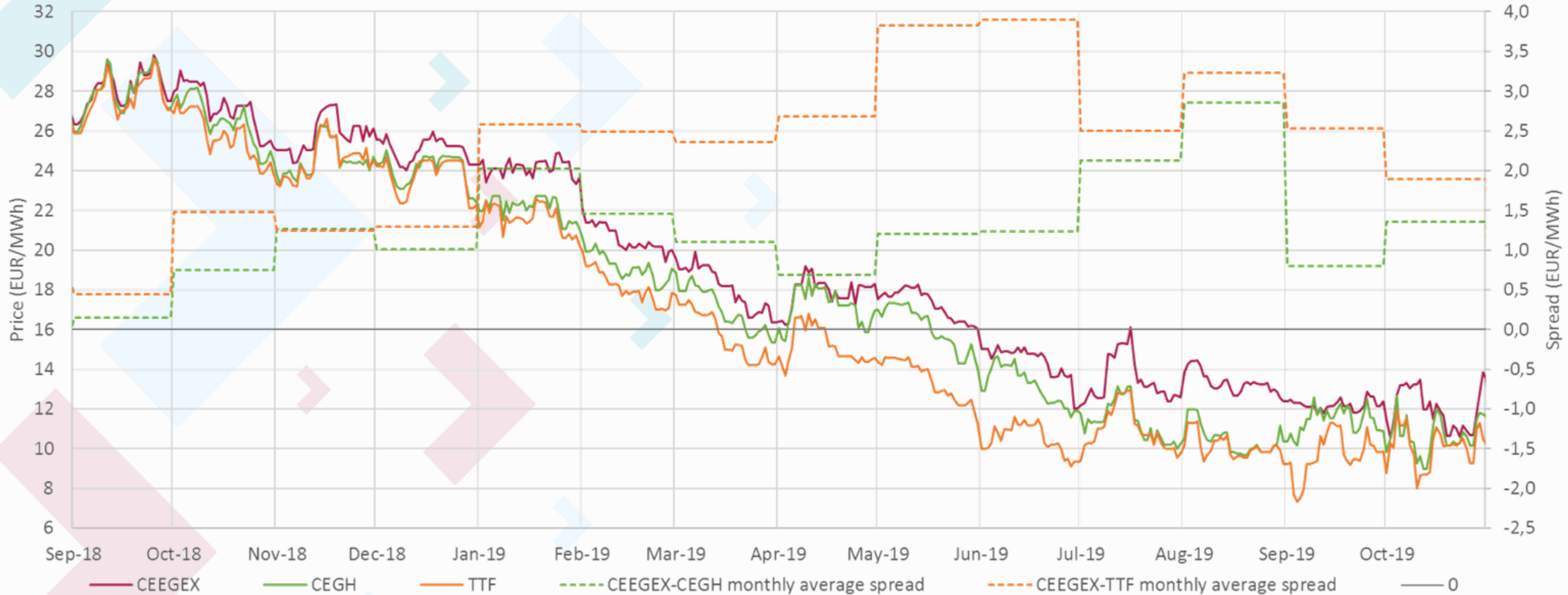
Source: CEGH, TGE, CEEGEX



CEEGEX Within-Day volumes grew in September and broke a record in October (~300 GWh), trading became common on almost every day on the Within-Day segment

# Hungarian and benchmark spot gas prices

Source: PEGAS, CEEGEX



CEEGEX-CEGH spread slightly increased in October to a monthly average of 1.2 EUR/MWh, while the spread fluctuated on a daily basis. With the storage withdrawal still waiting for the prices correlated through Europe

# Hungarian and Polish spot gas prices

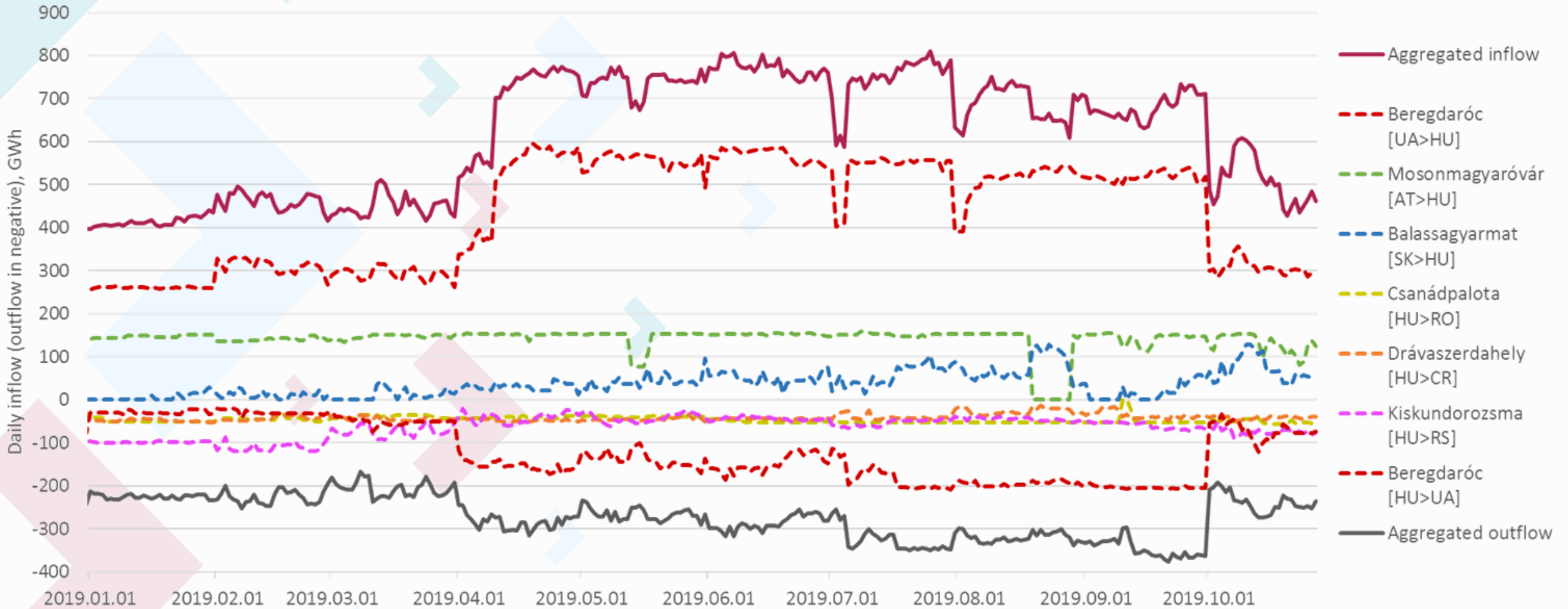
Source: TGE, CEEGEX



TGE used to be cheaper than CEEGEX this year, however the spread is around 1 EUR/MWh, thus apparently the market potential is low for Polish traders to join the Hungarian market

# Gas flows on Hungarian cross-border points

Source: FGSZ IP

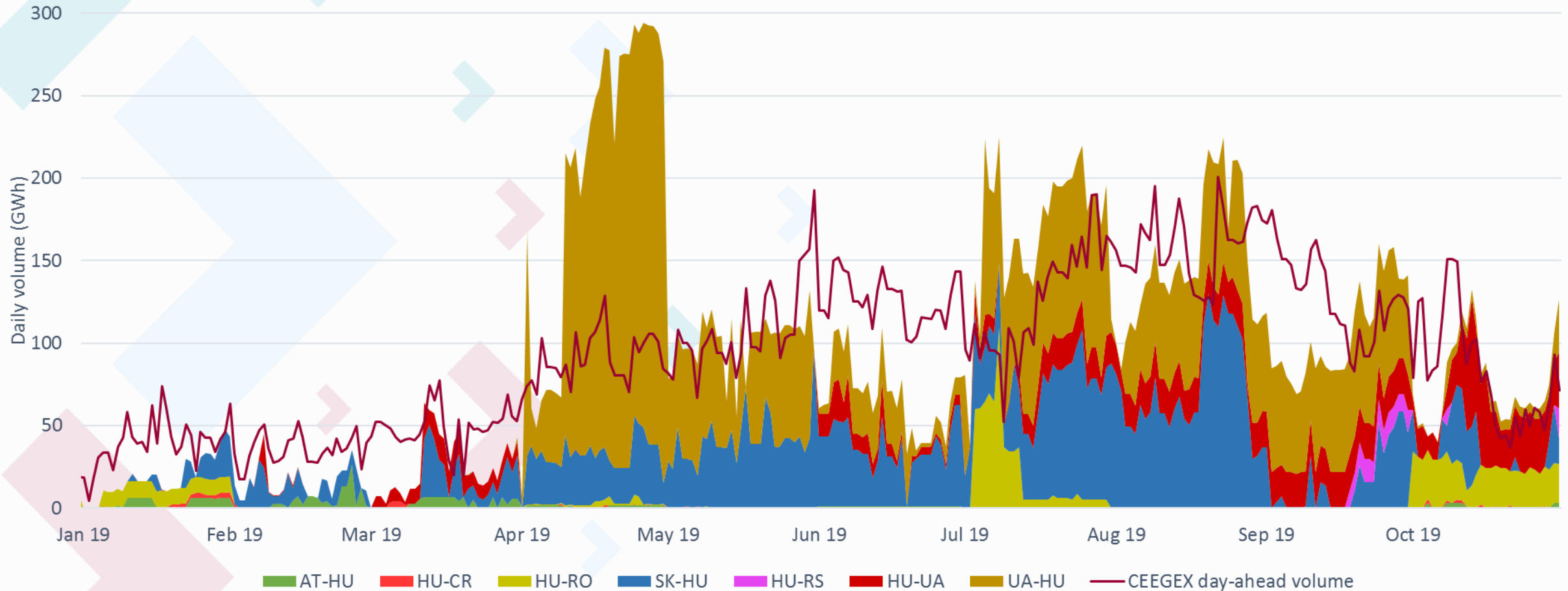


With the storages being full the Ukrainian gas flows halved, while the AT>HU and SK>HU import flows and southern export flows remained more stable



# Allocated Day-ahead capacities and CEEGEX DA volume

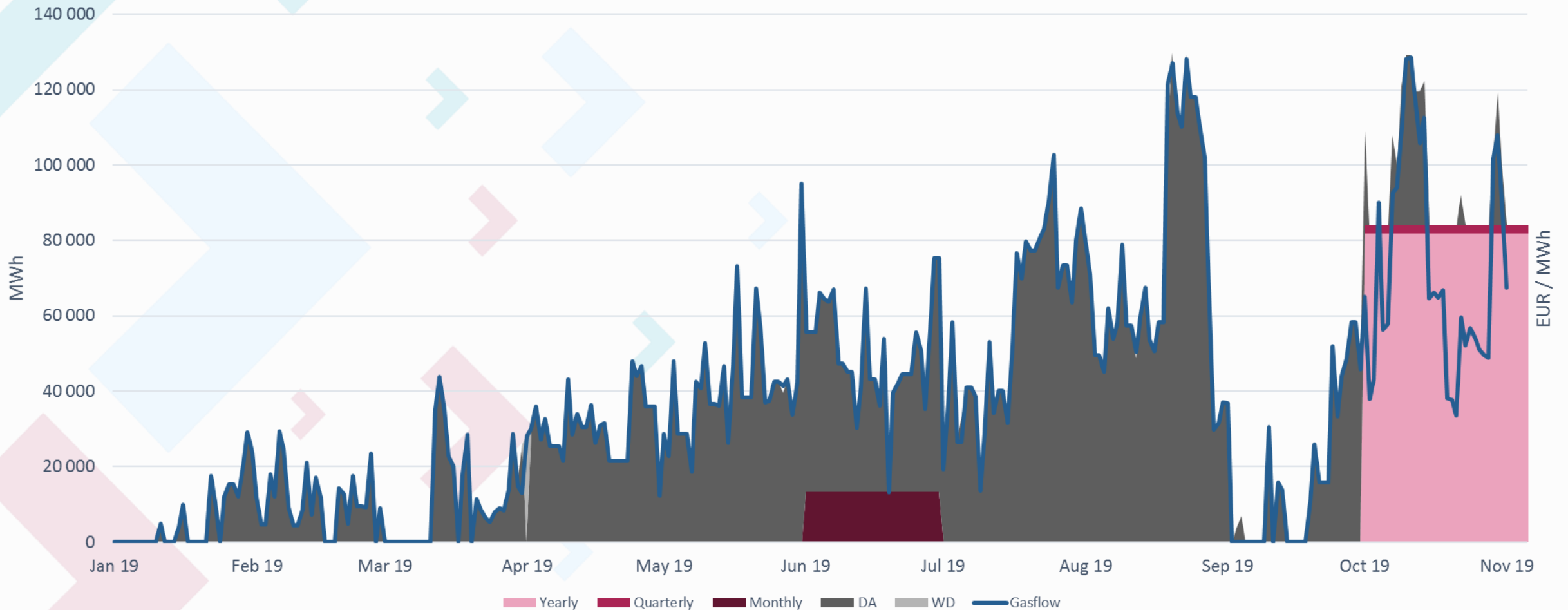
Source: FGSZ IP,  
FGSZ RBP, CEEGEX, CEGH



The total amount of Day-Ahead capacities allocated in October remarkably decreased in line with CEEGEX DA volumes, which means that traders weren't as active on spot the market in last month

# Capacity bookings on SK>HU interconnector

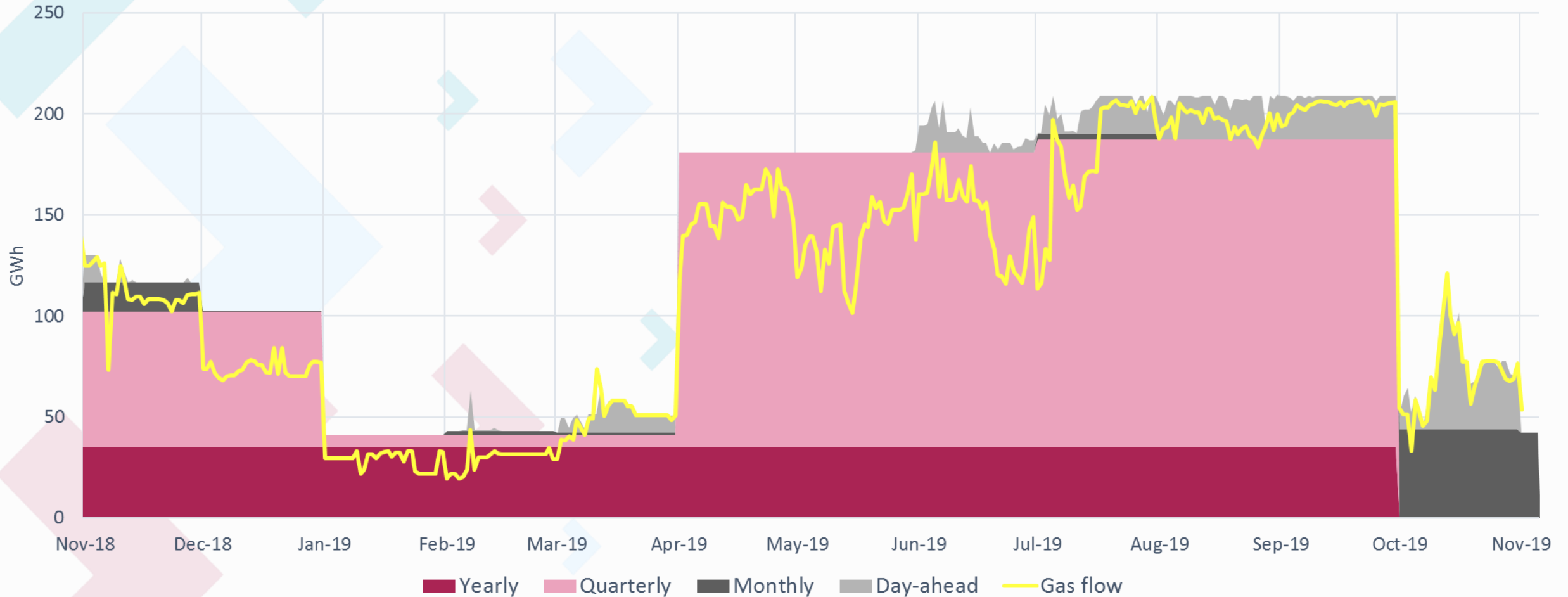
Source: FGSZ IP, FGSZ RBP, CEEGEX, CEGH



In the first weeks of October the Slovakian import flows were at record high level due to favorable spreads between Slovakia and MGP and expected to stay high as a great amount of capacity is allocated for the gas year

# Capacity bookings on HU>UA interconnector

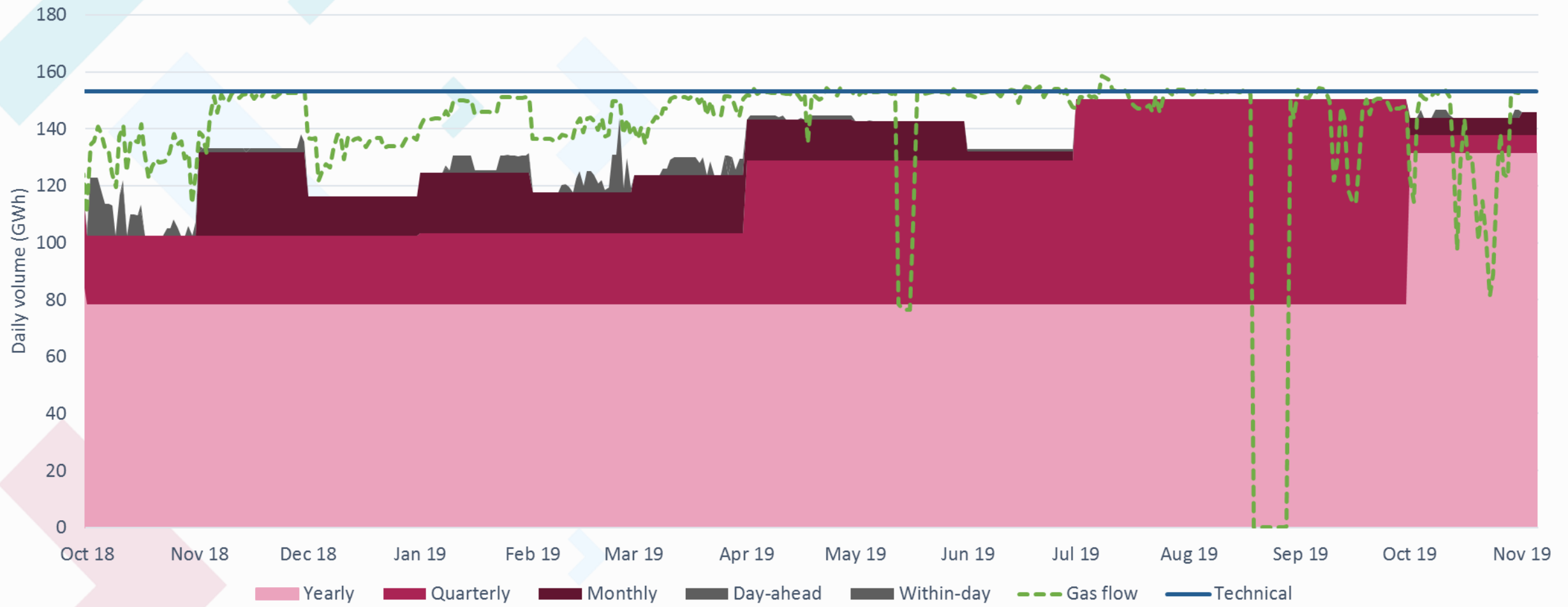
Source: FGSZ IP, FGSZ RBP



The export to Ukraine decreased significantly in October as the fulfillment of storage facilities are on record high level in Ukraine

# Capacity bookings on AT>HU interconnector

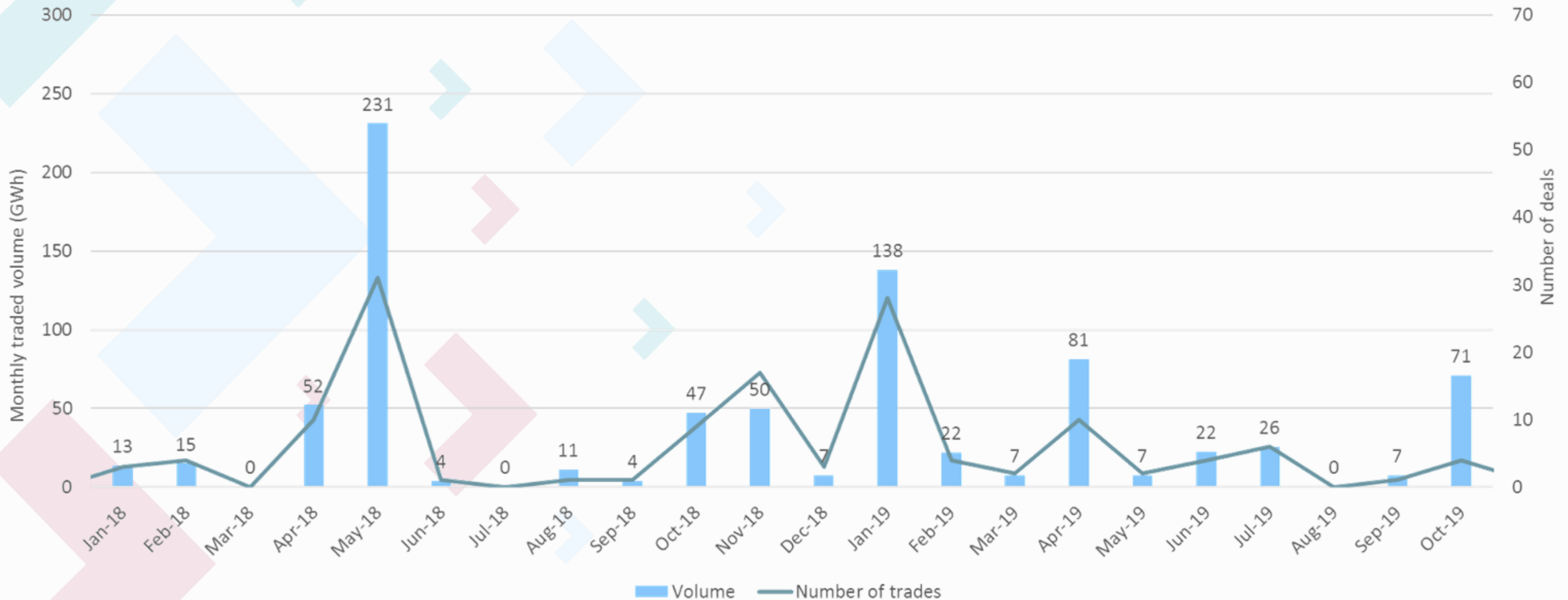
Source: FGSZ IP, FGSZ RBP



Import flows fluctuated from Austria due to unfavorable spread between CEGH and CEEGEX. On the other hand there were no available Day-ahead capacities for traders to optimize their portfolio on the spot market

# HUDEX Natural Gas Segment

Source: HUDEX

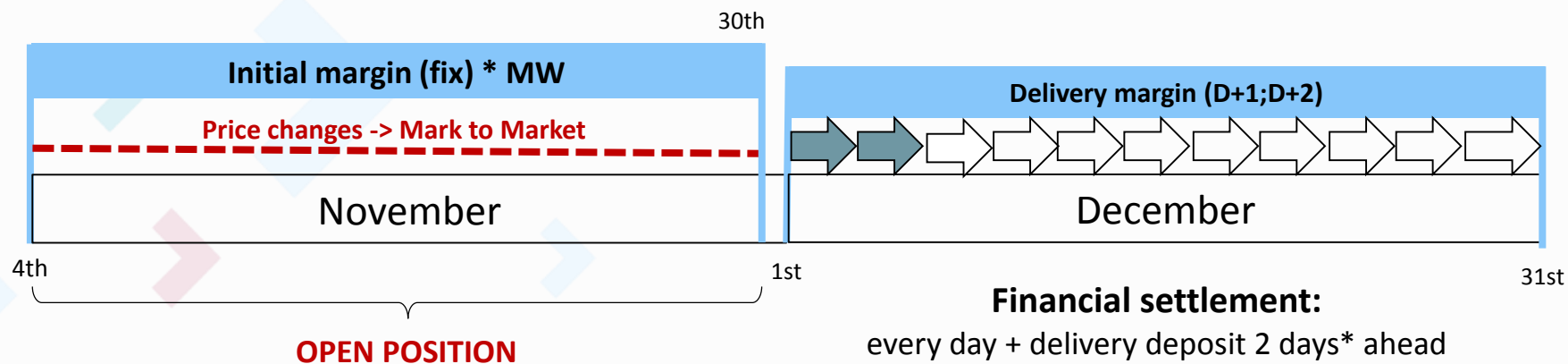


HUDEX traded volume on the Natural Gas Segment grew in October after the introduction of new products: Balance-of-Month, Seasonal, Yearly

# HUDEX Gas Monthly and BoM margin elements

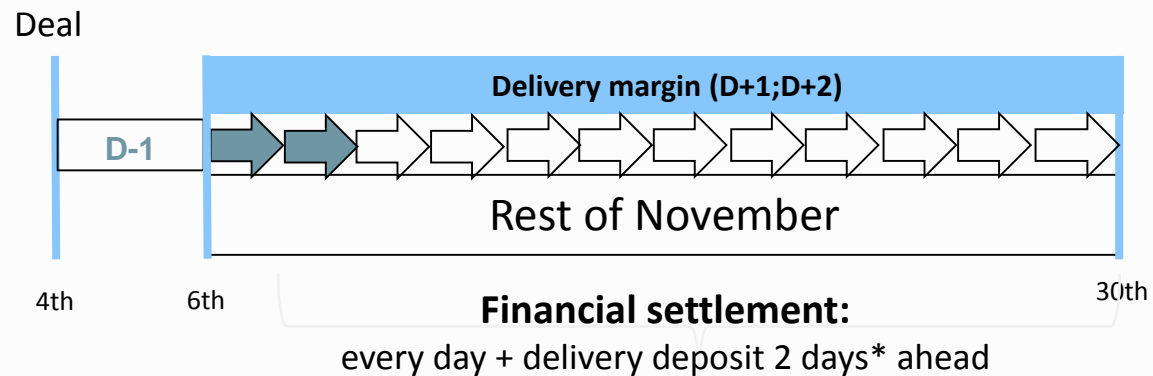
Source: HUDEX, KELER CCP

**Dec – 19**  
(Monthly)



**BoM 6 Nov – 19**  
(Balance of Month)

**NO OPEN POSITION**  
=  
**NO INITIAL MARGIN**



\*Business days, in case of non-business days the delivery deposit is higher with every non-business day.