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[1]

It was a bullish start to the week for gas prices globally, with Europe's gas benchmarks continuing to climb as an anticipated increase in Russian flows on Monday failed to materialise.

The front-month UK NBP contract settled at the equivalent of USD 27.52/MMBtu, up by USD 1.69/MMBtu or 6.5% on the day, though it remained well below this year's highest price of USD 40.10 MMBtu recorded on 5 October, the bullish sentiment tempered by warmer-than-average temperatures in the UK at the start of the week.

The Dutch TTF closed Monday at USD 26.86/MMBtu, rising 7.2% day on day, but again it remained below this year's highest settlement of USD 39.47/MMBtu on 5 October.

Europe's markets were hoping for additional volumes of gas to be injected by Gazprom into German and Austrian storage on Monday, but this does not appear to have happened, trading sources told Gas Matters Today. As a result, concerns persist over the continent's ability to meet gas demand this coming winter, with European storage only 75.4% full on 7 November compared to 94% a year earlier, Gas Infrastructure Europe data shows.

The Asian JKM LNG market also posted gains on Monday, closing at USD 32.15/MMBtu, a 1.7% day-on-day increase, driven by wintry weather and snowfall in north-east China and South Korea. Its premium over the TTF was reduced by USD 1.27/MMBtu, but remained above USD 5/MMBtu.

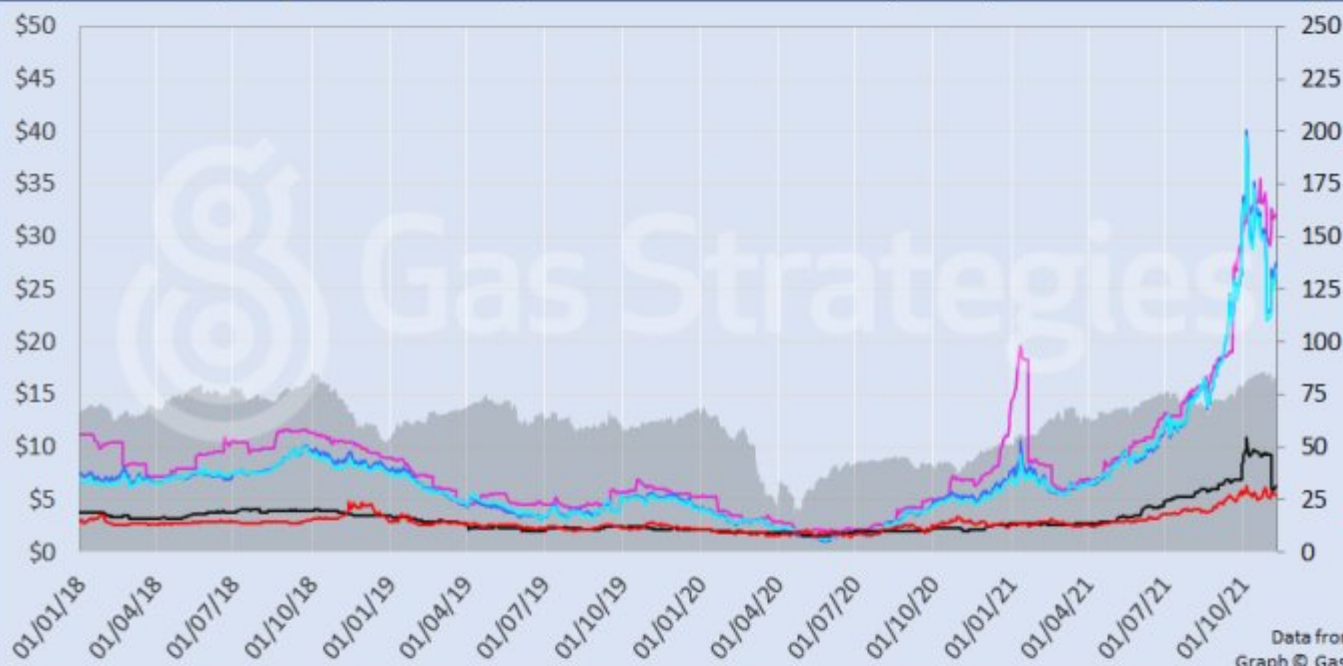
An exception to Monday's bullish sentiment was the Henry Hub gas price, which fell marginally by 20

cents to USD 5.43/MMBtu, as gas production the lower 48 US ramped up and key demand centres were warm for this time of year, with 24 degrees Celsius anticipated for Houston on Tuesday and 21 degrees Celsius for both Washington DC and New York.

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

Front-month futures/index	08/11/2021	05/11/2021	Daily +/- (\$)	Daily
Henry Hub (\$/MMBtu)	5.43	5.62	-0.20	
NBP (\$/MMBtu)	27.52	25.83	1.69	
NBP (£p/th)	202.90	191.43	11.47	
Henry Hub-NBP spread	22.09	20.21	1.88	
TTF (\$/MMBtu)	26.86	25.07	1.79	
TTF (€/MWh)	79.07	74.03	5.05	
Henry Hub-TTF spread	21.44	19.45	1.99	
JKM (\$/MMBtu)	32.15	31.62	0.53	
TTF-JKM spread	5.28	6.55	-1.27	
Henry Hub-JKM spread	26.72	26.00	0.72	
Brent (\$/barrel)	83.43	82.74	0.69	
WTI (\$/barrel)	81.93	81.27	0.66	
Brent-WTI spread (\$/barrel)	1.50	1.47	0.03	
API2 Coal (\$/tonne)	158.00	148.00	10.00	
API2 Coal (\$/MMBtu)	6.32	5.92	0.40	
EU CO ₂ emissions allowances (€/tonne)	59.39	59.39	0.00	

US, UK and European gas hubs, Asian LNG, API2 coal front-month futures (left axis) and Brent crude (right axis), since 1 Jan 2018



US, UK and EU gas hubs, Asian LNG, API2 coal front-month futures (left axis) and Brent crude (right axis), since 1 Jan 2018



[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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