



UKRAINIAN AND EUROPEAN GAS MARKET NAVIGATOR (JANUARY 2023)

Gas prices at the Dutch hub TTF, \$ per thousand cm

The average natural gas spot price in January was 29.766 EUR/MWh (\$345, or UAH 13 049 per thousand cm).

The average futures gas price at the TTF hub (Month-Ahead), excluding the last day, was 29.897 EUR/MWh (\$346, or UAH 13 106 per thousand cm).

Throughout the month, gas prices in Europe decreased, influenced by the injection levels of gas storages and stable supplies by pipeline and LNG.

The results of natural gas trading on the Ukrainian Energy Exchange

Over the month, 33.8 million cm of gas were sold on the UEEX at an average weighted price of UAH 12 187 per thcm (net of VAT, on all payment terms, in GTS and UGS). 83% of the resource was sold in storages, and 17% - in GTS.

Apart from Naftogaz Trading, Ukrnafta also successfully participated in the trading, offering to sell the February resource in the GTS at the end of the month.

Altogether, over the last 13 months, 1.363 bcm of gas has been successfully sold on the exchange (excluding GMU).

Filling rates of European underground gas storages, billion cm

The EU plans to end the heating season with more than half of its UGSs filled, indicating good dynamics in diversifying supplies amidst a sharp reduction of resources from the aggressor country.

The European Commission expects that this year states will remain on a trend of voluntarily reducing gas demand by 15%.

Ukrainian storages are a reliable place for European gas. The government has announced an ambitious plan to become Europe's «gas safe», offering non-residents up to 10 bcm of UGS's capacities.

Volumes of Russian gas transit via Ukraine, million cm

2024 is the final year of the contract for the transit of Russian gas to Europe. Ukraine does not intend to negotiate with Russia on extending it, however, as reported at CMU, we can discuss the use of our GTS with an EU member country.

In January, Ukraine received 22.2 million cm, all supplied by Hungary. This is 16 times less than in January last year. It is worth mentioning that current year Ukraine is successfully undergoing the heating season without imported gas.

In January, Gazprom delivered 1.29 bcm, or 38% of the contracted volume. This is 32% more than last year, but 22% less than in 2022 and 67% less compared to January 2021.

