

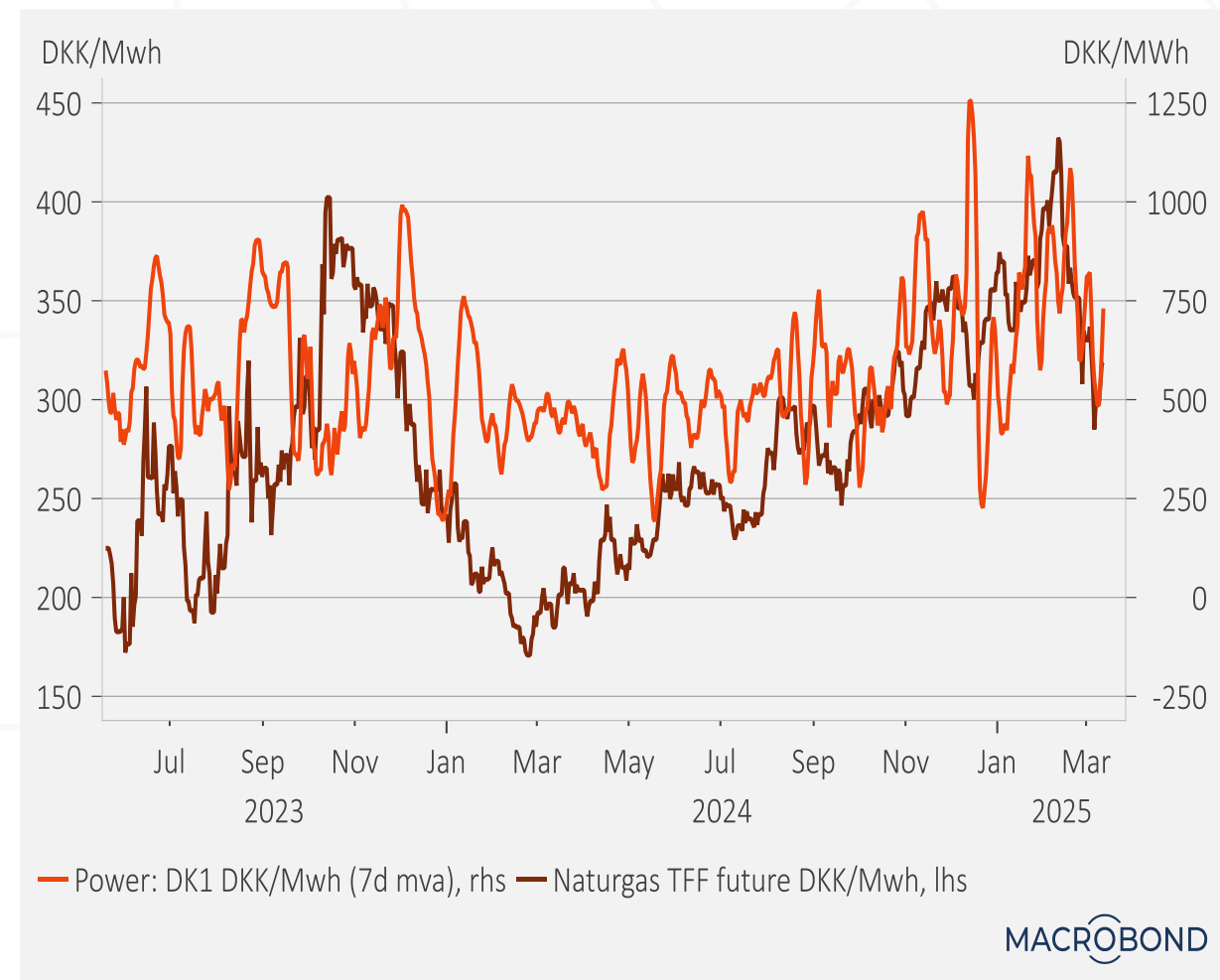
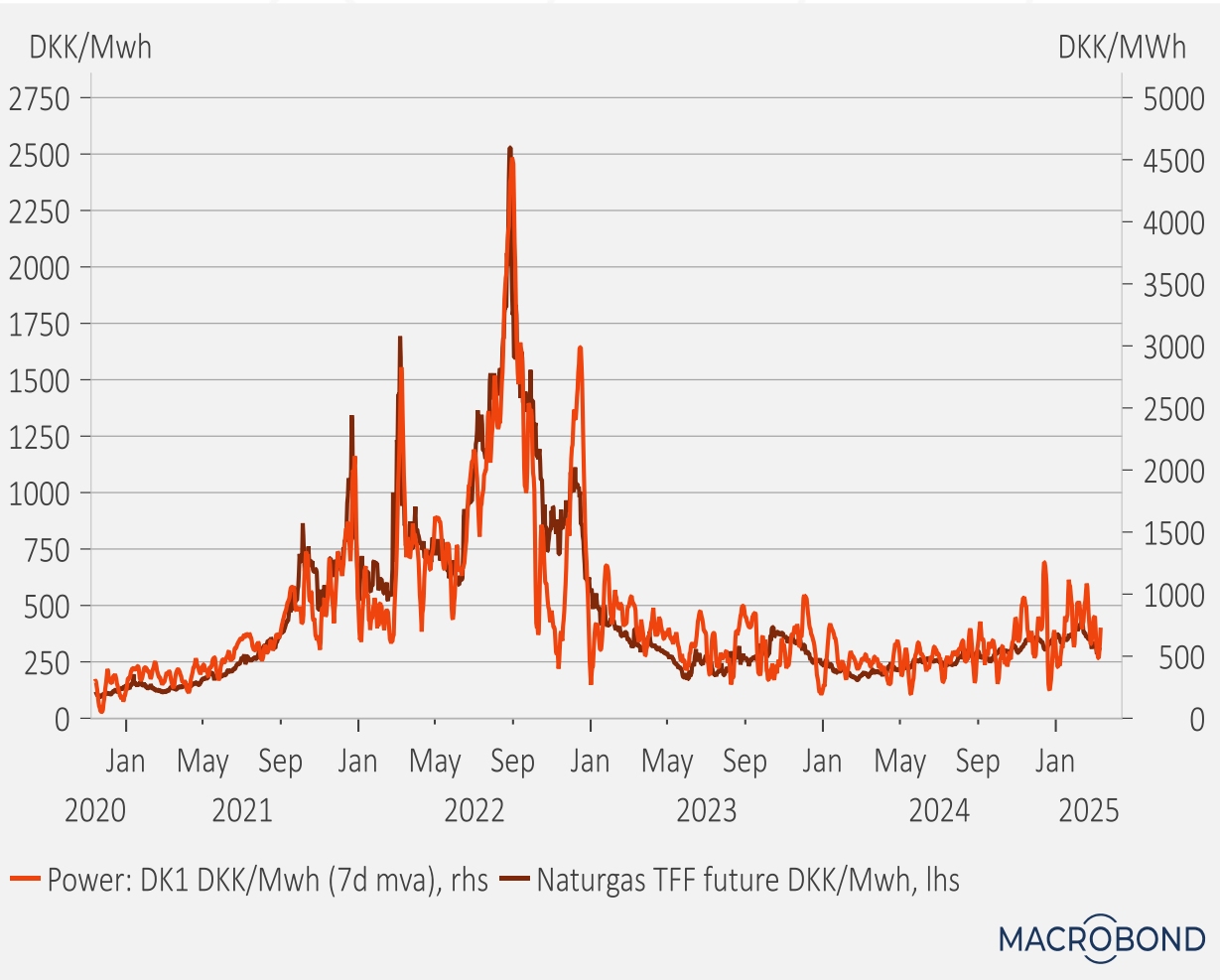


Natural gas: European gas markets impact on power markets

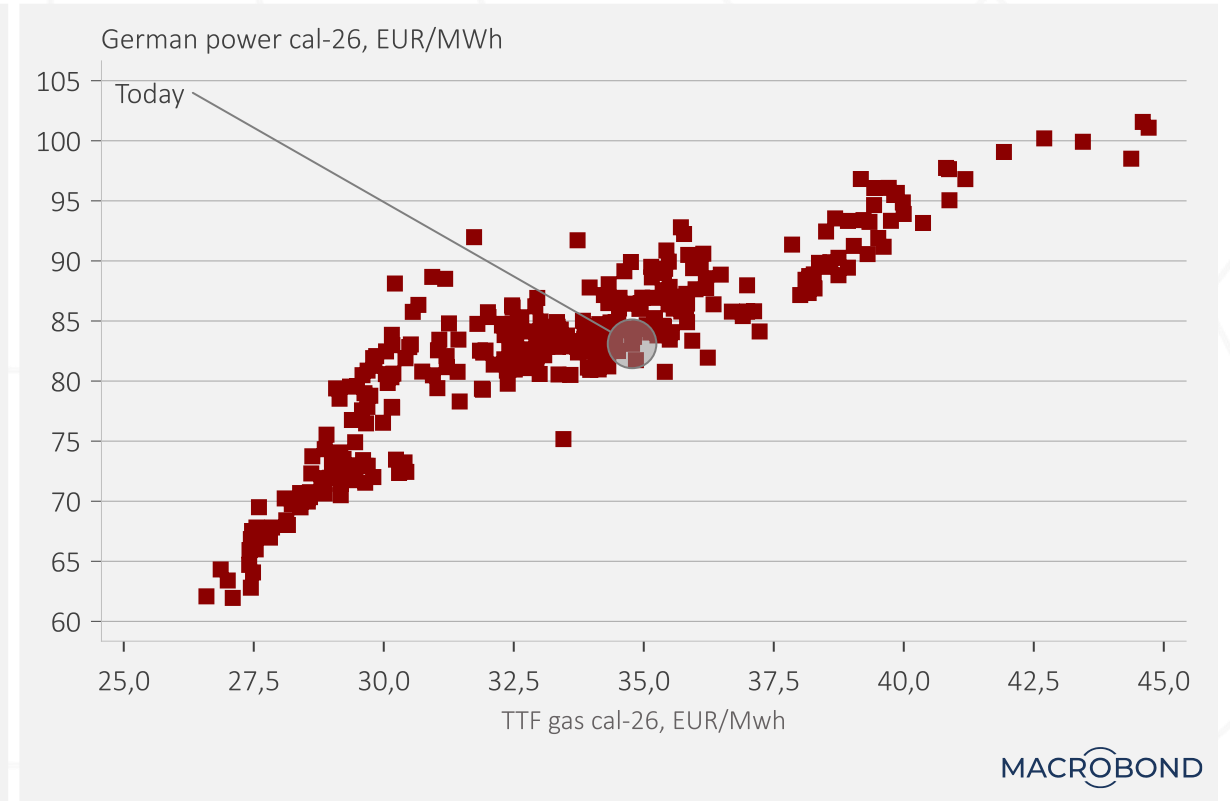
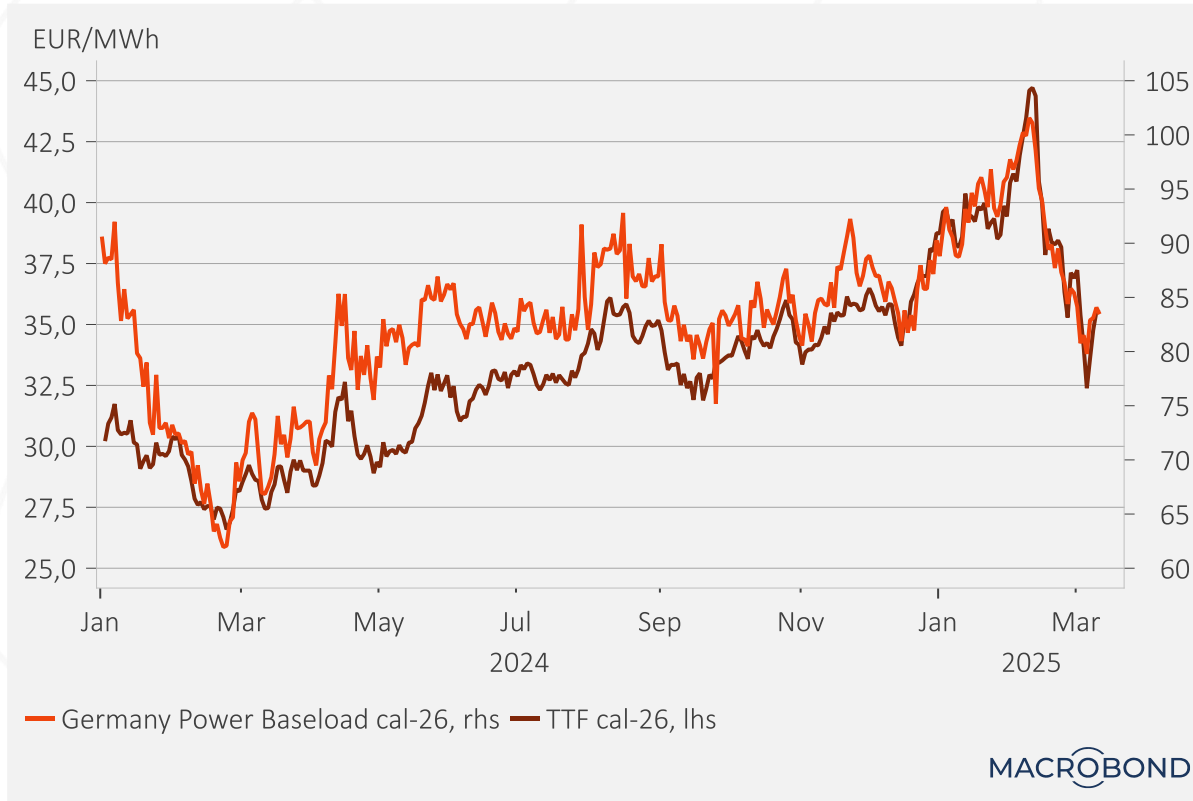
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March 13, 2025

Still high correlation between power and natural gas prices

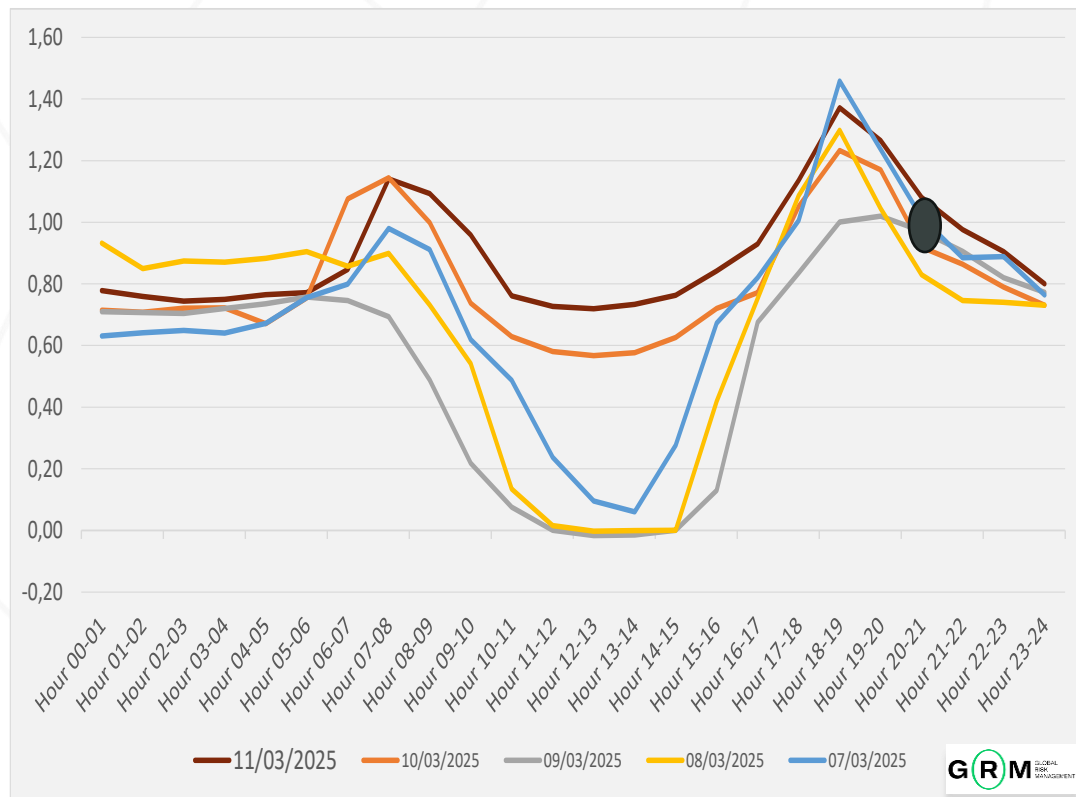


Notably, if we look at the forward market (calendar 2026)



But the impact from gas will be smaller as more and more renewables are introduced in the power mix

The famous duck curve is back



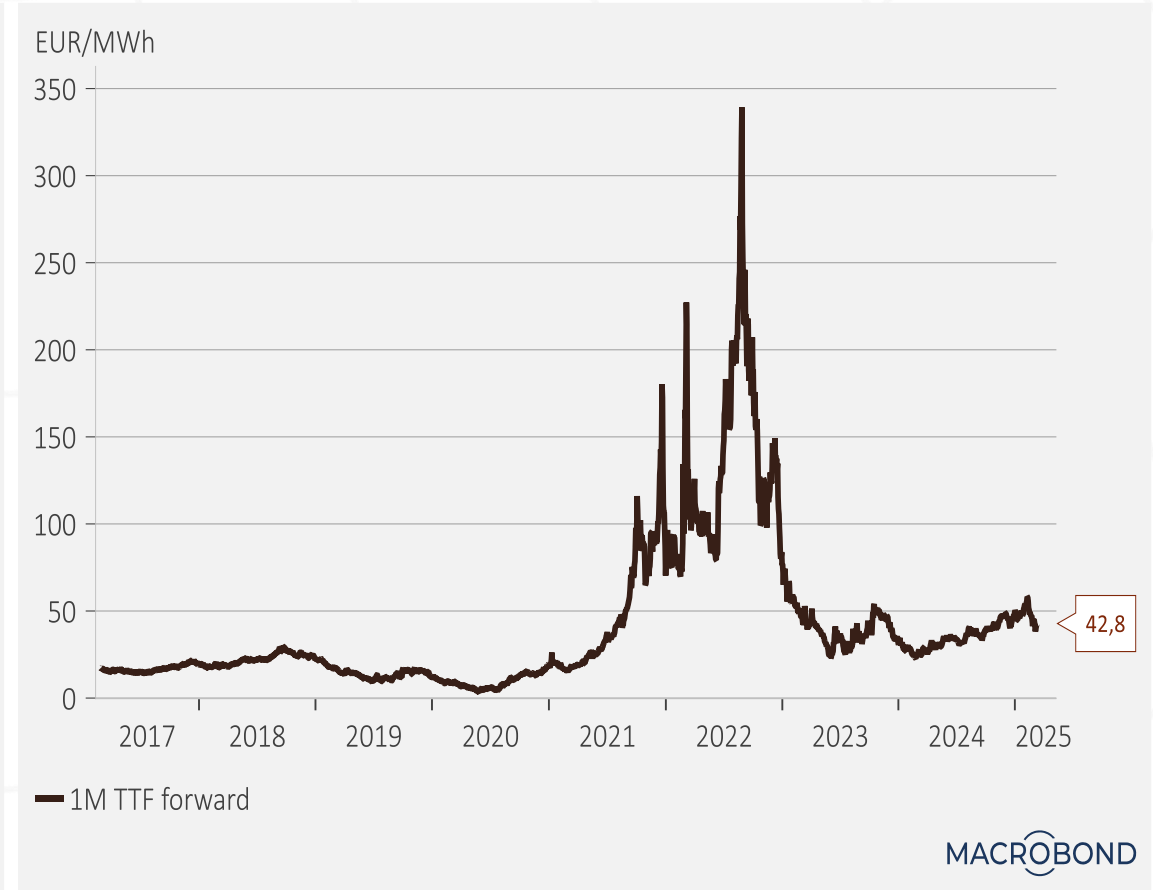
Unless we have "dunkelflaute"

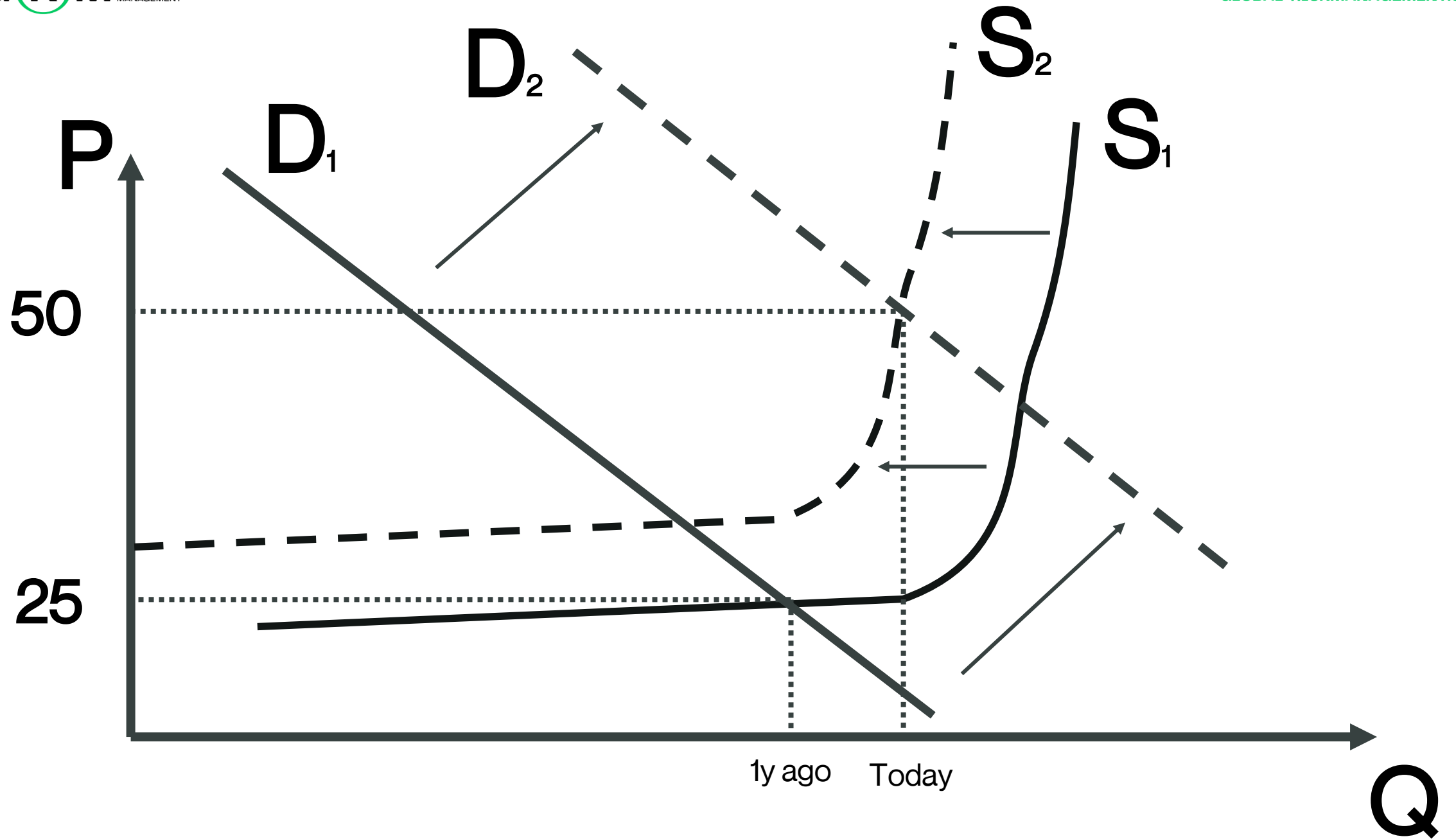


Remember: Structural growth in power demand!

Let's take a closer look at the TTF gas price

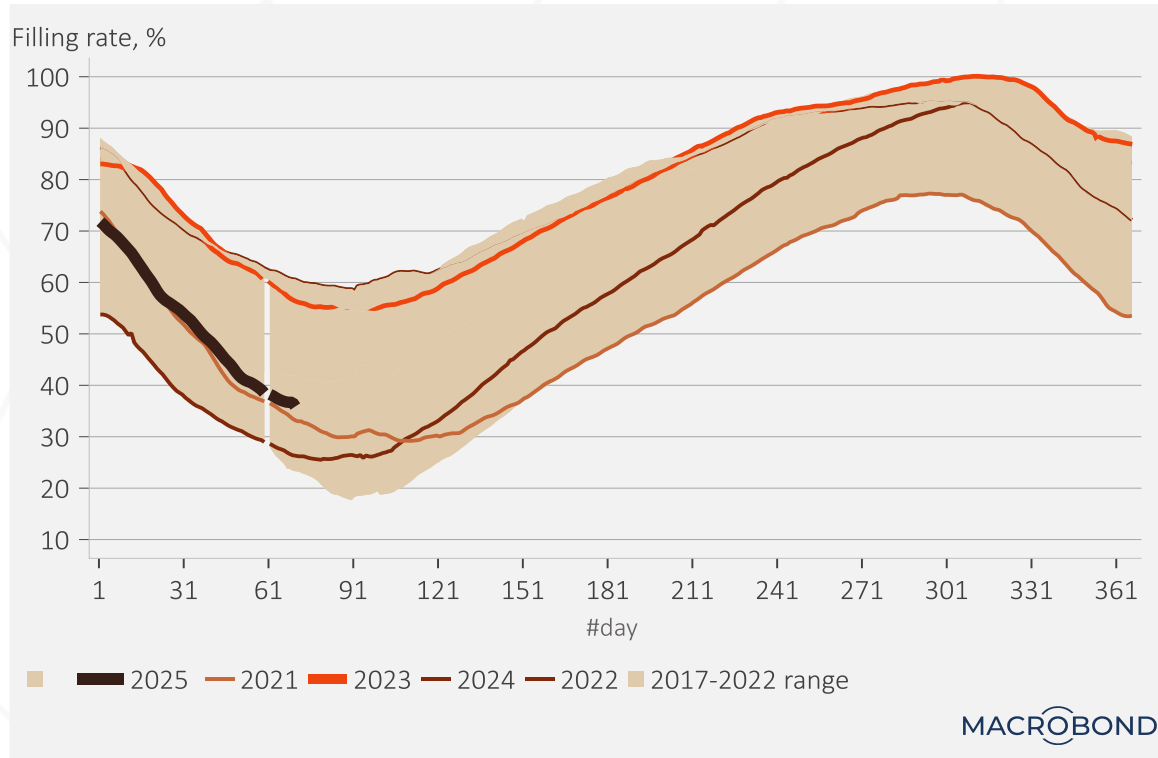
TTF gas prices are nowhere near 2022 levels



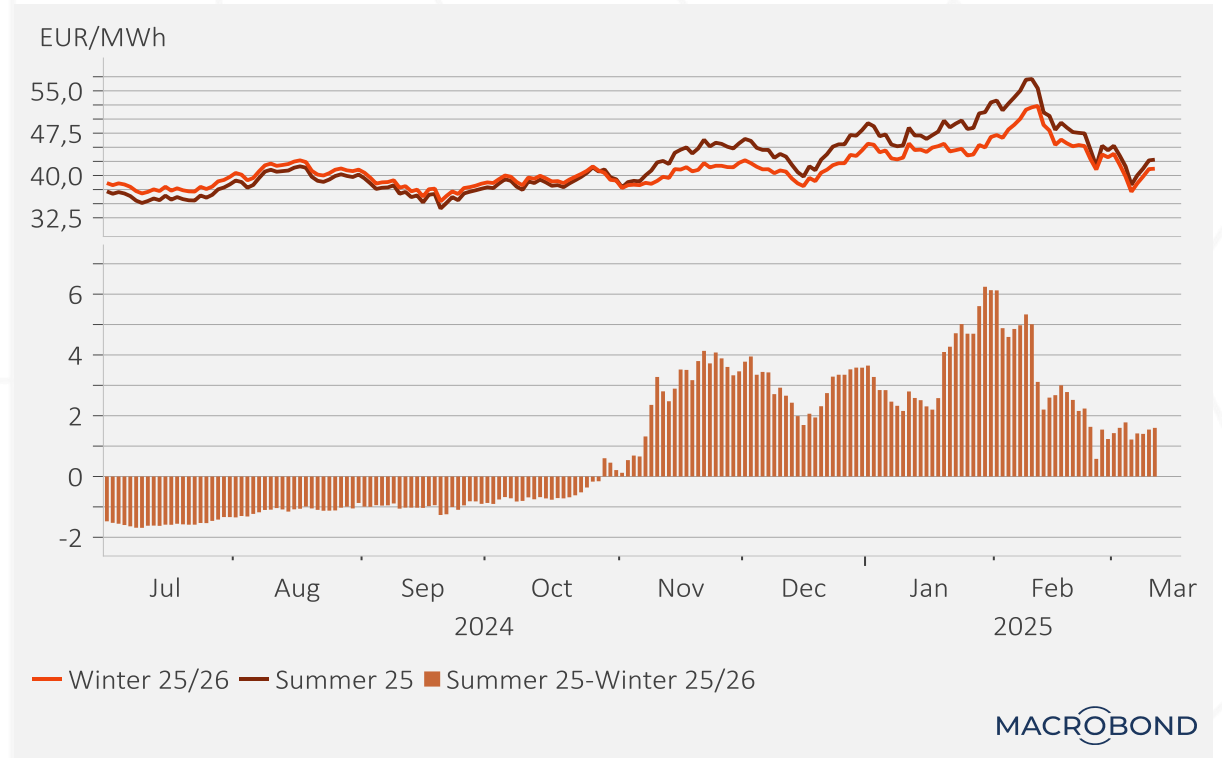


The big market theme: Refilling risks

Filling rate EU, %

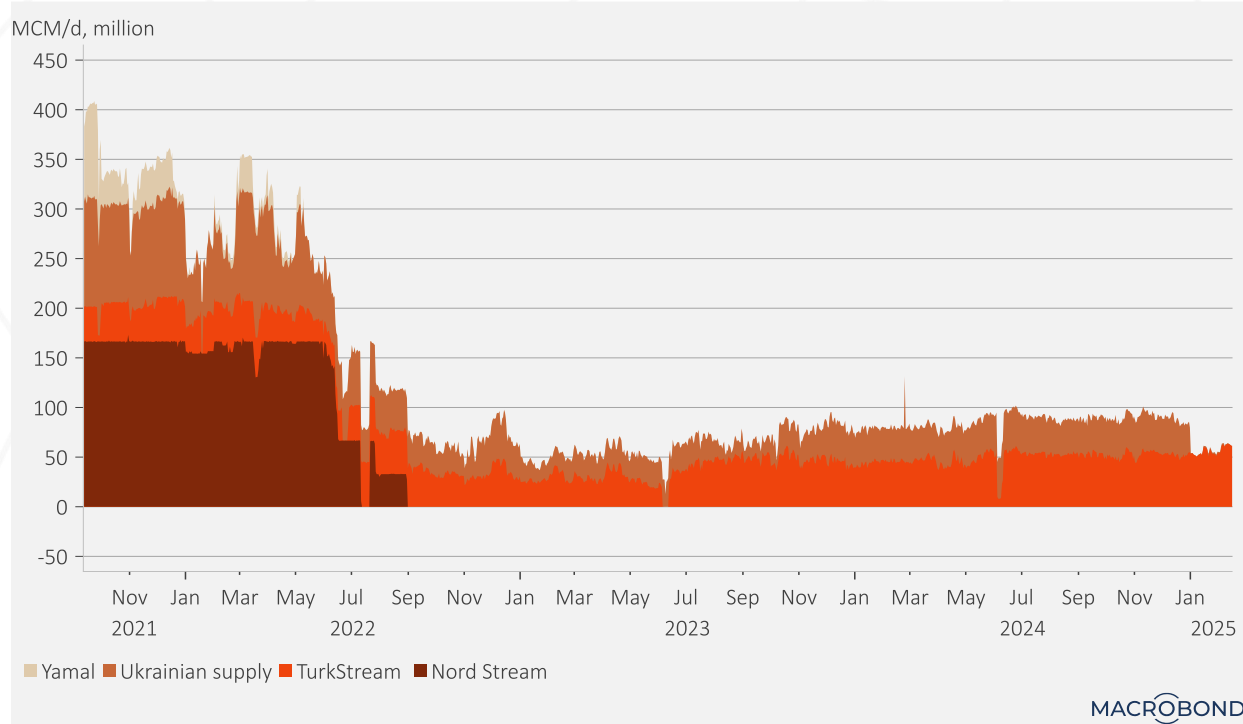


TTF-spread summer 25 vs Winter 25-26



European Commission allows "flexible" gas storage filling, proposes target extension

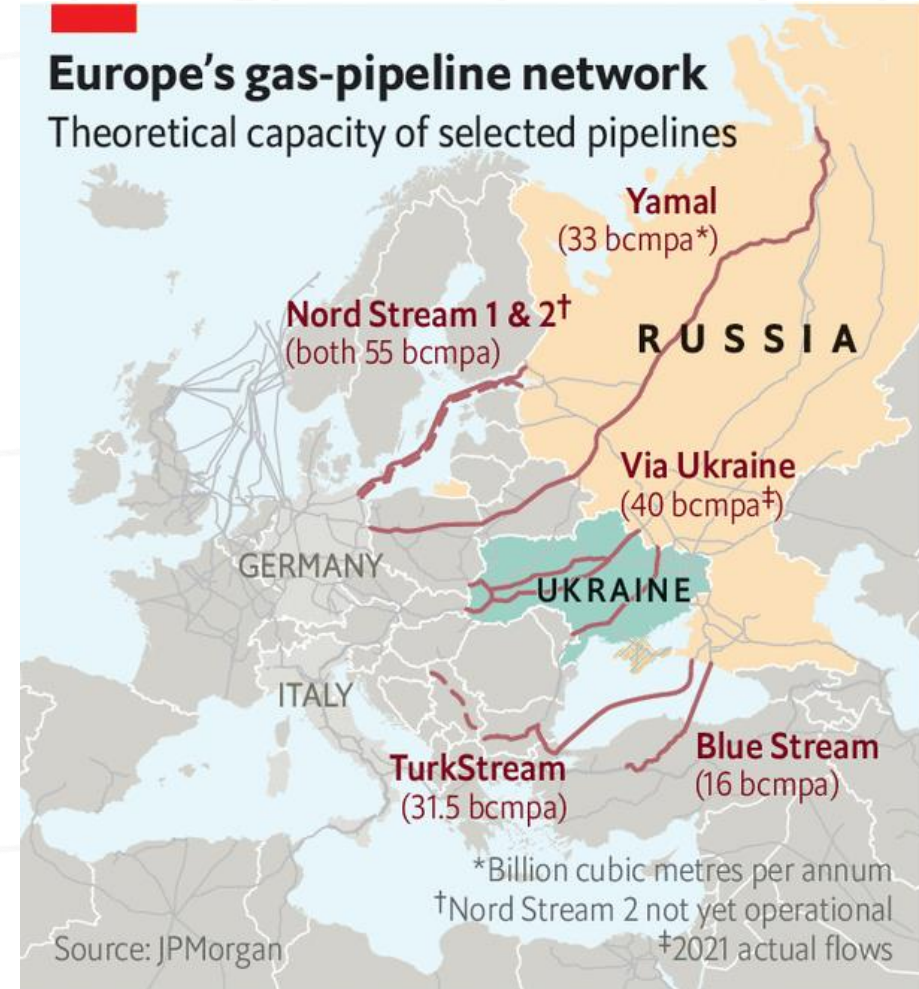
Russian gas coming back? (Russian LNG is still flowing to EU)



UPDATED BREAKING NEWS: EU leaders seek 'workable solutions' to Ukraine gas transit issue

Putin ally pushes deal to restart Nord Stream 2 with US backing

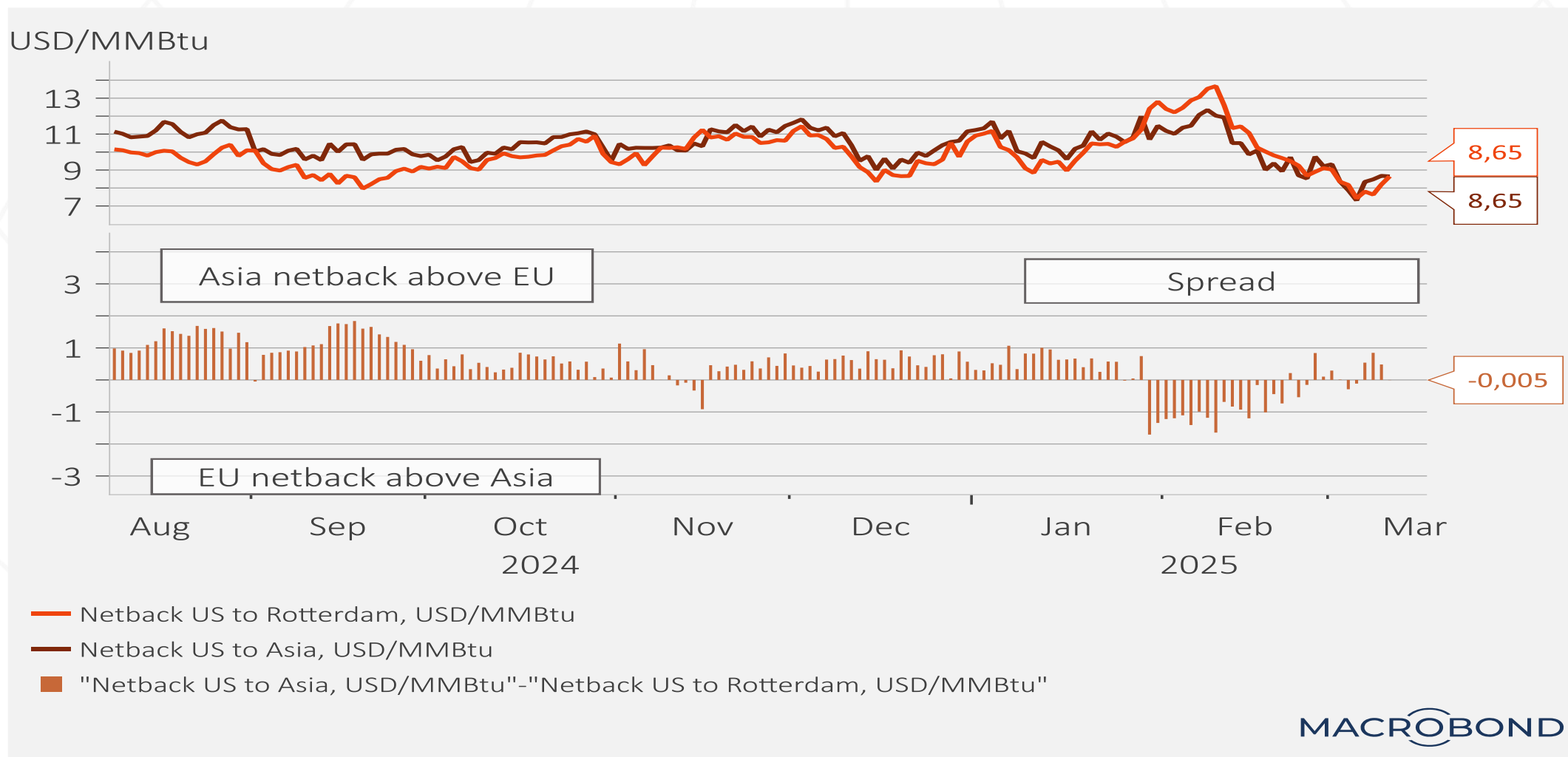
Ex-spy Warnig's plan to involve American investors shows breadth of Trump's rapprochement with Russian president



The Economist

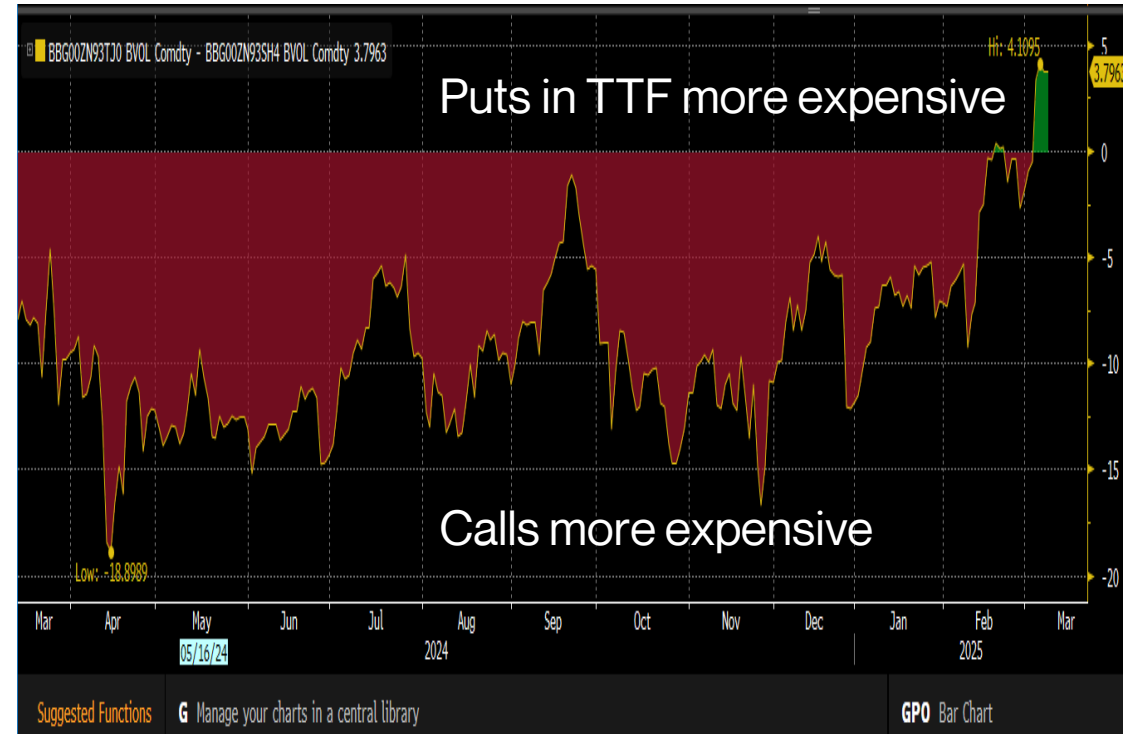
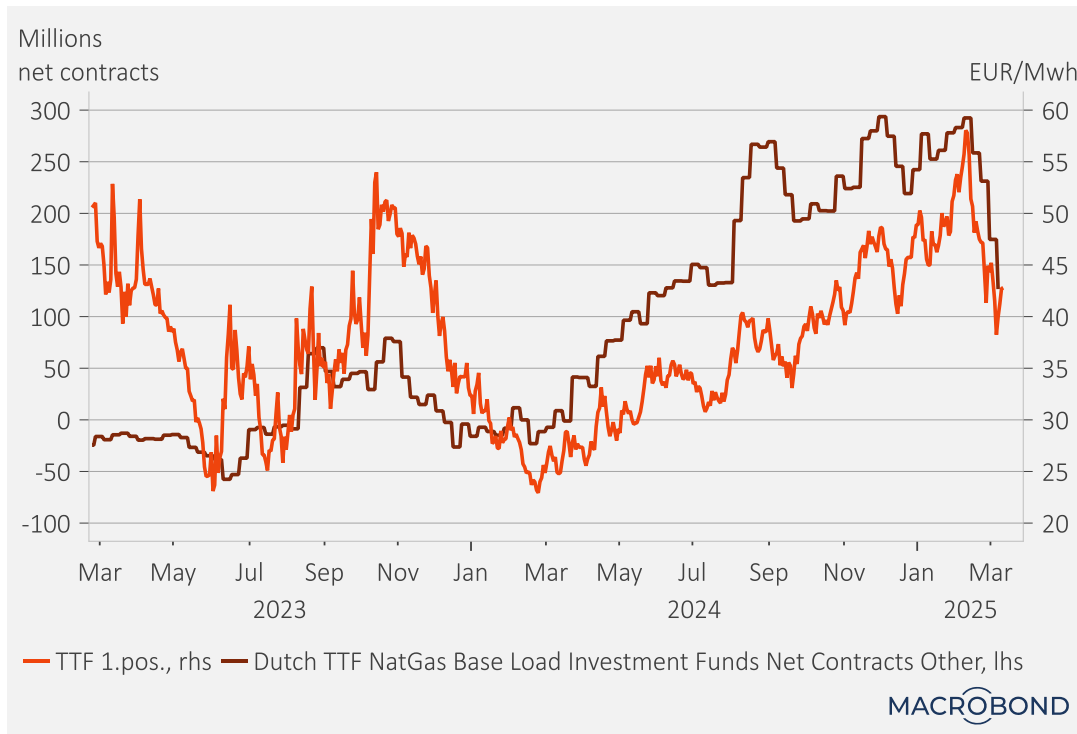
LNG is a global market ... No longer higher EU netback as in February

Net back is key in global LNG market



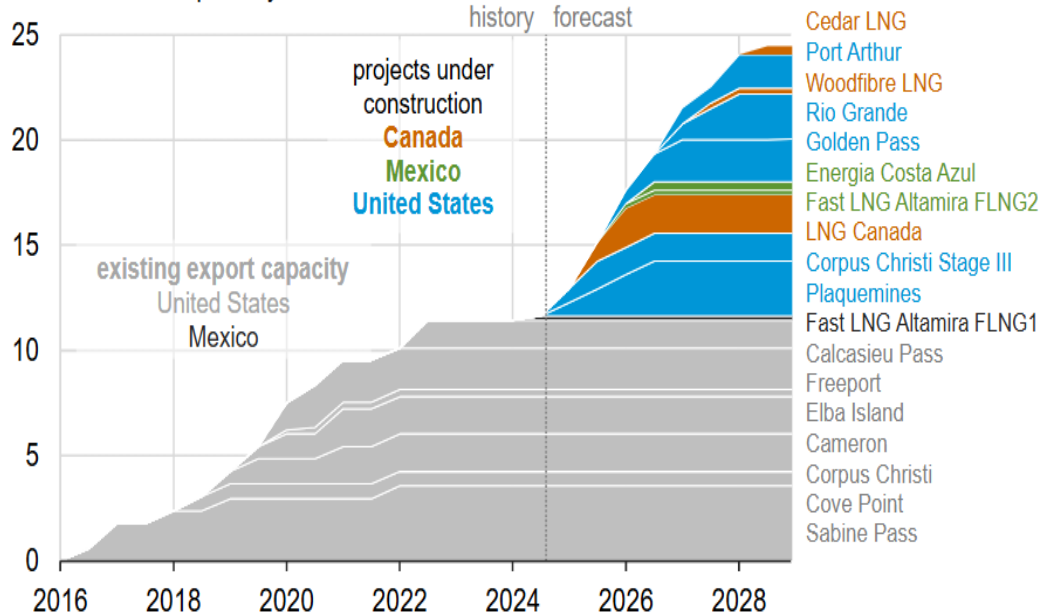
Have speculative accounts started to take profit? => more bearish market sentiment. Room for more profit taking

Spec-accounts have closed net-long positions option market now favours "bearish" puts over "bullish" calls
=> more expensive to hedge a big move lower
=> A bearish market signal

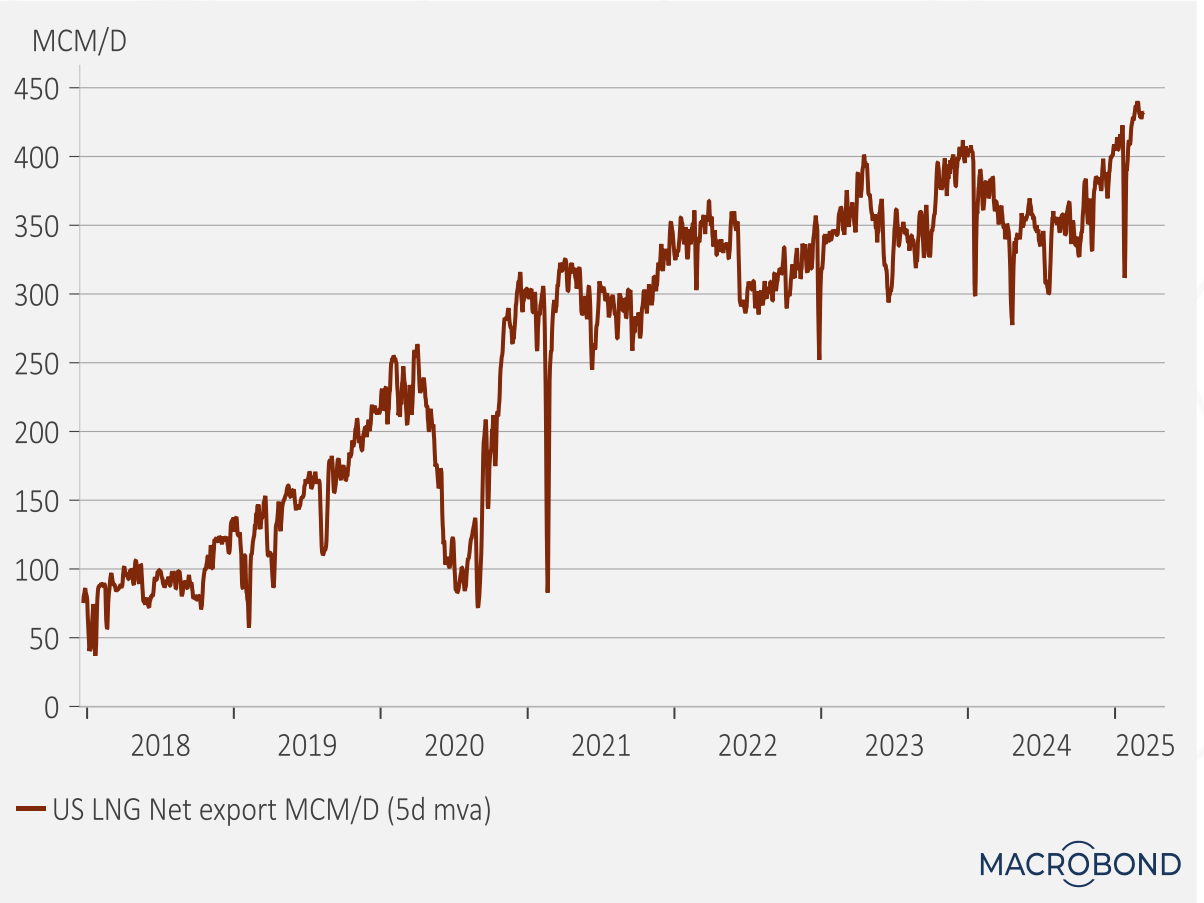


US LNG export is strong

North America liquefied natural gas export capacity by project (2016–2028)
billion cubic feet per day

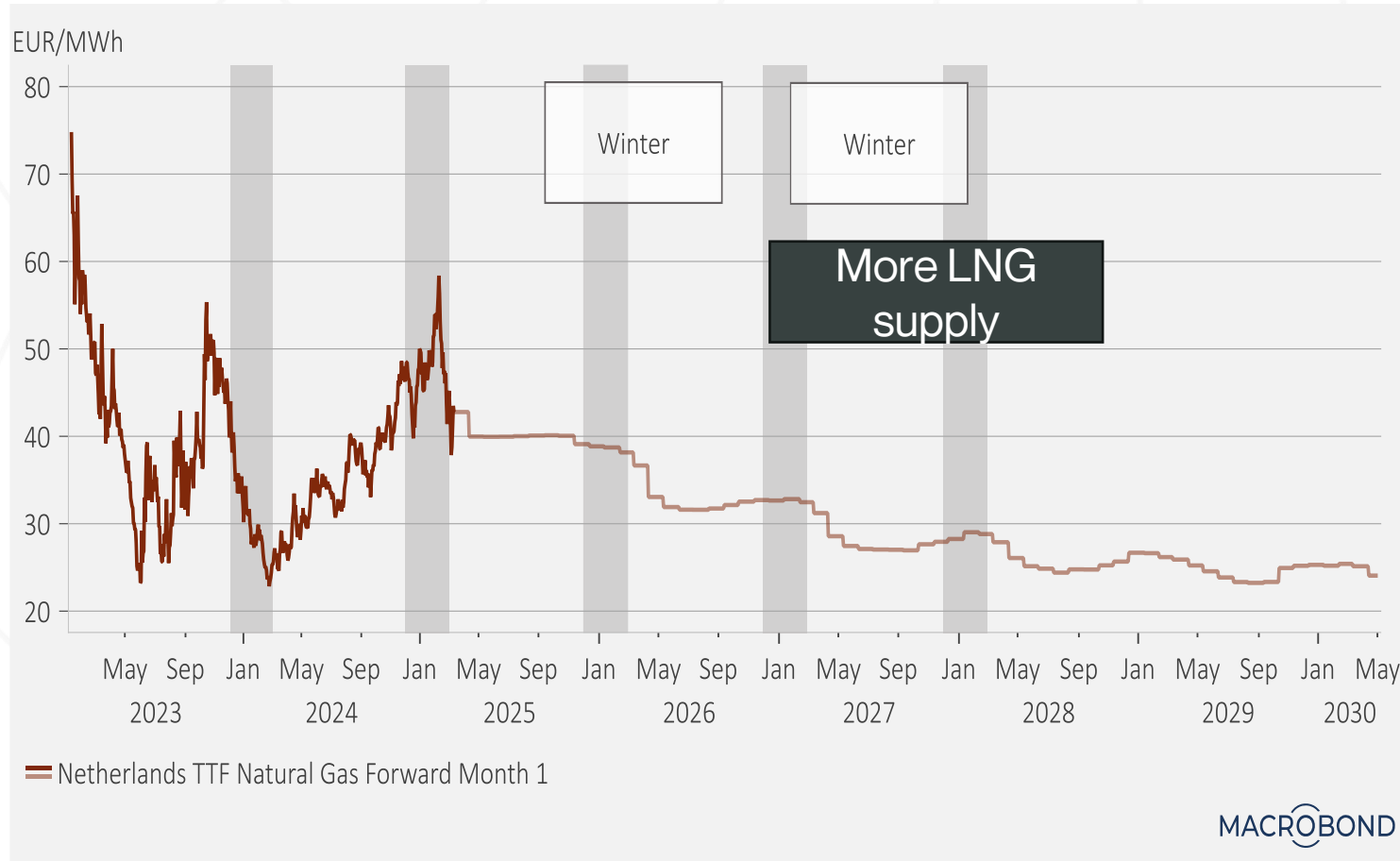


Data source: U.S. Energy Information Administration, *Liquefaction Capacity File*, and trade press
Note: Export capacity shown is project's baseload capacity. Online dates of LNG export projects under construction are estimates based on trade press. LNG=liquefied natural gas; FLNG=floating liquefied natural gas



Forward curve sees TTF gas prices coming down in 2026

TTF forward curve, EUR/MWh



- The TTF forward is in strong backwardation.
- It reflects lower prices in 2026 and beyond as more LNG hits the market
 - **GRM view:**
 - After latest sell-off risk on the upside over the summer
 - Lower prices in 2026/27. Focus on possible LNG delays and sanctions on Russia

Source: Macrobond, Bloomberg, GRM. Indicative curve. Non-tradeable

Want to know more?



Energy Market Drivers:

Banking crisis to weigh on US shale oil production

March 27, 2023

Content

- **This week** - Banking crisis remains in focus
- **View oil** - Lower oil trading range for now, but higher in H2
- **Hedging view** - Scale into H2 hedges for oil and natural gas

Themes:

- Banking crisis to weigh on US shale oil production
- Fed rate cut expectations to support commodity markets

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Dear please see our update for oil markets after the FOMC last night

Fed decision supportive for oil

The Fed hiked, as expected, its policy rate by 25bps to 5.0% at last night's FOMC. Hence, all focus was on the rhetoric in the press release and briefing. Powell's thinking can be described by these two quotes from the press briefing.

- 1) FED OFFICIALS 'JUST DON'T' SEE RATE CUTS THIS YEAR
- 2) WE CONSIDERED PAUSE; HIKE SUPPORTED BY STRONG CONSENSUS

Fed does not know what will happen in 6-9 months. Hence, the market took little notice from Powell, saying that rates would not be cut this year. The market is currently pricing that the policy rate year-end will be 70bp lower at 4.15%.

Instead, the market took its clue from the second quote that the Fed is considering pausing in the wake of the banking crisis. Powell also said that the financial tightening from the banking crisis is doing a part of the Fed's job. In other words, the banking crisis works like a rate hike. We think this was the last Fed hike.

Market reaction

US 2Y yields fell 25bp lower after the press briefing, and EUR/USD is trading above 1.09 this morning. The weaker dollar is positive for oil.

See the video <https://lnkd.in/efrk6DqT>

or the teaser [#markets #riskmanagement](#)

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Welcome to "10 minutes About" - Oil Market Drivers.

Today we discuss the outlook for the global oil market.

In the studio, we have Chief analyst [Arne Lohmann Rasmussen](#) and Energy Risk Manager [Lisa Ellegaard Klitmøller](#).

We discuss the importance of the Chinese reopening and that we currently have an oil surplus in the market.

According to Arne, the oil market in 2023 is a story of two halves. Inventory build in H1 that will turn into an inventory draw in H2.

See the full recording on our website:
https://lnkd.in/eSC_CnVA
[#globaloilmarket #video](#)

We just recently saw for example that the department of energy in the US

<https://bit.ly/GRMSignUp>



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