



## Hungarian Gas Market Overview – Szőke Róbert

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# Top stories of 2019

**Asian LNG demand stall:** with the demand growth rate of 10-15% between 2016-2018, Asia was on a steady growing track, but in 2019 the LNG demand growth was only 1%



**Record low gas prices:** even with the oversupplied gas markets it was hardly expectable to have bearish price levels stable as TTF 8 EUR, CEGH 10 EUR and CEEGEX 11 EUR



**Storages:** High injections in 2019 due to uncertainty in the market. Above average gas levels in the storages all over Europe.



**Nord Stream 2 and TurkStream:** while TurkStream has been built in time, US sanctions and delaying Danish permit wiped the chance to complete NS2 in 2019 and even in 2020 Q1



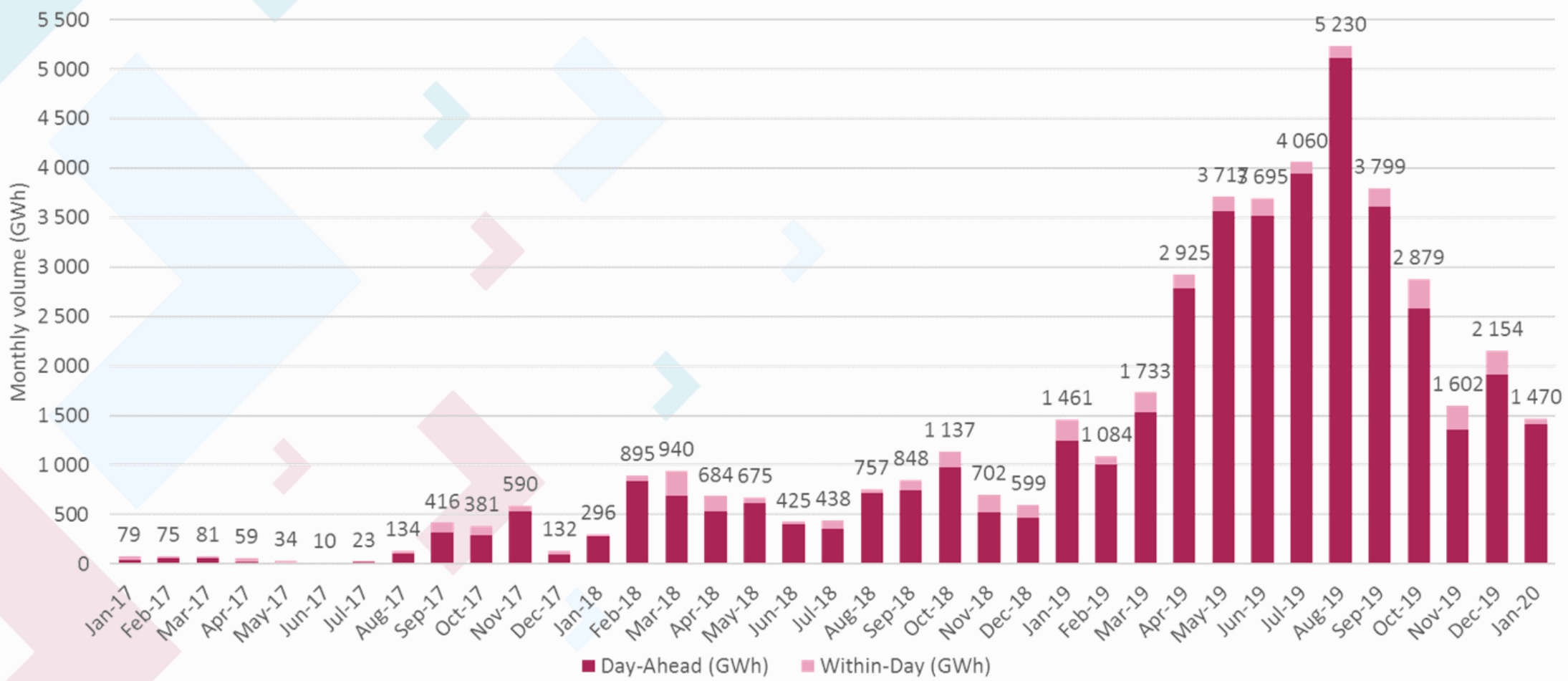
**Gas transit deal:** Russian-Ukrainian agreement loomed and delayed over the year with finally settled an agreement at the end of December for 65 bcm in 2020 and 40 bcm between 2021-2024



# 38 Members on CEEGEX

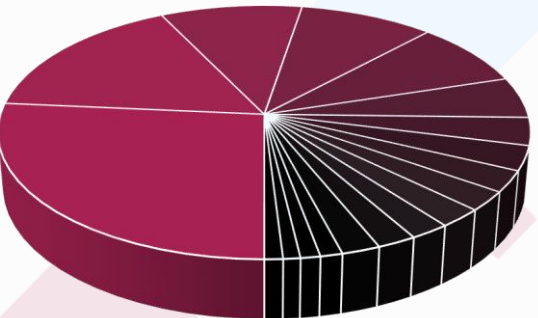


# Spot market monthly volumes of CEEGEX



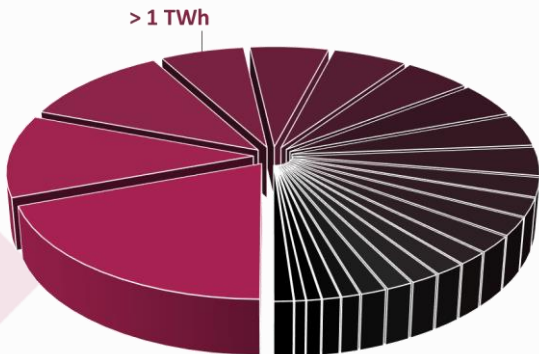
# CEEGEX yearly market share

2017



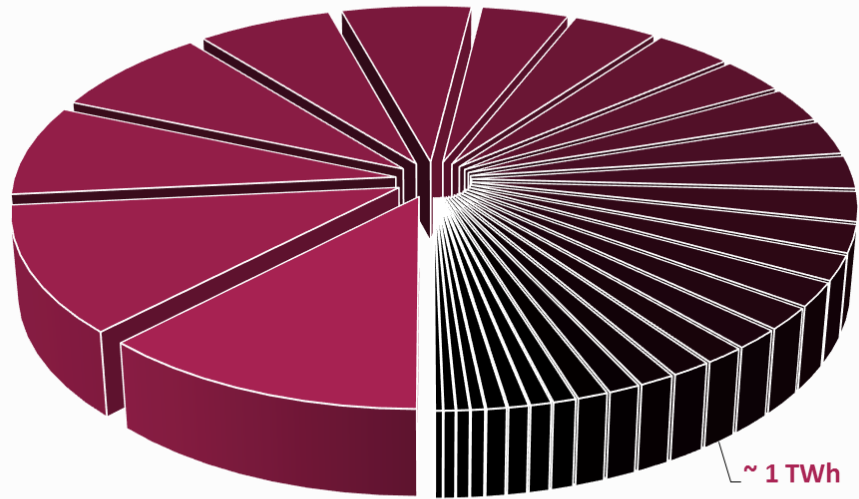
4X volume growth

2018



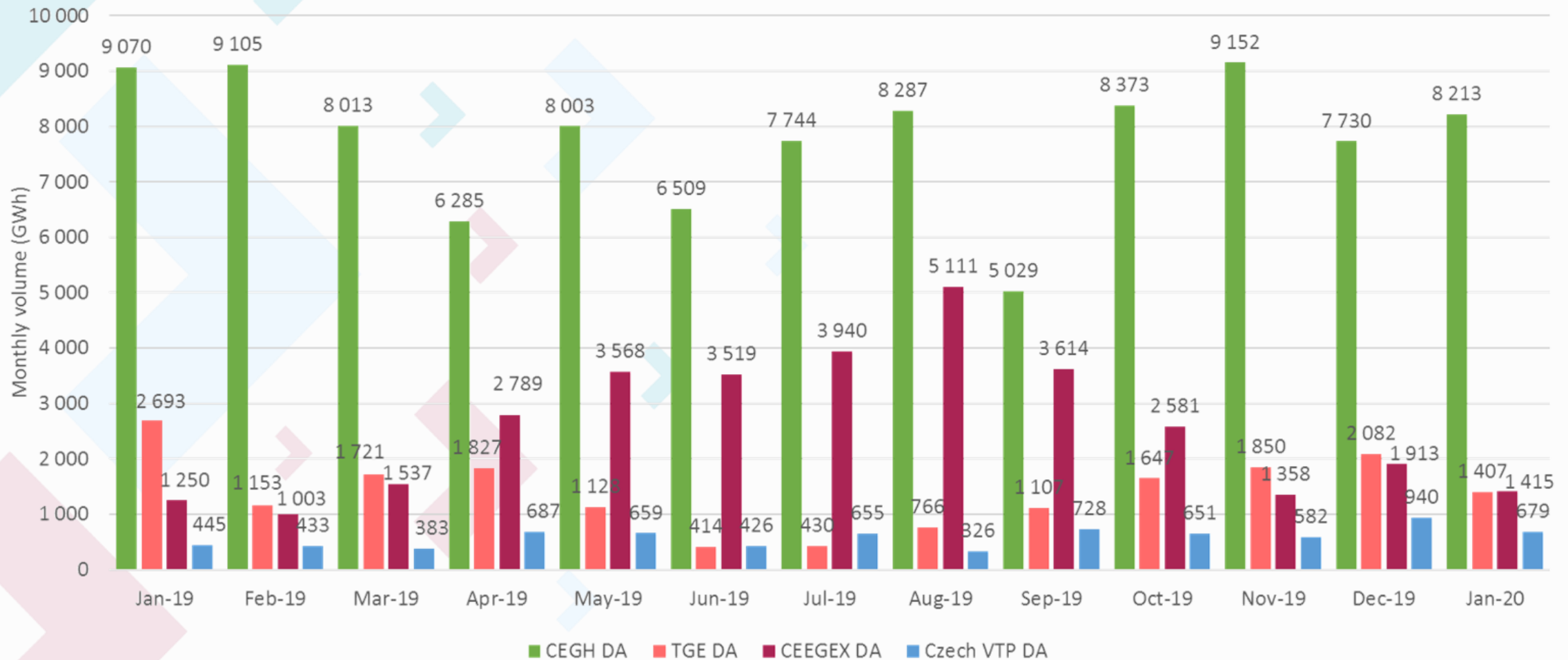
4X volume growth

2019



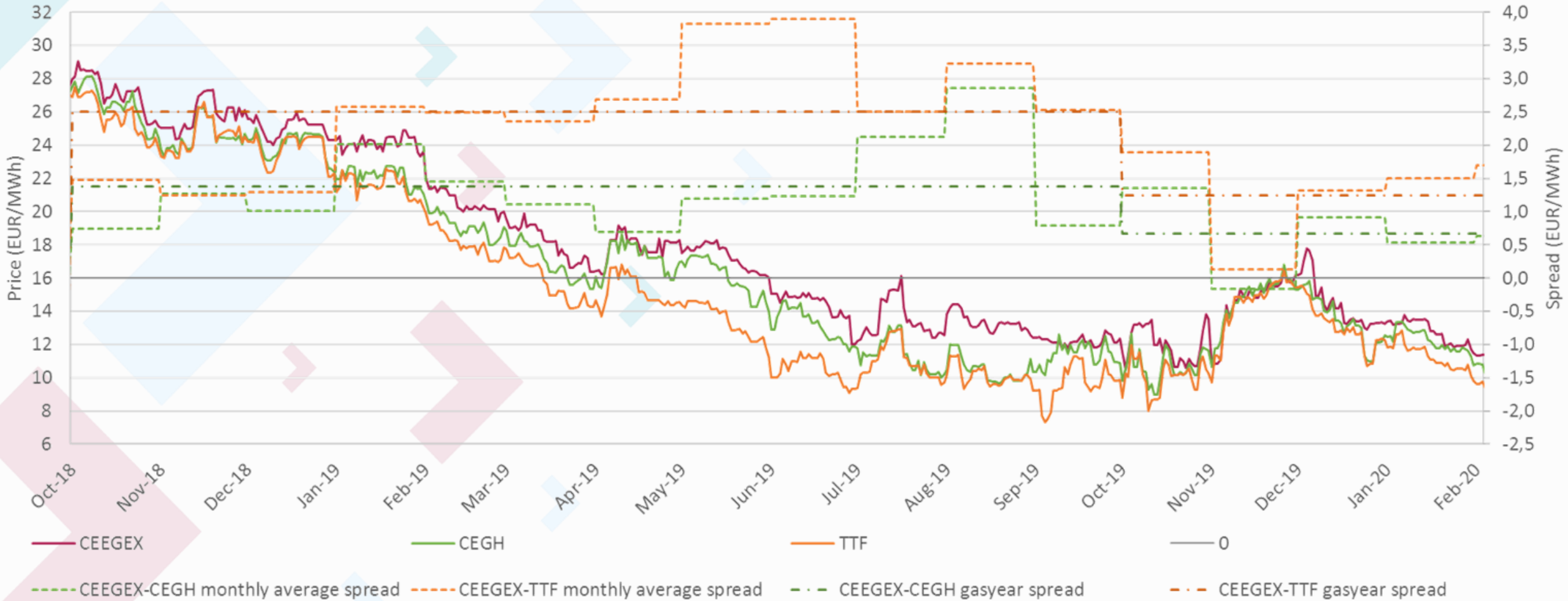


# Regional Day-Ahead monthly volumes

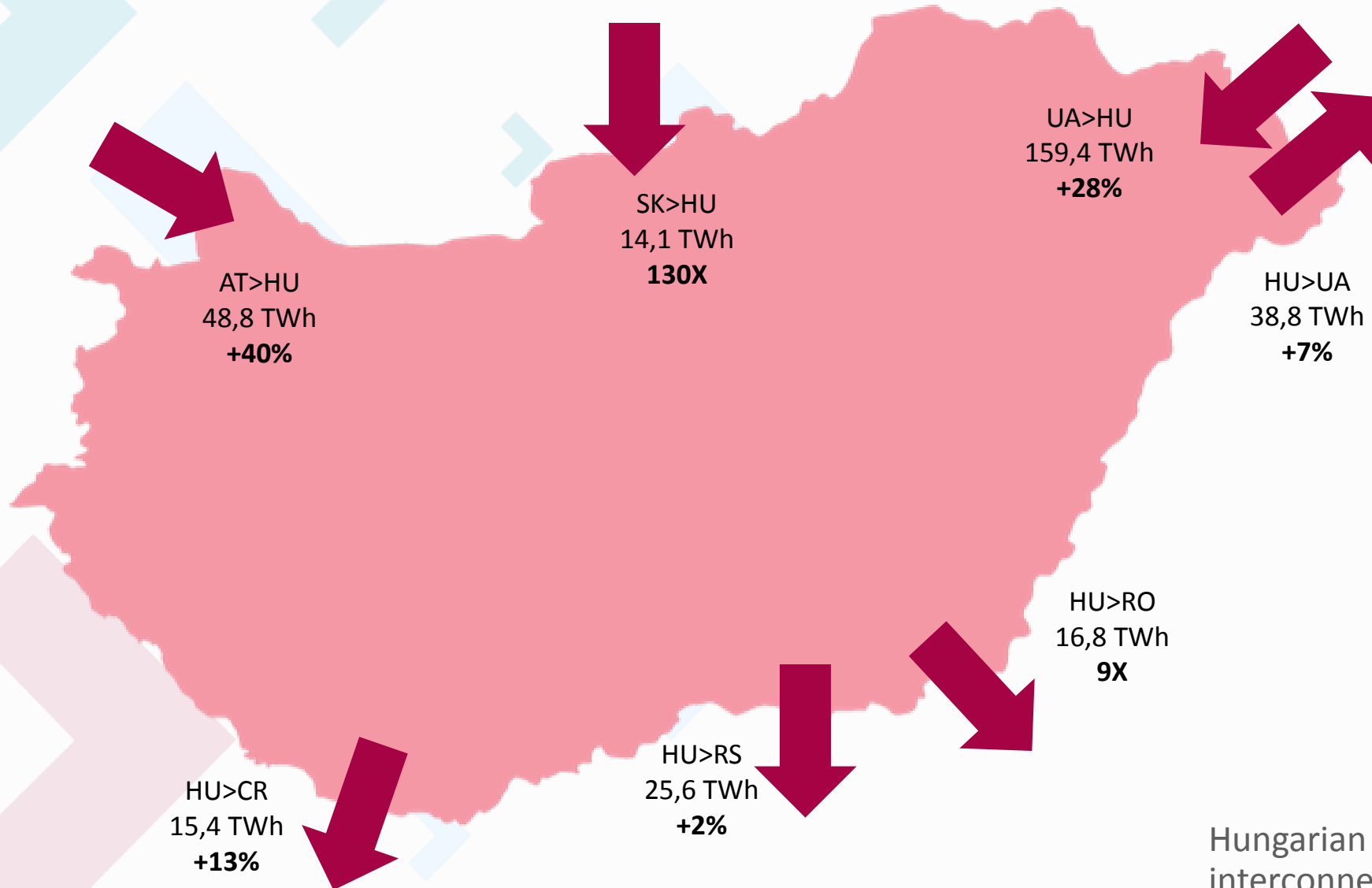


CEEGEX quadrupled its liquidity for 3rd year in row with reaching 32 TWh DA volume, while CEGH DA reached 93 TWh, TGE DA 17 TWh and CEGH CZ VTP 7 TWh. The gas markets in the region are still emerging, as all of the organized natural gas markets observed increasing volumes

# Hungarian and benchmark spot gas prices



# Gas flows on Hungarian cross-border points



## Inflow summary

2018: 159,9 TWh

2019: 222,3 TWh

**+39%**

## Outflow summary

2018: 77 TWh

2019: 96,7 TWh

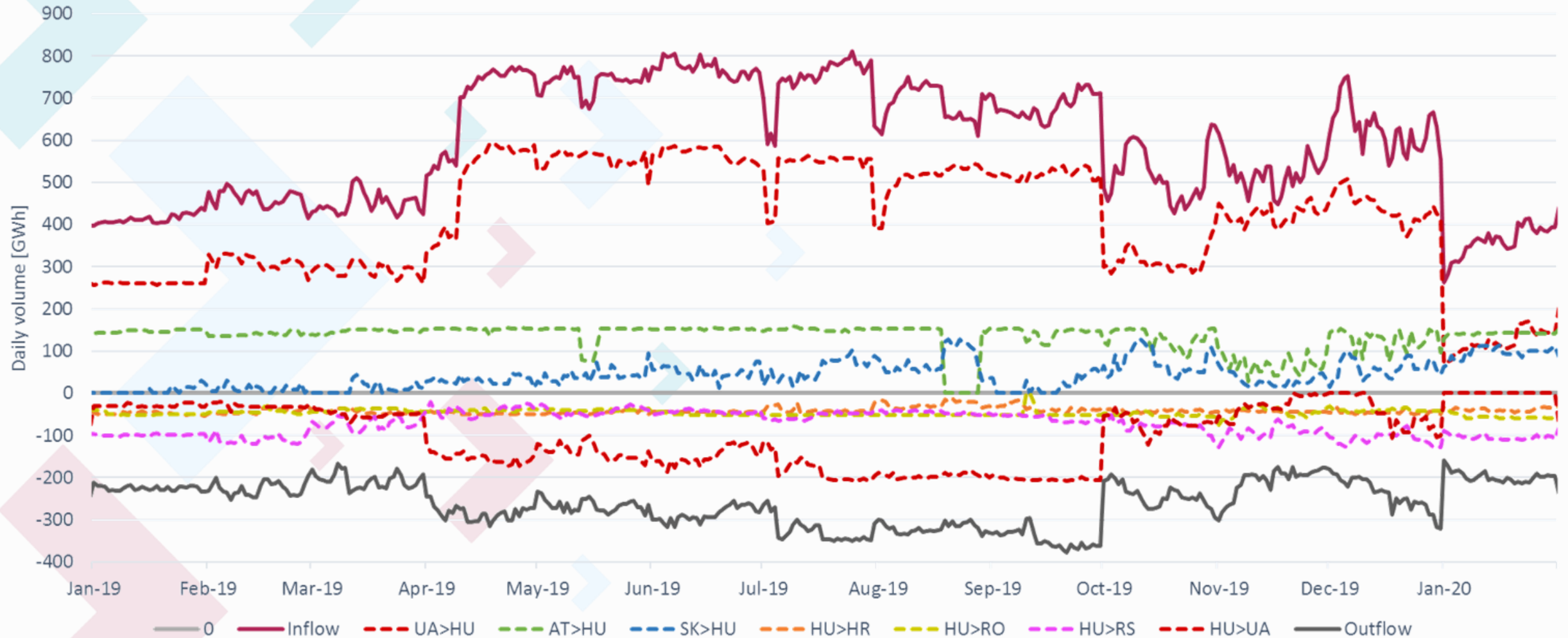
**+26%**

Hungarian gas flows increased through every interconnectors in 2019 compared to 2018



# Gas flows on Hungarian cross-border points

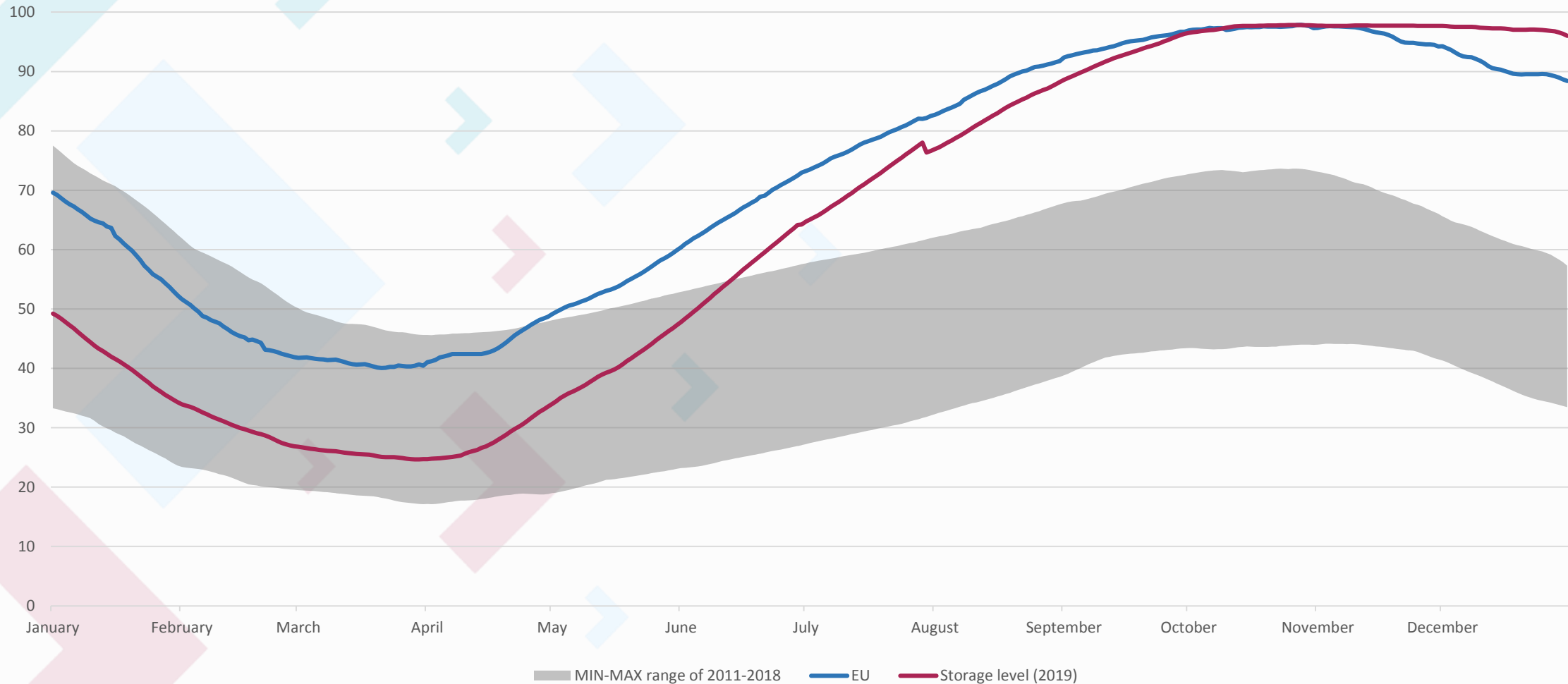
Source: FGSZ IP



The overall in- and outflows in 2019 were driven by the Ukrainian import and export quantities. Real quantities from Slovakia started to come this year, meanwhile the flows to Romania happened to operate on full capacity almost every time. The flows were driven by the gas price trends and the supply security goals of the CEE region

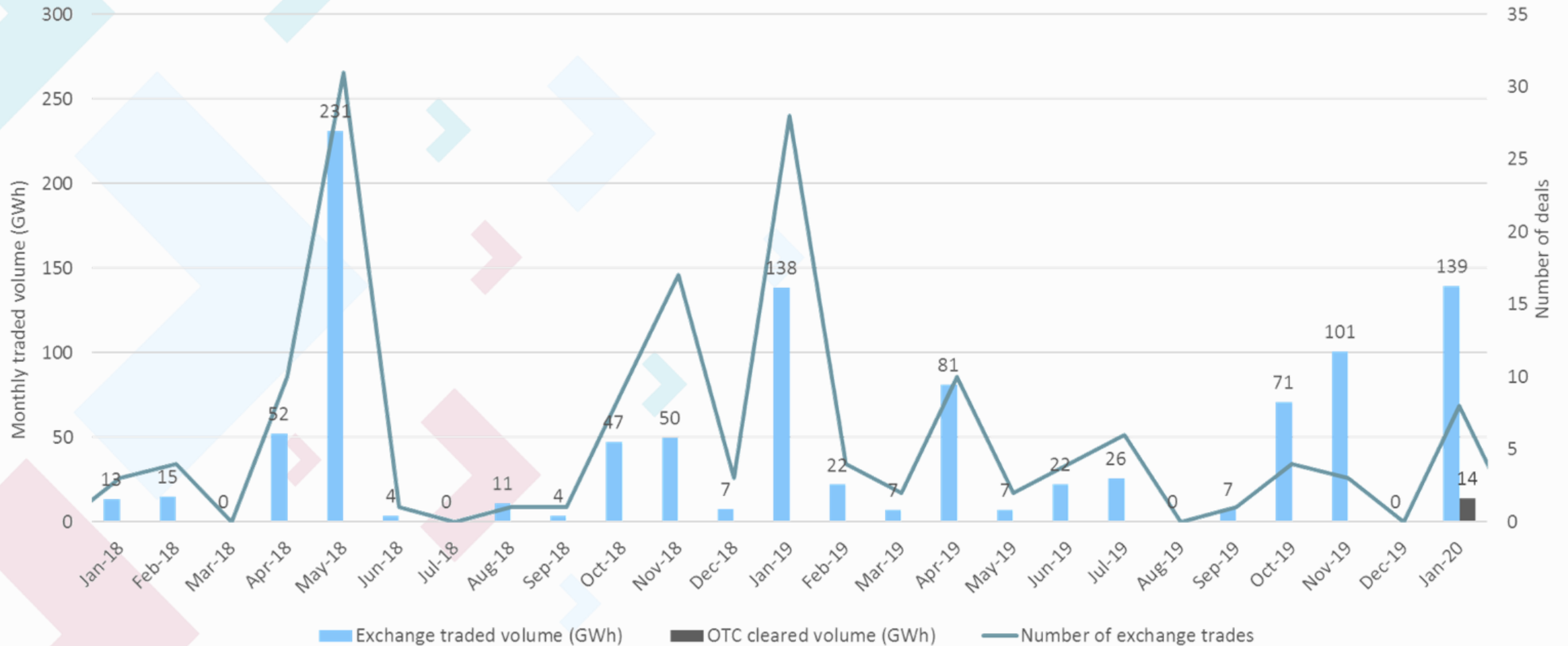
# Hungarian historic gas storage levels

Source: AGSI



Storage fulfillment levels hit record heights in 2019 due to the government directive for the safety of gas supplies. The uncertainties around the Russian-Ukrainian gas deal made the pace of UGS injection extreme high, working on maximum capacity in the summer period. In the CEE region the same trends can be observed among the countries, aiming for gas supply security

# HUDEX Natural Gas Segment monthly volume



64 deals were made on the HUDEX Natural Gas Segment totaling the traded volume to 483 GWh, which is an improvement after 434 GWh in 2018

# Infrastructure changes

- TurkStream
- NordStream 2
- Krk LNG Terminal
- Romanian Exploration
- Serbian reverse flow
- Polish-Slovakian Interconnector



# Future challenges

## Sustaining CEEGEX as a stable regional market



## Reflecting to Green Deal



Price indices ensure transparency in the CEE region

Further regional growth with new members and new supplies

Establishing partnerships across the whole value chain

Renewable gases and guarantees of origin

The way that hydrogen can be injected into the network

Power to Gas solutions and sector coupling



# CEEGEX REMIT Reporting Service

## Reason of reporting

EU REMIT obliges companies to report every deals made on exchanges or via bilateral way

## Future changes in reporting

EC plans REMIT fees from 2021 to fund ACER's budget

Contract type	Agreement	CEEGEX Members	Non-CEEGEX Members
A1	Entrust CEEGEX to report their trades and data concluded on CEEGEX	included in the annual membership fee	Not available
A2	Choose another RRM and download the data concluded on CEEGEX from the CEEGEX SFTP folder	included in the annual membership fee	Not available
A3	The A2 agreement extended with guarantee for ACER compatibility	1000 EUR/annum	Not available
B	Entrust CEEGEX to report their trades and data concluded on Organized Market Places (OMPs) other than CEEGEX Market or OTC Market	included in the annual membership fee	1000 EUR/annum

## Why CEEGEX?

- ✓ No fees for CEEGEX members in 2020
- ✓ Cheapest fees on the market
- ✓ Easy-to-use interface
- ✓ Machine-to-machine connection towards ACER



*Many companies have huge departments only for reporting*

**CEEGEX is partner in optimization**



# Any Questions ?



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