



AGH Bulletin

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LNG World News

- i. It was expected that LNG spot price in Asia would fall to USD10/MMBtu this week, however the price still remains in the range of USD14/MMBtu and is expected to continue to do so until next week.
- ii. The market is still quiet with no transactions confirmed.
- iii. It is believed that the market in Asia is watching the situation in Europe to see if the demand for gas will continue to fall, and refrain from making any purchases.
- iv. Asian inventories level is still high, buyers particularly in the North Asia are not desperate for additional supply. If any buying interest it might be for trading volume.

Home News

Here is a list of the latest appointments in the Malaysia gas industry:

Organization	Appointment	Portfolio
Gas Malaysia Berhad	Mohamad Azmi Ahmad	LNG Specialist
Gas Malaysia Berhad	Haizatul A. Anuar	Manager, New Frontier, Business Development
Suruhanjaya Tenaga	Ir. Roslee b. Esman	Director, Industry, Planning & Development
Suruhanjaya Tenaga	Mohd Elmi b. Anas	Director, Industry Operations
Suruhanjaya Tenaga	Nurhafiza bt. Mohamed Hasan	Director, Safety & Regulation
Suruhanjaya Tenaga	Ir. Md Zakuan b. Ibrahim	Director, Enforcement & Regional Operations

LNG Freight Rate Estimation (RM/MMBtu) as of 3 March 2023


Export Regions	Japan/ Korea	China/ Taiwan	West India	RGT Malacca
Qatar	6.48	5.68	1.61	4.87
Bintulu	2.99	1.83	3.53	0.67
Singapore	3.08 ▼	1.74 ▼	2.55 ▼	0.40 ▼
Malacca	3.49 ▼	2.15 ▼	-	-

1) Sources: Trader/ Marketer/ Bank Negara Malaysia (BNM)

2) Freight Rate in USD maintains as per last week except for S'pore and Malacca which reduced by USD0.02/MMBtu and USD0.04/MMBtu respectively.

3) BNM's Forex Rate 1USD = RM4.4700 as of 3 March 2023 1054hrs

 Freight rate-up in USD

 Freight rate-down in USD

GLOBAL HIGHLIGHTS – LNG & Natural Gas

Snapshot as of 3 March 2023

Asia Pacific/India ¹

- i. LNG importers in North Asia are still refraining from making any transactions for spot cargo for delivery in April and May.
- ii. Spot price is at USD14.70/MMBtu this week and it's been hovering between low USD14/MMBtu to high 14 for more than a week. There is no indication any spot purchase will be done.
- iii. Buyers in this region are relying on current ample inventory to avoid spot purchase.
- iv. Market source in Singapore has indicated current price level will remain until next week. Traders are mainly monitoring the development in Europe, particularly in Dutch TTF.
- v. The market expects further falls in European price followed by Asia spot price.
- vi. There are no tender announcement from South Asia this week, but negotiations for mid-term supply are ongoing between GAIL (India) and Brunei LNG (BLNG) with no details.

AGH Commentary:

Gas demand in Asia and Europe are expected to be low due to sufficient storage & mild winter.

Europe ²

Natural Gas Prices Post Longest Monthly Losing Streak Since 2020

- i. Europe's benchmark natural gas trading prices fell in February for the 3rd consecutive month, as milder weather, comfortable inventories and a plunge in demand dragged down prices.
- ii. The front-month at the TTF hub, lost 19% in February, and have slumped by around 40% since the beginning of 2023.
- iii. On the day of 28th – last day of February, the TTF settled at USD49.50 (46.67 Euros) MW/h, down by 1.3% on the day.
- iv. One year after Ukraine invasion by the Russian, the Dutch TTF benchmark is trading more than 40% below pre-invasion levels.
- v. The EU's winter demand had so far dropped by 19.3% compared to the five-year average, beating the 15% goal it set for itself to help it survive the winter.

AGH Commentary:

The European efforts to reduce gas demand seems to be working this winter and perhaps will impact the next upcoming winter's demand.

Sources:

¹ Market Source

² "European Natural Gas Prices Post Longest Monthly Losing Streak Since 2020" - OILPRICE.Com, Mar 1, 2023, 3.16AM CST

Global Gas Future Price

Month 2023	JKM Platts Future		TTF Natural Gas Future		CME HH Future	
	USD/ MMBtu	RM/ MMBtu	USD/ MMBtu	RM/ MMBtu	USD/ MMBtu	RM/ MMBtu
Apr	14.47	64.59	14.61	65.21	2.79	12.45
May	14.41	64.19	14.62	65.16	2.92	13.01
June	14.78	65.73	14.75	65.58	3.11	13.82
July	14.90	66.09	14.79	65.59	3.28	14.56
Aug	15.17	67.10	14.90	65.90	3.33	14.74
Sep	15.41	68.47	15.10	67.10	-	-
Oct	15.71	69.81	15.78	70.15	3.37	14.98
Nov	17.39	77.29	16.96	75.37	-	-
Dec	18.31	80.27	17.45	76.49	4.10	17.98

Source: ICE Energy Report , CME Group Market Data

Global Crude Future Benchmark Snapshots in RM per MMBtu

Month 2023	Brent (CME)	WTI (NYMEX)	JCC (ICE)
Apr	67.01	60.85	69.26
May	66.57	60.85	68.71
June	66.13	60.72	67.77
July	65.66	60.45	66.85
Aug	65.15	60.08	66.01
Sep	65.06	60.06	65.73
Oct	64.68	59.73	65.22
Nov	64.31	59.41	64.76
Dec	63.03	58.30	63.44

Coal Future Price

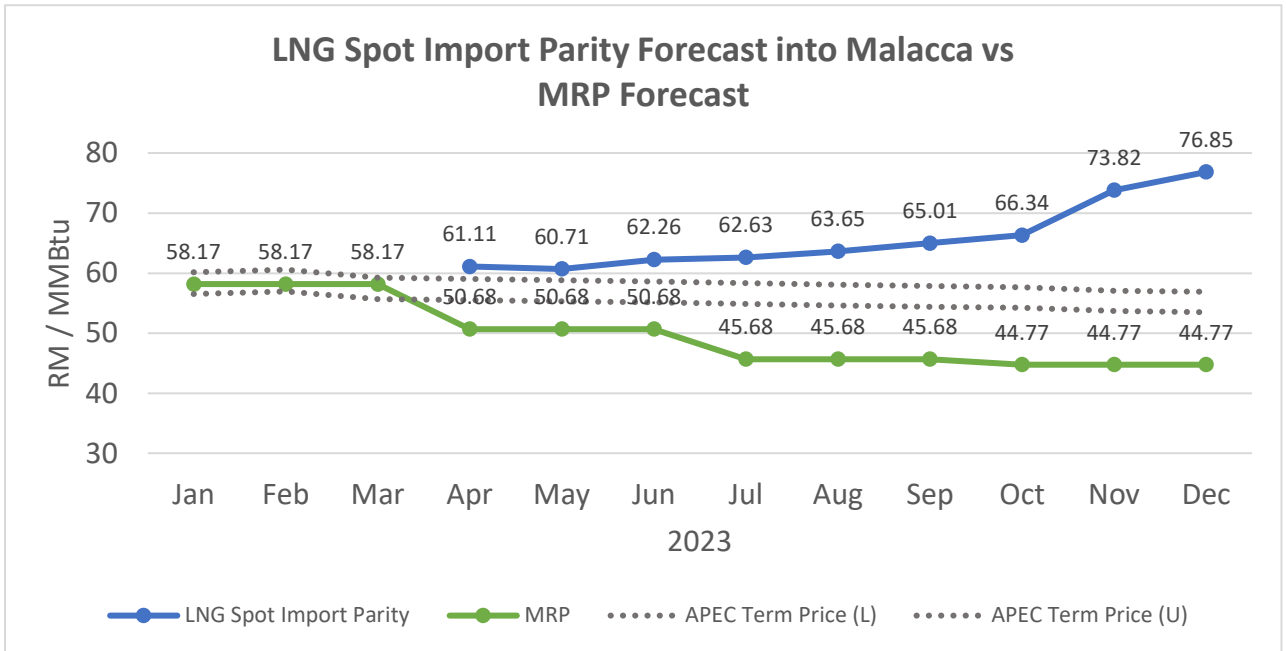
Coal CIF ARA Futures Quotes

ICE Rotterdam Futures

Month 2023	USD/MMBtu	RM/MMBtu	USD/MMBtu	RM/MMBtu
Mar	5.06	22.63	5.09	22.77
Apr	5.03	22.46	5.04	22.52
May	5.07	22.59	5.08	22.63
June	5.10	22.69	5.10	22.69
July	5.14	22.79	5.11	22.66
Aug	5.17	22.88	5.23	23.14
Sep	5.23	23.22	5.30	23.56
Oct	5.28	23.45	5.35	23.76
Nov	5.33	23.69	5.35	23.78
Dec	5.37	23.52	5.42	23.78

Source: 1) Coal (API2) CIF ARA (ARGUS-McCloskey), www.cmegroup.com
2) ICE Rotterdam Coal Future Prices, www.barchart.com

LOCAL HIGHLIGHTS – Domestic Forecast for MRP & LNG Import Parity as of 3 March 2023



Source: AGH Market Analysis

Commentary

- i. Import Parity price to Malacca this week is down by average of RM0.56/MMBtu compared to last week forecast.
- ii. This sentiment is due to sluggish spot LNG demand in Asia Pacific that caused spot price is weakening in the region.
- iii. The increase of Brent early this week, does not impact Import Parity price but it does influence on MRP forecast for this week.
- iv. The MRP for October to December 2023 is forecasted to be RM44.77/MMBtu compared to last week's forecast of RM42.78/MMBtu.
- v. As such, for October to December 2023, the import parity price is now above MRP at an average of RM28/MMBtu compared to last week's of RM30/MMBtu.

LOCAL HIGHLIGHTS – Peninsular Gas Utilities (PGU)

Gas Volume Updates as of 3 March 2023

There is no change in available capacity from last week

Northern Region			
State	Exit CITY GATE (CG)/Metering Station (MS)	Available Capacity	
		MMscf/d	MMBtu/d
Perlis	Tambun Tulang CG	10.97	11375.89
	Ayer Puteh CG	30.92	32064.04
	TTPC MS	55.86	57926.82
Kedah	Pondok Labu CG	19.21	19920.77
	Kulim Hi Tech CG	75.18	77961.66
	Sungai Petani CG	20.44	21196.28
	Pokok Sena CG	20.86	21631.82
	PFK MS	16.25	16851.25
	NUR MS	200.97	208405.89
	Prai CG	24.97	25893.89
Penang	TNB Prai MS	98.28	101916.36
	TNB Gelugor MS	23.35	24213.95
	Prai Power MS	110.22	114298.14

Eastern Region			
State	Exit CITY GATE (CG)/Metering Station (MS)	Available Capacity	
		MMscf/d	MMBtu/d
T'gganu	Kerteh CG	0.89	922.93
	Teluk Kalong CG	8.68	9001.16
	Kerteh 3 CG	96.3	99863.1
	Kerteh 2 CG	3.79	3930.23
	TNB Paka MS	208	215696
	YTL Paka MS	139.16	144308.92
	CUF Kerteh MS	105.52	109424.24
Pahang	CUF Gebeng MS	125.84	130496.08
	Gambang CG	0.49	508.13
	Gebeng CG	29.51	30601.87
	Gebeng 2 CG	68.6	71138.2
	PCEMSB MS	8.46	8773.02
	PCASB MS	7	7259
	Aromatic KR2 MS	3.3	3422.1
	PCOGD MS	50.51	52378.87
	PERWAJA MS	50.88	52762.56
	MTBE NG MS	11.6	12029.2
	PDH MS	8.4	8710.8
	BASF Fuel	8.29	8596.73
	BASF Feedstock	2.1	2177.7
	Idemitsu MS	9.83	10193.71
	Titan MS	37.78	39177.86
Genting Sayen MS	47.95	49724.15	



Source: PETRONAS Gas Berhad

LOCAL HIGHLIGHTS – Peninsular Gas Utilities (PGU)

Gas Volume Updates as of 3 March 2023

There is no change in available capacity from last week

Central Region			
State	Exit CITY GATE (CG)/Metering Station (MS)	Available Capacity	
		MMscf/d	MMBtu/d
Klang Valley	KLIA CG	0.06	62.22
	Dengkil CG	71.6666	74318.2642
	Puchong CG	14.64	15181.68
	Batu Tiga CG	37.76	39157.12
	GB3 MS	93.48	96938.76
	Connaught Bridge MS	186.77	193680.49
	GDC KLIA MS	1.9	1970.3
	PNGV KLIA 1	0.47	487.39
	PNGV KLIA 2	0.7	725.9
	PNGV KLIA 3	0.41	425.17
	Venator MS	7.6	7881.2
	S'gor	Serdang CG	76.4
Shah Alam CG		80.37	83343.69
Kapar CG		9.07	9405.59
Meru CG		95.42	98950.54
Bestari Jaya CG		8.74	9063.38
Kuala Langat Power Plant MS		50.35	52212.95
Serdang MS		174.67	181132.79
N.Sembilan	Kapar MS	268.04	277957.48
	Seremban CG	15.91	16498.67
	Seremban 2 CG	10.29	10670.73
	Bandar Baru Nilai CG	10.66	11054.42
	Tebong CG	25.23	26163.51
	Port Dickson MS	230	238510

Western Region			
State	Exit CITY GATE (CG)/Metering Station (MS)	Available Capacity	
		MMscf/d	MMBtu/d
Perak	Kamunting CG	20.96	21735.52
	Parit Buntar CG	18.47	19153.39
	Ayer Tawar CG	16.19	16789.03
	Hutan Melintang CG	47.86	49630.82
	Merbau CG	78.5	81404.5
	Tronoh CG	4	4148
	SEV Lumut MS	180.42	187095.54

Southern Region			
State	Exit CITY GATE (CG)/Metering Station (MS)	Available Capacity	
		MMscf/d	MMBtu/d
Johor	Kluang CG	39.24	40691.88
	Kulai CG	18.2	18873.4
	Senai CG	114.96	119213.52
	Pasir Gudang CG	237	245769
	Plentong CG	74.2	76945.4
	Tg Langsat CG	17.66	18313.42
	Paya Rumput CG	14.11	14632.07
	TNB Pasir Gudang MS	279.57	289914.09
	Pengerang COGEN Power MS	111.61	115739.57
	Southern Power Generation MS	20	20740
	Plentong (Senoko) MS	145	150365
	Plentong 2 (Keppel) MS	118	122366
	M'cca	Alor Gajah CG	9.25
Tanjung Kling MS		50.01	51860.37
Tanjung Gemok MS		38.93	40370.41
Teluk Gong MS		111	115107
Panglima MS		25.31	26246.47
EDRA Energy Sdn Bhd		210.21	217987.77
Tangga Batu Refinery MS		32.66	33868.42
Tangga Baru Cogen MS	12.34	12796.58	

Source: PETRONAS Gas Berhad

FUN FACTS

1 History

In January 1959, the world's first oceangoing LNG carrier **Methane Pioneer** (5,034 DWT) transported 5,500 cubic metres (190,000 cu ft), classed by Bureau Veritas, from the Calcasieu River on Louisiana Gulf coast to the Islands of Canvey in Great Britain.

Source: www.marineinsight.com



2 ChatGPT Let's ask...

There are several reasons why you might consider trading natural gas in Malaysia

- i. Growing demand: Malaysia is one of the largest consumers of natural gas in Asia and has a rapidly growing demand for energy. This creates opportunities for traders to profit from increased demand for natural gas.
- ii. Diversification: Trading natural gas in Malaysia can help you diversify your portfolio by investing in a different commodity and market.
- iii. Geopolitical stability: Malaysia has a stable political environment compared to other countries in the region, which can provide a level of security for investors and traders.
- iv. Infrastructure: Malaysia has well-developed natural gas infrastructure, including pipelines, storage facilities, and liquefied natural gas (LNG) terminals. This infrastructure allows for efficient transport and storage of natural gas, making it easier to trade.
- v. Strategic location: Malaysia's location in Southeast Asia makes it a strategic hub for energy trade between Asia and the rest of the world. This can provide traders with access to a large and diverse market. It's important to note that trading natural gas, like any investment, carries risks. These risks include price volatility, changes in demand, geopolitical tensions, and regulatory changes. Before trading natural gas in Malaysia, it's important to do your research and understand the market and its risks.

END OF REPORT