Market Commentary for October 8, 2020

CHAT with TELL | Two minute value proposition
Chairman, Charif Souki outlines Tellurian’s value for shareholders. Click below to find out.

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NATURAL GAS

Henry Hub
Day change: $0.021, up 0.8% | Settle: $2.627 | November 2020

TTF
Day change: $0.060, up 1.2% | Settle: $4.790 | November 2020

JKM
Day change: $0.020, up 0.3% | Settle: $5.105 | November 2020

- EIA: the U.S. injected 75 bcf of natural gas into storage last week; gas in storage is now 3.8 tcf, 444 bcf above the five-year average and above the 5-year range
- Traffic in Germany and China has returned to normal levels now that lockdowns are being lifted, but those road trips on ze autobahn just got more expensive...
- ...Germany approved a fuel emissions trading law that establishes a fixed CO2 price for the transport and heating sectors starting next year at $29.39/mt...
- ...Germany’s carbon price currently covers the power, industrial and aviation sectors
- Cameron LNG can’t catch a break: the terminal implemented a controlled shutdown ahead of Hurricane Delta just after restarting production on Tuesday from Laura...
- ...like Cameron, Sabine Pass has deployed a ride-out team to remain at the plant

OIL

Brent
Day change: $1.35, up 3.2% | Settle: $41.99 | December 2020

WT
Day change: $1.24, up 3.1% | Settle: $41.19 | November 2020

- Wood Mackenzie: China would need to invest $5 trillion to achieve carbon neutrality by 2060 as coal power capacity would need to halve...
• ...such a scenario requires a carbon price of $109 per tonne by 2030
• Moody's: Saudi Arabia's government may not be able to cover its budget deficit via dividends from Saudi Aramco after 2021 due to lower crude prices and sales
• Barrel half full: OPEC struck an optimistic tone in a new report, saying the "worst is over" with respects to COVID-related demand destruction and that oil demand will continue growing over the next two decades, dismissing "peak demand"
• The IEA says to watch out for the return of 1.8-2 million bpd of oil exports from Iran if Biden wins the presidency as he would revive the Obama-era nuclear deal

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