



European Gas Hub Report Methodology



Market	Assessment name	Frequency	Units
NBP	Tradability Index	Quarterly	Score out of 20
Zeebrugge	Tradability Index	Quarterly	Score out of 20
TTF	Tradability Index	Quarterly	Score out of 20
NCG	Tradability Index	Quarterly	Score out of 20
Gaspool	Tradability Index	Quarterly	Score out of 20
PEG Nord	Tradability Index	Quarterly	Score out of 20
CEGH	Tradability Index	Quarterly	Score out of 20
PVC	Tradability Index	Quarterly	Score out of 20

General Methodology

ICIS publishes market data based on information continually gathered from market participants about: spot transactions; spot bid and offer levels; contract price negotiations; prices of related commodities; and relevant freight costs.

ICIS includes in its data-generation process only information gathered up to the published market close time for each commodity and assessed period. ICIS does not make retrospective adjustments or changes to price quotations based on information subsequently received.

ICIS regards all arm's-length transactions that meet its specification criteria as carrying equal weight.

ICIS endeavours to crosscheck all the transaction information it gathers. ICIS will not use information for assessment purposes where such checks call into doubt the accuracy of the original information, or where a transaction appears to have occurred under circumstances that render it non-repeatable or otherwise markedly unusual.

Tradability Index

ICIS bases its Tradability Index assessments on information gathered during its daily price-generation process for European Spot Gas Markets.

It represents the width of bid-offer spreads available on traded gas hubs during every UK working day of the quarter prior to publication.

For example, the Tradability Index published in the Q1 issue, which is typically released mid-April, represents the width of the bid-offer spread on every UK working day during the immediately preceding January, February and April.

For each hub, ICIS assesses whether there was a bid-offer spread available for a range of 10 contracts at less than €0.50/MWh and then at less than €0.30/MWh on every day during the quarter in question, to all interested counterparties. The spread may have been available at any point during the trading day, not just at the close of trade, when ICIS assesses the price.

The traded gas contracts used in the Tradability Index comprise:

- Within-day
- Day-ahead
- Balance-of-month
- Month-ahead
- Next quarter
- Next season
- Two seasons ahead
- One year ahead
- Two years ahead
- Three years ahead

If a bid-offer spread of less than €0.30/MWh is assessed to have been available every working day during the quarter for a particular contract, it will score 2 in the index.

If the contract is assessed to have been available at a spread of less than €0.50/MWh every day, but not less than €0.30/MWh every day, it will score 1 in the index.

If the contract is assessed to have not been available at a spread of less than €0.50/MWh every day, it will score 0 in the index.

The maximum score for any hub is 20 and the minimum is zero.

Publication Schedule

The Tradability Index is assessed every quarter, and published in the European Gas Hub Report. A full-length report is published every October, giving a detailed description of the state of trade and liquidity on all major European hubs, as well as developments at the less liquid and potential future hubs.

Following the full report, three quarterly updates are provided for Q4 (published mid-January), Q1 (published mid-April) and Q2 (published mid-July).