



ROUTE4GAS

# Route4Gas: Concentrating Liquidity for More Success

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# What is the idea behind the Route4Gas application?



1

## **+5,000 TWh**

of gas are transported between European market areas annually

2

## **Approx. € 5 billion**

cost of capacities booked for cross-border transportation

3

## **What's your share?**

How to make profit on your own and on other traders' physical flows?

4

## **Up to 20% back**

20% of the transportation fees can be recovered by participating in Route4Gas matching rounds

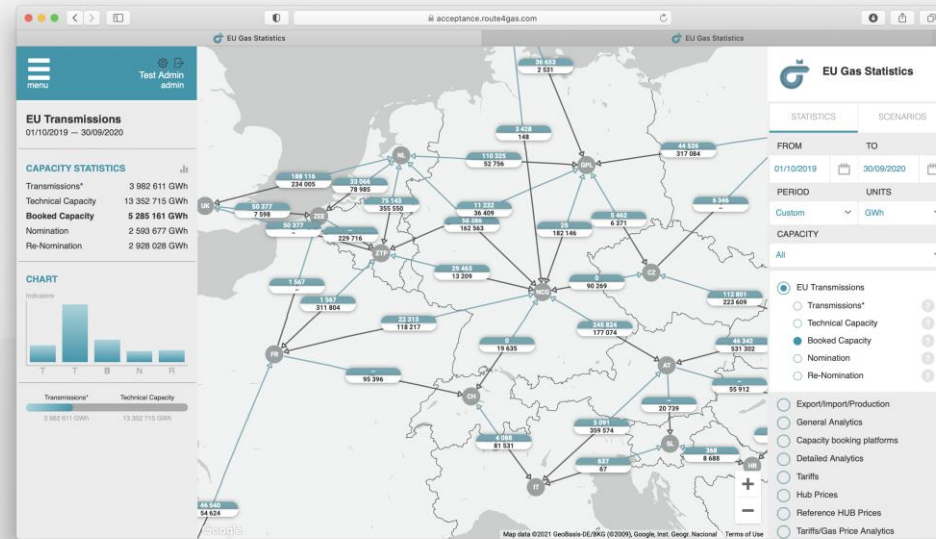
5

## **Extra trades**

unlock additional trade opportunities

# Simple calculation

Analysis of capacity bookings and physical flows shows...



- Approx. **€ 5 billion** is the total cost of cross-border capacities booked
- **28% volume / 20% cost** are subject to monetising
- Up to **€ 1 billion** can be regained



# To monetise gas flows is not an invention of Route4Gas ...

## **Existing flows**

Buy the market spread  
instead of flowing the gas

## **Unused capacities**

Sell the market spread when  
market spreads show you profit

Use **location swaps** as an  
instrument



... but Route4Gas  
innovates monetizing  
gas flows by:

An algorithm to **maximize**  
automatic matching!

Adding and **concentrating**  
liquidity in single matching  
rounds!

**Unlocking** additional trading  
opportunities!



# The algorithm

Multilateral Matching  
vs.  
Bilateral Matching

**All** positions in one round by everyone. **Anonymously**.



Let the **math** do the work – the algo finds matches.



The algo **improves** matching by offering some deals to participants.



It's done. The **maximum** number of matches found.



## Adding and concentrating liquidity

All positions at one place and  
the same time  
(single matching rounds)

All possible counterparties  
available (multilateral deals)

**Multilateral** combinations  
increase the matching  
probability by **up to 65%**



# Unlocking trading opportunities

Linking physical flows to trading instruments

Connecting **ALL** European gas **markets**, liquid and illiquid ones

Creating **new** positions  
(= trading opportunities)  
on the markets





Adding and  
concentrating  
**liquidity**

**Connecting**  
all European  
VTPs

**Linking**  
physical flows  
to trading  
instruments

**Automatic**  
matching

**Physical positions**  
already in

**Storages**  
already in

**LNG**  
later in 2021

**Curve products**  
later in 2021

1

2

3

4

**What else can  
be monetised?**

**At least with  
Route4Gas**



Summing up:

Route4Gas helps ...



The trader to make **profit** on own and other traders' **physical flows!**

The European gas market to earn up to **€ 1 billion!**

Creating **liquidity** on the European gas market in a new and innovative way!



# ROUTE4GAS



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