

# Argus European Natural Gas Outlook



## Summary

### Fundamentals

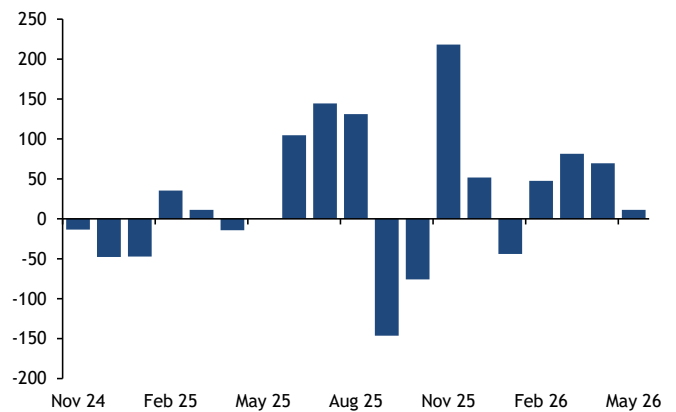
- Europe looks undersupplied over the balance of the winter, with little buffer against severe cold weather
- The balance eases by mid-summer 2025, but this is dependent on supplies remaining near maximum
- Rising LNG availability to Europe should make winter 2025-26 more comfortably supplied
- The prospect of stronger winter supply should encourage European countries to make use of storage derogations to limit summer restocking needs

### Price

- Price risks remain skewed to the upside over the balance of the winter
- If Europe is forced to compete with northeast Asia for marginal LNG supply, gas prices could push above oil product levels to help displace gas demand
- High near-curve prices continue to favour pipeline suppliers maximising deliveries to Europe over the remainder of the gas year
- A near-record speculative net long position held by hedge funds could put downward pressure on prices when it is eventually unwound

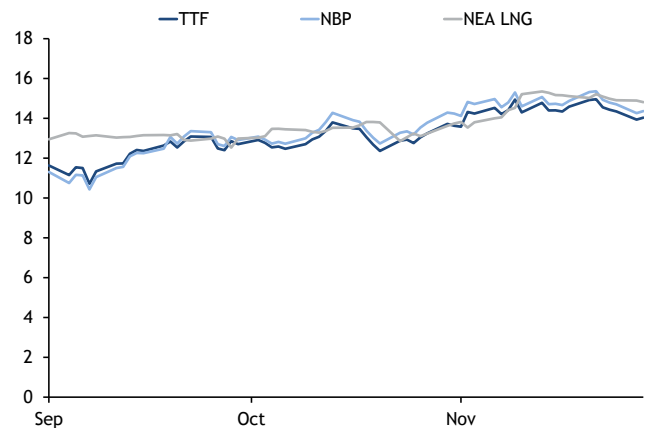
EU and UK gas balance

mn m<sup>3</sup>/d



Month 1 price development

\$/mn Btu



Natural gas/LNG

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## Overview

### Tight near-term balance points to continued volatility

A tight global gas balance through the remainder of the boreal winter looks set to favour further price volatility over the coming months. Europe looks slightly short for the rest of the heating season. Withdrawing more from storage or reducing power-sector gas consumption could help to close the gap, but the market is largely without a buffer against demand spikes or supply disruptions until the summer. If Europe were to experience severe cold in the first quarter — and in particular if it was also cold elsewhere in the northern hemisphere, creating competition for marginal LNG cargoes — then prices could quickly climb to above parity with fuel oil in a bid to minimise gas consumption.

The balance begins to ease for summer 2025, but the market remains without much latitude to compensate for major supply disruptions or demand shocks over the restocking season — such as if a major hurricane were to disrupt US LNG exports, or another heatwave were to drive demand higher in Asia-Pacific.

Heading into winter 2025-26, rising liquefaction capacity should make the global balance considerably more comfortable, although this depends on new LNG projects not slipping further behind schedule.

In addition, the prospect of a more comfortable balance next winter should give European countries more confidence to make use of the derogations and latitude afforded them by the legislation setting out the EU’s storage targets, significantly reducing restocking requirements for next summer.

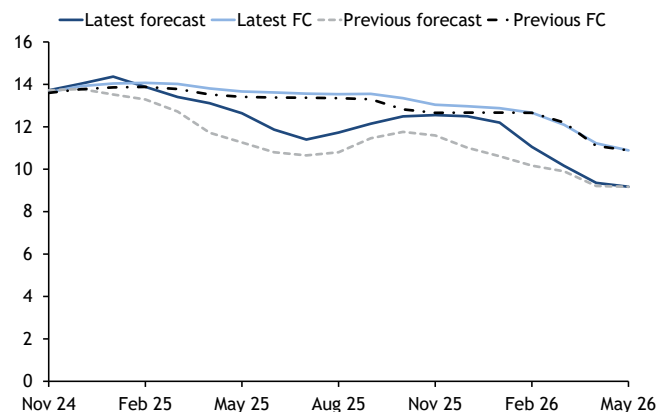
While the short-term risks may be skewed to the upside, there is still some scope for prices to turn lower. Longer-range weather forecasts suggest that the start of 2025 will be relatively mild in Europe, while a weakening of the La Nina phenomenon may make for a milder first quarter in north-east Asia than previously anticipated.

Meanwhile, investment funds have acquired a huge net long position on the TTF — higher even than in early 2021, when the prospect of European economies reopening after the pandemic restrictions of 2020 favoured a bet that prices would turn higher. The net long position reflects the skew of risks to the upside, but the eventual unwinding of the position — which was nearly 268TWh on 6 December, down from an all-time high of almost 294TWh on 29 November — will put significant downward pressure on prices.

				\$/mn Btu	
	Latest forecast	Previous forecast	Forecast change	TTF forward curve	Forecast vs curve
Nov 24	13.72	13.72	0.00	13.63	0.10
Dec 24	14.03	13.78	0.25	13.92	0.11
Jan 25	14.37	13.52	0.85	14.04	0.32
Feb 25	13.88	13.29	0.59	14.07	-0.19
Mar 25	13.40	12.72	0.68	14.02	-0.62
Apr 25	13.11	11.72	1.39	13.80	-0.69
May 25	12.64	11.26	1.38	13.66	-1.03
Jun 25	11.87	10.80	1.07	13.62	-1.76
Jul 25	11.40	10.65	0.75	13.56	-2.17
Aug 25	11.73	10.80	0.93	13.54	-1.80
Sep 25	12.14	11.46	0.68	13.55	-1.41
Oct 25	12.49	11.76	0.73	13.35	-0.86
Nov 25	12.55	11.59	0.96	13.04	-0.49
Dec 25	12.49	11.01	1.48	12.97	-0.47
Jan 26	12.20	10.61	1.59	12.88	-0.68
Feb 26	11.05	10.17	0.88	12.66	-1.61
Mar 26	10.16	9.90	0.26	12.09	-1.93
Apr 26	9.36	9.21	0.15	11.22	-1.86
May 26	9.17	9.17	0.00	10.89	-1.72

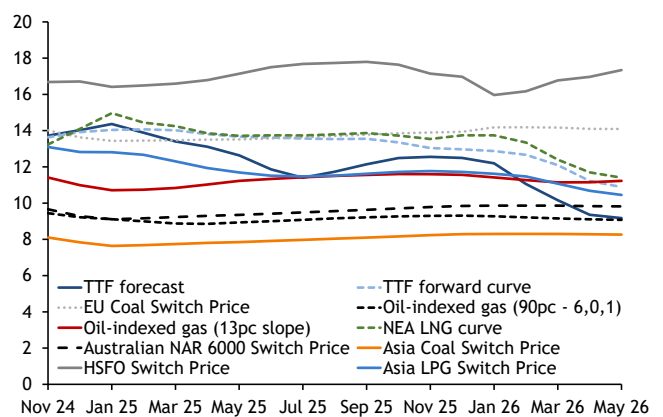
### TTF forward curve development

\$/mn Btu



### TTF price forecast

\$/mn Btu



## Price forecast and anchors

TTF price forecast and price anchors										\$/mn Btu
	TTF forecast	TTF forward curve	EU Coal Switch Price	Oil-indexed gas (90pc - 6,0,1)	Oil-indexed gas (13pc slope)	NEA LNG curve	Australian NAR 6,000 Switch Price	Asia Coal Switch Price	HSFO Switch Price	Asia LPG Switch Price
Nov 24	13.72	13.63	14.02	9.44	11.41	13.24	9.66	8.10	16.68	13.10
Dec 24	14.03	13.92	13.63	9.22	10.99	14.10	9.28	7.83	16.71	12.82
Jan 25	14.37	14.04	13.44	9.11	10.71	14.96	9.11	7.64	16.42	12.81
Feb 25	13.88	14.07	13.45	9.00	10.74	14.45	9.16	7.68	16.49	12.66
Mar 25	13.40	14.02	13.47	8.88	10.84	14.24	9.23	7.74	16.59	12.30
Apr 25	13.11	13.80	13.50	8.85	11.03	13.85	9.30	7.80	16.79	11.93
May 25	12.64	13.66	13.52	8.94	11.23	13.71	9.35	7.85	17.14	11.69
Jun 25	11.87	13.62	13.57	9.00	11.34	13.74	9.42	7.91	17.50	11.51
Jul 25	11.40	13.56	13.64	9.08	11.43	13.74	9.49	7.97	17.68	11.48
Aug 25	11.73	13.54	13.71	9.16	11.50	13.80	9.56	8.04	17.73	11.51
Sep 25	12.14	13.55	13.78	9.22	11.56	13.87	9.63	8.10	17.80	11.62
Oct 25	12.49	13.35	13.85	9.27	11.60	13.73	9.71	8.16	17.64	11.72
Nov 25	12.55	13.04	13.89	9.30	11.60	13.54	9.79	8.23	17.14	11.77
Dec 25	12.49	12.97	13.94	9.31	11.56	13.74	9.84	8.29	16.98	11.72
Jan 26	12.20	12.88	14.18	9.27	11.42	13.74	9.86	8.30	15.96	11.62
Feb 26	11.05	12.66	14.18	9.21	11.27	13.34	9.86	8.30	16.17	11.47
Mar 26	10.16	12.09	14.17	9.16	11.14	12.40	9.86	8.30	16.77	11.07
Apr 26	9.36	11.22	14.10	9.11	11.15	11.70	9.83	8.28	16.97	10.68
May 26	9.17	10.89	14.09	9.08	11.23	11.40	9.82	8.26	17.34	10.45

TTF price forecast and price anchors										€/MWh
	TTF forecast	TTF forward curve	EU Coal Switch Price	Oil-indexed gas (90pc - 6,0,1)	Oil-indexed gas (13pc slope)	NEA LNG curve	Australian NAR 6,000 Switch Price	Asia Coal Switch Price	HSFO Switch Price	Asia LPG Switch Price
Nov 24	44.17	43.87	45.12	30.40	36.73	42.60	31.09	26.08	53.70	42.16
Dec 24	45.16	44.81	43.87	29.68	35.38	45.38	29.86	25.22	53.80	41.27
Jan 25	46.24	45.20	43.25	29.33	34.48	48.17	29.33	24.59	52.85	41.24
Feb 25	44.69	45.29	43.29	28.96	34.58	46.50	29.49	24.73	53.09	40.77
Mar 25	43.14	45.13	43.35	28.58	34.89	45.85	29.71	24.93	53.42	39.61
Apr 25	42.20	44.44	43.46	28.50	35.49	44.59	29.93	25.12	54.05	38.41
May 25	40.68	43.98	43.51	28.76	36.14	44.13	30.10	25.27	55.16	37.63
Jun 25	38.19	43.84	43.67	28.97	36.49	44.24	30.32	25.46	56.33	37.06
Jul 25	36.69	43.67	43.91	29.22	36.78	44.22	30.54	25.66	56.91	36.94
Aug 25	37.76	43.57	44.13	29.49	37.02	44.41	30.78	25.86	57.08	37.06
Sep 25	39.09	43.63	44.34	29.66	37.20	44.63	31.00	26.06	57.28	37.40
Oct 25	40.20	42.96	44.60	29.83	37.35	44.18	31.25	26.28	56.79	37.74
Nov 25	40.40	41.98	44.73	29.93	37.34	43.59	31.50	26.50	55.18	37.89
Dec 25	40.22	41.75	44.87	29.96	37.22	44.23	31.69	26.67	54.64	37.74
Jan 26	39.27	41.45	45.65	29.85	36.76	44.24	31.74	26.71	51.39	37.40
Feb 26	35.58	40.77	45.66	29.66	36.29	42.94	31.75	26.72	52.05	36.93
Mar 26	32.71	38.93	45.61	29.47	35.87	39.91	31.74	26.71	53.98	35.65
Apr 26	30.12	36.12	45.39	29.31	35.90	37.65	31.66	26.65	54.62	34.38
May 26	29.53	35.05	45.36	29.21	36.14	36.71	31.61	26.60	55.82	33.64

## European balance

- The remainder of the winter looks slightly short, limiting the market's ability to deal with colder weather without significantly higher prices
- Summer 2025 looks slightly long — assuming EU countries make use of derogations from mandatory storage targets
- Winter 2025-26 looks much more loosely balanced — so long as major LNG projects start on schedule

The remainder of the winter will continue to challenge the European balance, particularly given that forward prices in the traded market continue to disincentivise storage withdrawals. Europe will need to pull more from storage or to price out power-sector gas demand if it is to close a balance-of-winter shortfall of about 12mn m<sup>3</sup>/d. But given the much-diminished state of the region's fleet of coal-fired power plants, gas consumption for generation is likely to be determined primarily by renewable output, and whether there are further spells of cloudy, cold and windless weather such as in early November.

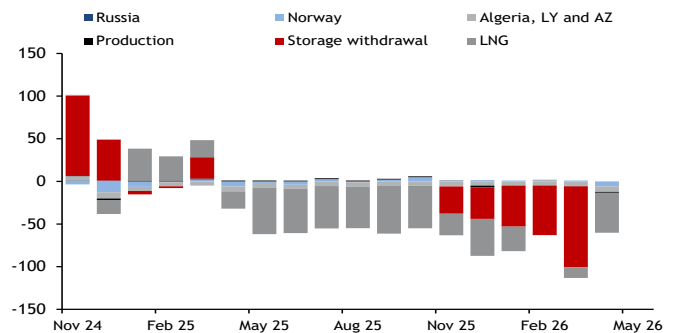
Heading into the summer, the balance starts to ease. The spring and autumn shoulder seasons remain tight, but the mid-summer months should be much more comfortably supplied — assuming that Asia does not experience another heatwave similar to the one that drove power demand and LNG requirements so much higher last summer. Even so, we have revised our expectations for Asia's summer LNG demand higher, after revising our model to take into account a broader range of weather variables.

Combined with a reduction in our expectations for European nuclear power availability next summer, this leaves our summer balance tighter than previously expected, which is only partially offset by the lower restocking that we anticipate will be required if countries start to make use of their derogations from the EU's storage targets. Meanwhile, the relative length that we are projecting for the mid-summer months depends on Europe's suppliers continuing to respond to the shape of the forward curve by maximising their deliveries, which could be derailed by significant unplanned downtime.

Looking ahead to winter 2025-26, the balance eases yet further, although this remains contingent on LNG projects starting up on schedule and seaborne supply remaining readily available to Europe.

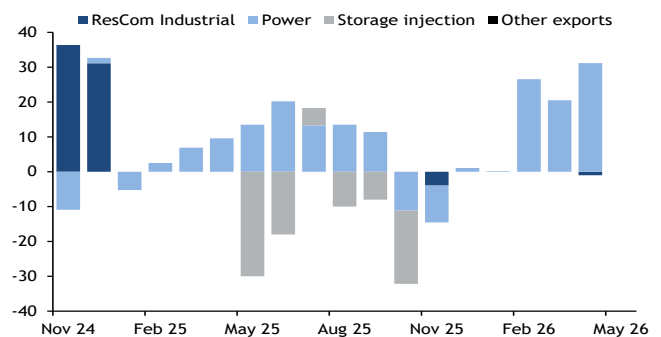
Latest supply forecast vs previous

mn m<sup>3</sup>/d



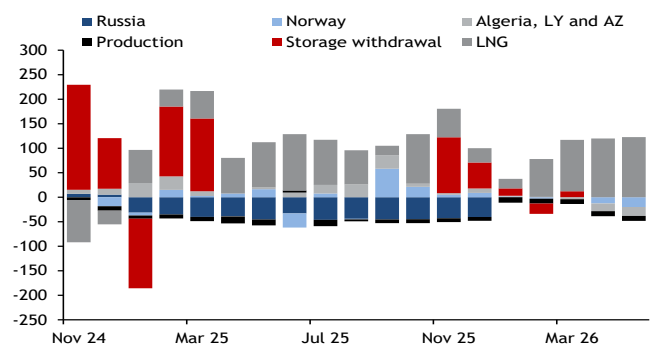
Latest demand forecast vs previous

mn m<sup>3</sup>/d



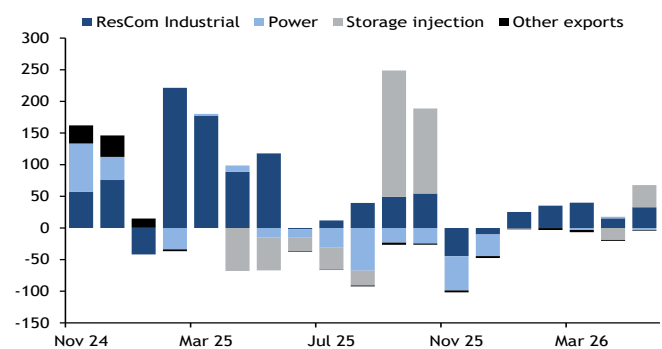
EU and UK supply vs previous year

mn m<sup>3</sup>/d



EU and UK demand vs previous year

mn m<sup>3</sup>/d



## European balance

European gas balance																		<i>mn m<sup>3</sup>/d</i>	
	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26
<b>Supply</b>																			
Russia	89	88	48	47	46	43	42	42	43	43	43	44	46	48	48	47	46	43	42
Norway	336	333	341	345	338	326	308	288	338	320	277	337	341	342	342	342	338	313	288
Algeria, LY and AZ	131	127	134	134	133	129	126	126	129	129	116	131	134	136	136	135	129	113	108
Production	186	187	191	185	184	174	172	166	162	169	158	178	179	180	180	175	174	164	162
Storage withdrawal	355	408	436	437	276	0	0	0	0	0	0	0	469	461	451	416	288	0	0
LNG	327	395	457	409	409	418	382	373	342	293	273	372	385	424	477	486	514	538	505
<b>Demand</b>																			
ResCom Industrial	1,108	1,278	1,352	1,302	1,147	881	670	478	431	423	559	766	1,063	1,268	1,378	1,337	1,187	896	702
Power	298	276	277	194	204	161	130	152	173	124	167	169	244	242	276	194	201	163	127
Storage injection	0	0	0	0	0	42	213	246	252	258	266	177	0	0	0	0	0	23	248
Other exports	32	32	25	26	25	20	18	15	14	18	21	26	29	29	24	23	21	19	17
<b>Balance</b>																			
Supply	1,424	1,539	1,607	1,557	1,387	1,090	1,031	996	1,015	954	866	1,062	1,554	1,591	1,633	1,601	1,490	1,171	1,106
Demand	1,438	1,586	1,654	1,522	1,376	1,104	1,031	891	870	823	1,013	1,138	1,336	1,539	1,677	1,554	1,409	1,101	1,094
Balance	-14	-48	-47	35	11	-14	0	105	144	131	-146	-76	218	52	-44	48	81	70	11

European gas balance - forecast change																		<i>mn m<sup>3</sup>/d</i>	
	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26
<b>Supply</b>																			
Russia	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Norway	-4	-13	-6	-1	2	-6	-2	-4	3	-1	2	5	1	1	1	1	1	1	-6
Algeria, LY and AZ	5	-7	-5	-5	-5	-6	-6	-5	-5	-5	-5	-5	-6	-5	-5	-5	-6	-6	-6
Production	0	-2	1	1	1	1	1	1	1	1	1	1	0	-2	0	0	0	0	-1
Storage withdrawal	94	48	-4	-2	25	0	0	0	0	0	0	0	-32	-37	-48	-58	-95	0	0
LNG	1	-16	37	28	20	-20	-55	-52	-50	-49	-56	-50	-25	-43	-29	1	-12	-47	-47
<b>Demand</b>																			
ResCom Industrial	36	31	0	0	0	0	0	0	0	0	0	0	-4	0	0	0	0	0	-1
Power	-11	2	-5	3	7	10	14	20	13	14	11	-11	-11	1	0	27	21	31	31
Storage injection	0	0	0	0	0	0	-30	-18	5	-10	-8	-21	0	0	0	0	0	0	0
Other exports	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Balance</b>																			
Supply	98	11	23	22	43	-31	-61	-60	-51	-54	-58	-49	-62	-86	-81	-61	-112	-60	-60
Demand	26	33	-5	3	7	10	-16	2	18	4	3	-32	-15	1	0	27	21	30	30
Balance	123	43	18	24	50	-21	-77	-57	-33	-50	-55	-81	-76	-85	-81	-34	-92	-30	-30

### Methodological note

The balances in this Outlook illustrate the actions incentivised by the assessed forward curve at the time this analysis was undertaken and are not a forecast of the final balance at delivery. Any projected imbalances are incorporated into the Outlook's forecast of the market clearing price for the specified future period.

## Russia

### Flows stable despite OMV termination but halt looms

Russia’s state-controlled Gazprom halted gas supplies to Austrian firm OMV on 16 November after the latter decided to immediately recoup €230mn (\$240mn) in damages that it had been awarded in arbitration with Gazprom through offsetting the award against its bill payments. Changes to Austria’s gas flow configuration have been limited since the cutoff. Larger volumes remained in Slovakia during a period of colder than normal weather from 20-23 November, but overall transit through Ukraine fell by just 1mn m<sup>3</sup>/d in November compared with a month earlier.

The decision by OMV to take action now would indicate that it expects Russian deliveries through Ukraine to halt at the end of this year. OMV announced on 10 December that it has terminated its Austrian long-term gas supply contract with Gazprom owing to “fundamental breaches of contractual obligations” by the Russian firm.

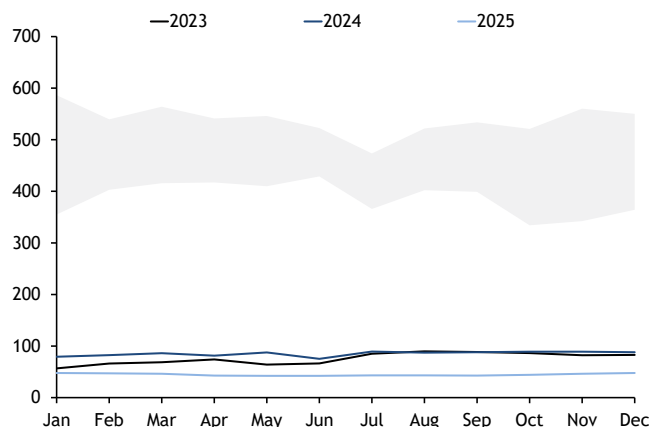
The end of the OMV agreement leaves Gazprom volumes available for a third party. European energy commissioner Kadri Simson recently commented that European companies can negotiate with Ukraine and continue to purchase Russian gas. But in the absence of a gas security crisis of sufficient magnitude for the EU to pressure Ukraine to deviate from its policy of not engaging with Russia while the conflict continues, we hold the view that transit of Russian gas through Ukraine will halt at the end of this year.

It is more likely that gas transit could form part of any broader peace negotiations with Russia. We see limited rationale for Ukraine to agree to an interconnection agreement in the short term, but we can envisage a scenario where transit resumes within our forecast period.

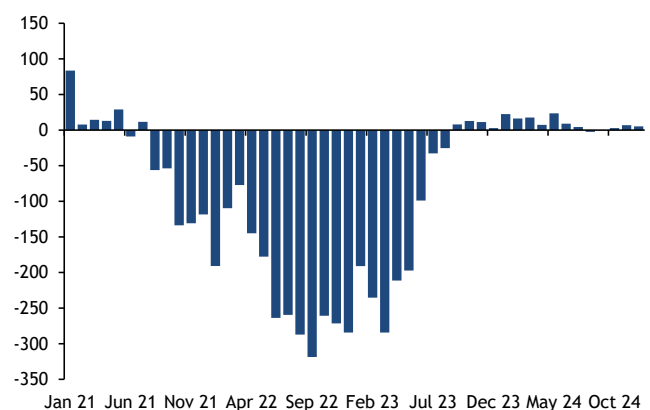
From the start of next year, we expect Russian gas deliveries to Europe to be limited to flows through the Turkish Stream pipeline that enter the EU at the Bulgarian border point of Strandzha 2/Malkoclar. But US sanctions imposed on Russia’s Gazprombank also put deliveries through Turkish Stream at risk. Russian president Vladimir Putin has issued an executive order that allows banks other than Gazprombank to receive payments from foreign buyers, but it is unclear if the issue has been resolved. Gazprom “must find a solution” that will allow the company to continue making payments for its capacity bookings if it wants to continue receiving services, Bulgarian energy minister Vladimir Malinov stated on 10 December.

Russia supply forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	89	88	1	82	7
Dec 24	88	87	1	83	5
Jan 25	48	48	0	79	-31
Feb 25	47	47	0	82	-35
Mar 25	46	46	0	86	-40
Apr 25	43	43	0	81	-39
May 25	42	42	0	88	-45
Jun 25	42	42	0	75	-33
Jul 25	43	43	0	89	-46
Aug 25	43	43	0	87	-44
Sep 25	43	43	0	88	-45
Oct 25	44	44	0	89	-45
Nov 25	46	46	0	89	-43
Dec 25	48	48	0	88	-40
Jan 26	48	48	0	48	0
Feb 26	47	47	0	47	0
Mar 26	46	46	0	46	0
Apr 26	43	43	0	43	0
May 26	42	42	0	42	0

Russia supply forecast mn m<sup>3</sup>/d



Russian supply vs previous year mn m<sup>3</sup>/d



## Norway

### Unplanned outages limit Norwegian ramp-up

Norwegian pipeline gas exports rose to 333.6mn m<sup>3</sup>/d in November from 316mn m<sup>3</sup>/d in October, but fell 6mn m<sup>3</sup>/d short of our expectation. Deliveries rose to over 340mn m<sup>3</sup>/d on 11-15 November, but output declined to 331mn m<sup>3</sup>/d in the second half of the month owing to brief unplanned outages at the Asgard, Njord and Oseberg fields.

Maintenance for December was expected to be limited to works due to run until 3 December at the Dvalin and Heidrun fields, but additional unplanned maintenance at Dvalin, Asgard, Gullfaks and Sleipner limited output to 330mn m<sup>3</sup>/d across 1-7 December. A compressor failure at the Kollsnes gas processing plant will reduce Asgard’s capacity by 11.6mn m<sup>3</sup>/d on 10-15 December.

Maintenance has constrained capacity at the Sleipner field since the start of December, with works currently expected to reduce capacity by 7.3mn m<sup>3</sup>/d until 24 January. At present planned works for the second half of December are limited to restrictions at Sleipner. We expect Norwegian exports to increase as the month progresses but have reduced our forecast for December by 12mn m<sup>3</sup>/d to 333mn m<sup>3</sup>/d.

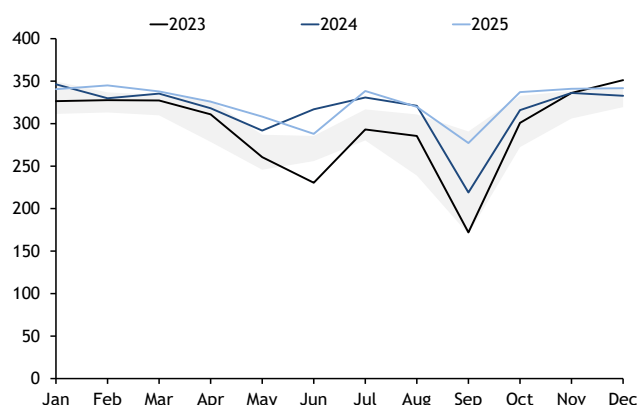
Norwegian availability for March has increased by 3mn m<sup>3</sup>/d as a result of planned works at Aasta Hansteen being postponed to 2-3 April from 10-13 March. Elsewhere in April, work at Ormen Lange that was due to run from 14 May-9 July has been brought forward and is now planned to take place on 24 April-30 June.

Changes to scheduled works at Ormen Lange and Troll have increased outages for the second quarter of 2026 by 2.5mn m<sup>3</sup>/d. But overall maintenance currently planned for summer 2025 and 2026 remains light by historical standards.

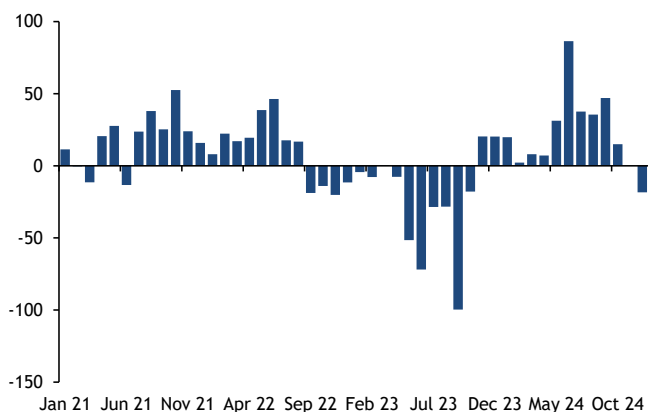
The sustained strong backwardation in the Dutch TTF forward curve continues to encourage maximum production from flexible assets over the forecast period. Production at Troll across the 2023-24 gas year was 43.4bn m<sup>3</sup>, according to data released by the Norwegian Offshore Directorate, representing overproduction relative to the revised permit of 1.2bn m<sup>3</sup>, which largely offsets underproduction of 1.5bn m<sup>3</sup> in 2022-23. Historically banked Troll volumes from years of underproduction remain intact and we expect another year of Troll output in the region of 43bn m<sup>3</sup>. Adjusting for maintenance, the theoretical maximum for Troll this year would be 43.9bn m<sup>3</sup>.

Norway supply forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	336	340	-4	336	0
Dec 24	333	346	-13	351	-18
Jan 25	341	347	-6	346	-6
Feb 25	345	346	-1	330	15
Mar 25	338	336	2	335	3
Apr 25	326	332	-6	318	8
May 25	308	310	-2	292	16
Jun 25	288	292	-4	317	-29
Jul 25	338	336	3	331	8
Aug 25	320	321	-1	321	-1
Sep 25	277	275	2	219	58
Oct 25	337	332	5	316	21
Nov 25	341	340	1	336	5
Dec 25	342	340	1	333	9
Jan 26	342	341	1	341	1
Feb 26	342	341	1	345	-3
Mar 26	338	337	1	338	0
Apr 26	313	319	-6	326	-13
May 26	288			308	-20

Norway supply forecast mn m<sup>3</sup>/d



Norway supply vs previous year mn m<sup>3</sup>/d



## Algeria, Libya and Azerbaijan

### Nov offtake indicates subdued Algerian contract flows

Algerian pipeline flows to Italy and Spain were 91.4mn m<sup>3</sup>/d in November, 7mn m<sup>3</sup>/d higher than we had forecast as a surge in prompt prices provided strong incentives for Algerian offtake as last month progressed. Combined flows reached 100mn m<sup>3</sup>/d on 22 November for only the second time this year. Spanish offtake was relatively static at 27mn m<sup>3</sup>/d but Italian receipts ranged from 46mn-73mn m<sup>3</sup>/d across the month.

Based on the price incentives we would have expected Italian offtake of Algerian gas to have increased by slightly more than it did during the second half of November. In recent years there has been a number of new and expired deals, with limited information provided regarding the volume and duration of the contracts agreed. As a result of the recent offtake action, we have scaled back our estimate of contractual volumes, which has reduced the upper boundary for offtake.

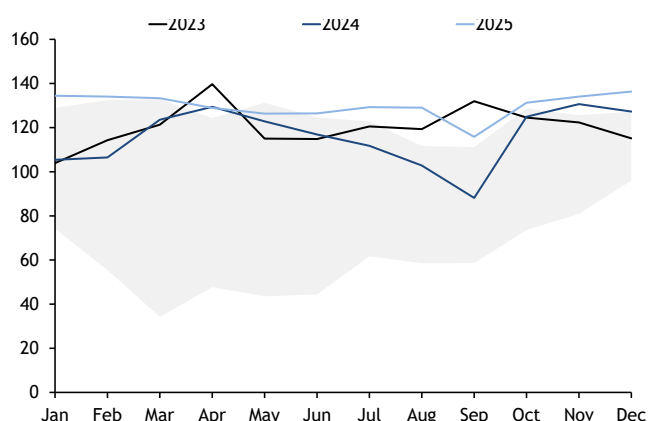
We stated last month that there was limited scope for Algerian offtake in 2025 to increase beyond our current forecast, and the reduction in our contract estimates has resulted in our forecast for 2025 Algerian offtake declining over the past month. Algerian contract prices for calendar 2025 periods continue to hold a discount to the gas forward curve of more than \$1/mn Btu, according to our estimates.

Our analysis of Italian customs statistics data indicates that during the height of the gas crisis some volumes delivered to Italy from Algeria represented spot sales, likely to have been made by state-owned Sonatrach. Total Algerian production in 2024 is estimated to be roughly flat to 2023, which may be limiting scope for spot sales from Sonatrach or the broader availability of gas for pipeline exports.

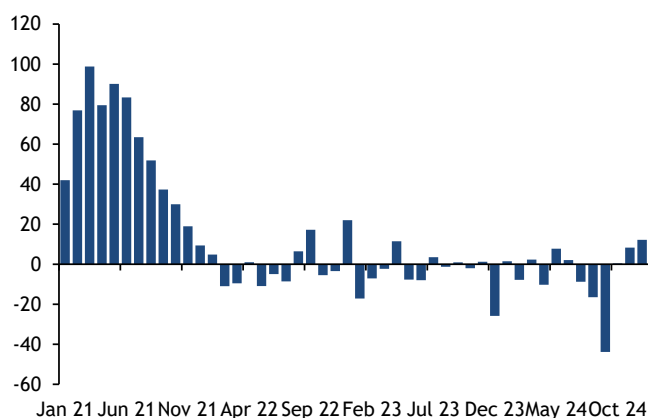
Algerian production is expected to increase by up to 4mn m<sup>3</sup>/d in 2025, with higher output expected from Hassi Ba Hammou, Berkine South and Ain Tsila, largely balanced by lower production from the Tin Fouye Tabankort field. The availability of the expected 2.5mn m<sup>3</sup>/d increase in production from the Hassi R'Mel field will depend on the strength of domestic demand next year. An additional 10mn m<sup>3</sup>/d of Algerian production is expected in 2026 as a result of the ramp-up of Aina Tsila output, the start-up of Hassi Tidjane and increased production from Hassi R'Mel. But these volumes may arrive just as prompt prices fall to a discount to Algerian contract pricing.

Algeria, Libya and Azerbaijan supply forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	131	126	5	122	8
Dec 24	127	135	-7	115	12
Jan 25	134	139	-5	105	29
Feb 25	134	139	-5	106	28
Mar 25	133	138	-5	124	10
Apr 25	129	135	-6	129	-1
May 25	126	132	-6	123	4
Jun 25	126	131	-5	117	10
Jul 25	129	135	-5	112	18
Aug 25	129	134	-5	103	26
Sep 25	116	121	-5	88	28
Oct 25	131	136	-5	125	6
Nov 25	134	140	-6	131	3
Dec 25	136	141	-5	127	9
Jan 26	136	141	-5	134	2
Feb 26	135	140	-5	134	1
Mar 26	129	135	-6	133	-4
Apr 26	113	120	-6	129	-16
May 26	108			126	-18

Algeria, Libya, Azerbaijan supply forecast mn m<sup>3</sup>/d



Algeria, Libya, Azerbaijan supply vs year ago mn m<sup>3</sup>/d





## EU and UK production

### Danish output flat despite Tyra restart

Danish gas production did not increase last month despite the Tyra field restarting on 10 November, with output scheduled to increase steadily before reaching a plateau at the end of this year. Receipts of Danish production at the Nybro point averaged 22 GWh/d on 1-30 November, the same volume as across October.

The Tyra hub produced less gas than expected in November, as a result of adverse weather conditions disrupting access to the satellites and as operator TotalEnergies continued work to optimise the offshore systems, according to Tyra stakeholder Bluenord.

Increased production from Denmark and Italy in 2025 is expected to largely counter a drop in output from other EU countries, notably the Netherlands, Romania and Germany. In Italy, the Cassiopea project is expected to increase production by 3mn m<sup>3</sup>/d. Italian output has been gradually increasing during the past month, rising to 9.7mn m<sup>3</sup>/d by 8 December from 7mn m<sup>3</sup>/d on 1 November, daily production data reported by Italian gas system operator Snam indicate.

UK output will account for over 40pc of total EU+UK gas production in 2024, despite falling by 10.5mn m<sup>3</sup>/d, or 11.4pc, over the past year. We anticipate that UK gas production will continue to decline in the coming years, falling by a further 6.6mn m<sup>3</sup>/d in 2025 and by more than 5mn m<sup>3</sup>/d in 2026 to 69mn m<sup>3</sup>/d. This would represent a decline of more than a third compared with 2022, when UK production stood at 104mn m<sup>3</sup>/d.

The UK produced 83.4mn m<sup>3</sup>/d of gas in November, down by 3mn m<sup>3</sup>/d from October and 4.8mn m<sup>3</sup>/d lower than a year earlier, but in line with our forecast.

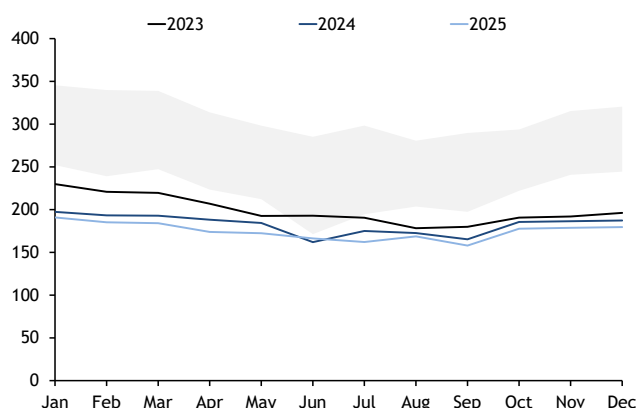
Works at the UK's 6mn m<sup>3</sup>/d Barrow gas terminal continue to overrun. The terminal has been off line since 5 October for planned maintenance that was due to be completed by 23 November. The terminal is now expected to return to operation from 15 December.

Barrow was off line throughout May and June because of repeated extensions to works at a gas treatment plant. There are no other ongoing or planned works for the rest of December at UK offshore assets and we expect UK output this month to be roughly flat with November at 83.8mn m<sup>3</sup>/d.

EU + UK production forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	186	186	0	192	-6
Dec 24	187	189	-2	196	-9
Jan 25	191	190	1	197	-7
Feb 25	185	184	1	193	-8
Mar 25	184	183	1	193	-9
Apr 25	174	173	1	188	-14
May 25	172	171	1	184	-12
Jun 25	166	165	1	162	4
Jul 25	162	161	1	175	-13
Aug 25	169	168	1	173	-4
Sep 25	158	157	1	165	-7
Oct 25	178	177	1	186	-8
Nov 25	179	178	0	186	-8
Dec 25	180	182	-2	187	-8
Jan 26	180	180	0	191	-11
Feb 26	175	175	0	185	-10
Mar 26	174	174	0	184	-10
Apr 26	164	165	-1	174	-10
May 26	162			172	-10

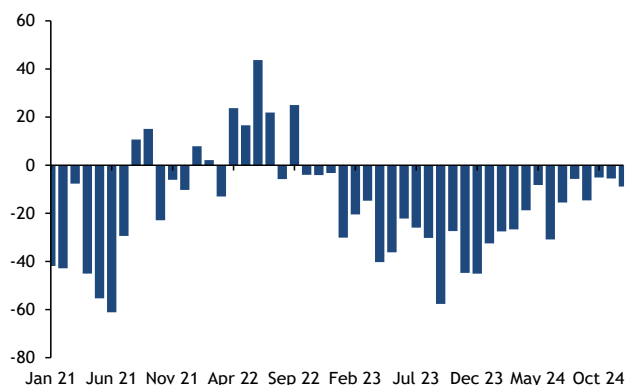
EU and UK production forecast

mn m<sup>3</sup>/d



EU and UK production vs previous year

mn m<sup>3</sup>/d



## Storage

### Summer 2025 stockbuild to fall short of EU targets

Storage has been the primary supply lever utilised to balance the European gas market during November as still and cold weather conditions increased power sector gas burn and resulted in a rise in residential demand. EU sites withdrew 345mn m<sup>3</sup>/d last month, the largest November stockdraw since 2016 and significantly higher than the 136mn m<sup>3</sup>/d extracted in November last year. At 85pc full, EU stocks on 1 December were down by 9.6 percentage points on the year, raising concerns about the potential for strong injections during summer 2025.

The EU regulation that mandates a 90pc inventory level for each member state by 1 November — except if there is an exemption — is in place until 31 December 2025. Germany passed its own law requiring stocks to be 95pc full by 1 November, and we currently expect the German target to be enforced. Summer 2025 continues to trade at a premium to winter 2025, providing no commercial incentive to build stocks next summer. We expect companies across the EU will make greater use of exemptions to the 90pc ruling.

Austria, the Czech Republic, Slovakia, Latvia and Hungary all have exemptions from the EU regulation, reducing the 90pc filling target to 35pc of annual national consumption across the previous five years. Austria could in theory fill to just 30pc of capacity by 1 November. The Netherlands qualifies for a target reduction to 74pc owing to exports to the UK across 2016-21.

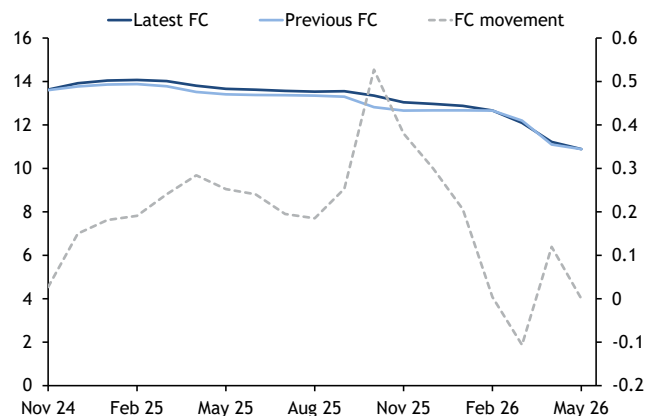
The EU’s storage regulation contains little detail on how the targets might be enforced. Denmark is an example of a member state that missed its start-of-November target this year, filling to just 75pc. The recent intermediary storage target documentation states that where inventory is more than five percentage points below the filling trajectory, the member state should take immediate action. We therefore deem that a shortfall to all targets, including exemptions, of up to five percentage points would be deemed compliant.

Theoretically, in aggregation EU sites could fill to as low as 73.6pc and still be compliant with the regulation — this would represent a stockbuild 100mn m<sup>3</sup>/d lower than that required to fill to 90pc outside of Germany. But we deem this scenario to be unlikely because stocks will be essential to meet demand next winter in many countries with exemptions. Under our base case, we expect aggregate inventories to reach just 83.2pc full by 1 November 2025.

Storage net injection forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	-355	-261	-94	-141	-214
Dec 24	-408	-360	-48	-305	-103
Jan 25	-436	-440	4	-578	142
Feb 25	-437	-439	2	-295	-142
Mar 25	-276	-251	-25	-128	-149
Apr 25	42	42	0	110	-68
May 25	213	243	-30	264	-51
Jun 25	246	264	-18	269	-23
Jul 25	252	247	5	288	-36
Aug 25	258	268	-10	281	-23
Sep 25	266	274	-8	66	200
Oct 25	177	198	-21	43	134
Nov 25	-469	-501	32	-355	-114
Dec 25	-461	-498	37	-408	-53
Jan 26	-451	-499	48	-436	-15
Feb 26	-416	-474	58	-437	21
Mar 26	-288	-383	95	-276	-12
Apr 26	23	23	0	42	-19
May 26	248			213	35

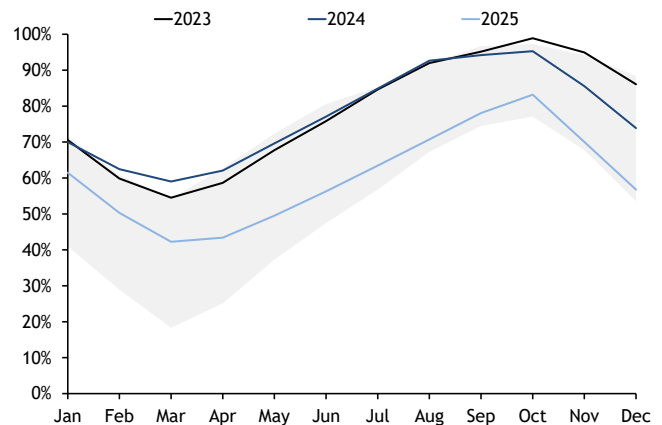
TTF forward curve movement

\$/mn Btu



Storage inventory projection

%



## LNG — European demand

### European receipts rise on inter-basin competition

Europe’s LNG receipts stepped higher in November and are on pace to rise further in December, although the increases have been limited by intensifying inter-basin competition for marginal cargoes.

Colder European weather in November helped to lift prices at the Dutch TTF hub and close the arbitrage for Atlantic basin-loaded cargoes to sail to northeast Asia, prompting a number of eastbound cargoes to divert back to European destinations. But heading into December, the arbitrage re-opened as Europe’s weather turned milder while northeast Asia turned colder, leading to further diversions — this time from European destinations to Asia-Pacific.

The intensifying competition between the Atlantic and Pacific basins so early in the winter is an indicator of the tightness of the global LNG market balance. So far, importers in each basin have not had to compete against each other directly — partly because the episodes of colder weather in each region have not overlapped to a great extent, and partly because each region has drawn down its stocks to weather the cold snaps.

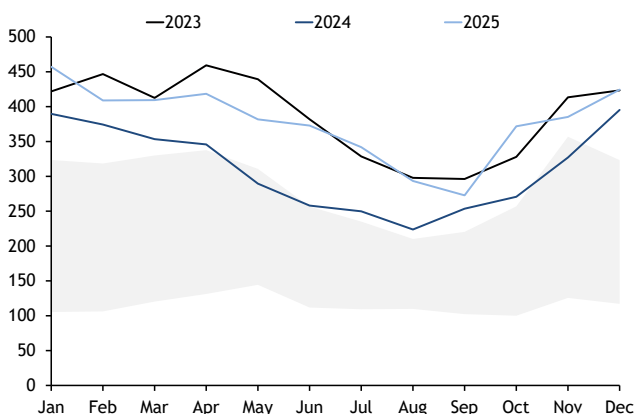
So far there is relatively little indication of a weather system emerging that would cause a prolonged period of cold weather in both basins simultaneously — such as a sudden warming of the stratosphere that could destabilise the polar vortex. Such events do not typically occur this early in the winter, but become an increasing risk in the second half of the season.

In the near term, cold weather is forecast for Japan, South Korea and parts of China through the remainder of the year. In contrast, the forecast across much of Europe is for temperatures to push well above historical averages in the near term and to hold above seasonal norms throughout much of next month.

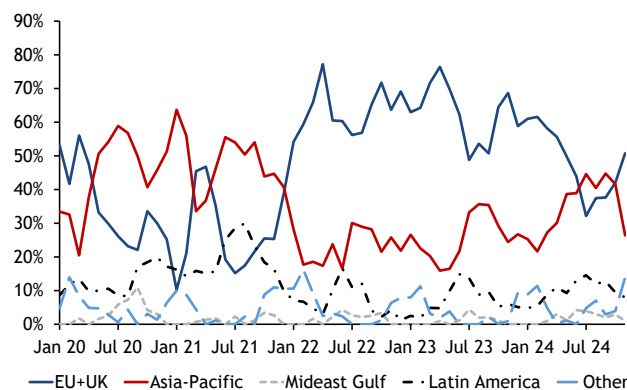
And as the winter progresses, some of the market’s risk premium may start to erode. But if a synchronised cold spell were to emerge later in the season, gas prices in Europe and Asia would need to climb to levels high enough to trigger switching to oil-fired generation and curb LNG demand, so as to minimise the amount of restocking that would be required next summer given that forward market prices do not currently allow for those injections to be hedged without incurring a loss.

European LNG sendout/availability forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	327	326	1	413	-86
Dec 24	395	411	-16	423	-28
Jan 25	457	420	37	390	67
Feb 25	409	381	28	374	35
Mar 25	409	389	20	353	56
Apr 25	418	439	-20	346	73
May 25	382	436	-55	289	92
Jun 25	373	425	-52	258	115
Jul 25	342	392	-50	250	92
Aug 25	293	342	-49	224	70
Sep 25	273	329	-56	254	19
Oct 25	372	422	-50	271	101
Nov 25	385	410	-25	327	58
Dec 25	424	468	-43	395	29
Jan 26	477	505	-29	457	20
Feb 26	486	485	1	409	77
Mar 26	514	527	-12	409	105
Apr 26	538	585	-47	418	120
May 26	505			382	123

### European LNG availability forecast



### US LNG exports share by destination



## LNG — Non-European demand

### Demand outlook mixed on high prices, weather

High LNG prices have begun to stimulate switching from gas to other fuels where there is the capacity to do so. Combined with a weakening of the La Nina weather phenomenon and economic headwinds that continue to challenge Asia's largest LNG importers, our demand expectations for the remainder of the winter have fallen by the equivalent of about 30mn m<sup>3</sup>/d of pipeline gas.

For the summer, in contrast, we have revised our demand forecasts higher. Modelling based only on average daily temperatures failed to fully reflect the scale of the increases in power demand seen across Asia-Pacific last summer, and so we have updated our inputs to include a wider range of weather variables that better reflect the human perception of heat or cold than the ambient temperature alone. These revisions have increased our expected non-European demand for summer 2025 by about 50mn m<sup>3</sup>/d, assuming seasonally normal temperatures. Judging from the experience of last summer, the high load on many grids during heatwaves requires the dispatch of more gas-fired plants to meet peak demand, despite much more favourable economics for coal-fired generation.

In addition, we see the limiting in India of cheaper domestic production allocations to citygas distributors contributing to slightly higher demand, although this is mostly offset by gas-to-LPG switching.

Egypt's decision not to import a number of the cargoes it had tendered to buy has come during a strong rebound in the country's use of mazut for power generation. Egypt's refineries produce substantial quantities of residual fuels such as mazut, but Egyptian consumption has risen enough over the course of this year to warrant a massive increase in imports, to 192,000 b/d in the third quarter from 122,000 b/d a year earlier and an average of less than 50,000 b/d during 2019-21.

The initial increase in residual fuel imports and consumption in 2022 came as the cost of generating power from gas far outstripped the cost of using high-sulphur fuel oil (HSFO), which we have used as a proxy for mazut. Since then, consumption has been correlated with the differential between the cost of imported LNG and the cost of HSFO — but base-load consumption has remained relatively high as a result of attempts by the government to eliminate the power load shedding that it was forced to introduce in previous summers.

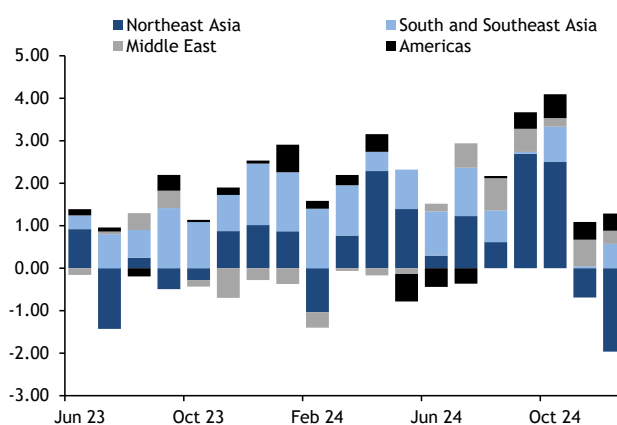
In any event, the large increase in third-quarter imports coincides with the cost of generating power from HSFO falling below the cost of using imported LNG — particularly taking into account the significant premium to the TTF that Egypt was obliged to pay for its imports because of the country's financial difficulties and the speed with which its LNG import tenders were issued and awarded.

As we see Egypt continuing to pay a premium to the TTF for any LNG imports over our forecast period, forward prices suggest that mazut will continue to displace some LNG for power generation. We also believe that this fuel competition has contributed to Egypt diverting some of its LNG purchases to other destinations — a move that may even have proven profitable if Egypt was able to take a share of the diversion revenue. An influx of money from the Bretton Woods institutions has helped address Egypt's immediate cash flow problems, but the country remains heavily indebted to the IMF and cannot afford to overlook opportunities to reduce its procurement costs.

LNG imports by region						mn t
	Nov 24 forecast	Nov 24 actual	Diff to forecast	Diff to M-1	Diff to Y-1	Dec 24 forecast
Europe	8.17	8.16	-0.01	0.70	-2.03	8.87
Northeast Asia	18.05	17.66	-0.39	-0.61	-0.69	19.48
South and Southeast Asia	5.52	5.05	-0.47	-1.00	0.05	5.51
Middle East	1.63	1.69	0.06	0.35	0.62	1.98
Americas	1.45	1.32	-0.12	-0.08	0.42	1.11
<b>Total</b>	<b>34.82</b>	<b>33.88</b>	<b>-0.94</b>	<b>-0.64</b>	<b>-1.64</b>	<b>36.95</b>

### LNG imports vs previous year

mn t



## LNG demand

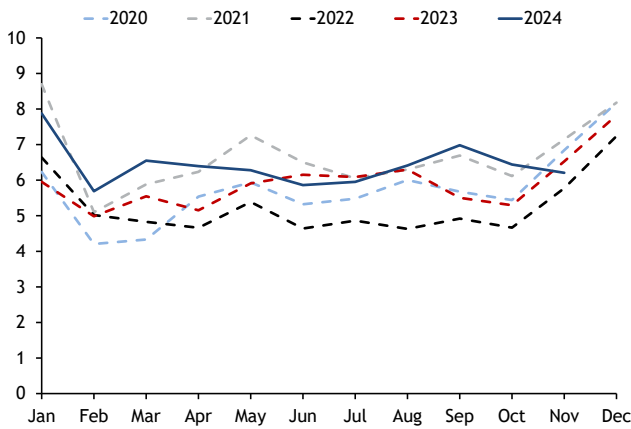
LNG demand forecast by country																			mn t	
	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	
<b>Northeast Asia</b>																				
China	6.21	7.55	6.77	5.95	5.44	5.98	6.96	6.97	6.70	7.20	7.12	5.57	7.70	8.78	8.01	7.21	6.70	7.29	8.28	
Japan	5.51	5.71	6.14	6.03	4.97	5.07	3.66	4.40	4.89	5.39	4.39	5.57	4.74	6.46	5.74	5.75	4.67	4.68	3.25	
South Korea	3.93	4.24	5.11	4.82	4.37	4.56	3.70	3.49	3.24	3.74	3.45	4.54	4.70	5.28	5.22	4.89	4.42	4.64	3.78	
Taiwan	2.01	1.99	2.04	1.85	2.06	1.88	2.12	2.02	2.26	2.15	2.04	2.08	2.11	2.22	2.12	1.87	2.17	1.99	2.13	
<b>South and Southeast Asia</b>																				
Bangladesh	0.55	0.36	0.29	0.36	0.43	0.58	0.58	0.43	0.50	0.50	0.50	0.43	0.43	0.36	0.36	0.36	0.43	0.65	0.58	
India	2.15	2.18	2.35	2.16	2.27	2.38	2.77	2.66	2.51	2.58	2.51	2.62	2.33	2.43	2.53	2.36	2.55	2.65	3.03	
Pakistan	0.47	0.72	0.72	0.43	0.50	0.65	0.50	0.43	0.50	0.50	0.58	0.58	0.50	0.72	0.72	0.43	0.50	0.58	0.50	
Indonesia	0.47	0.44	0.40	0.48	0.44	0.53	0.42	0.42	0.50	0.44	0.50	0.49	0.53	0.47	0.43	0.51	0.47	0.56	0.45	
Malaysia	0.24	0.26	0.25	0.26	0.21	0.24	0.26	0.30	0.32	0.36	0.31	0.19	0.31	0.28	0.27	0.28	0.23	0.26	0.28	
Philippines	0.07	0.07	0.15	0.07	0.15	0.07	0.15	0.07	0.15	0.07	0.15	0.07	0.15	0.07	0.15	0.07	0.15	0.07	0.15	
Singapore	0.52	0.42	0.41	0.39	0.49	0.53	0.54	0.50	0.56	0.52	0.53	0.47	0.45	0.45	0.45	0.43	0.52	0.57	0.58	
Thailand	0.58	1.06	1.40	1.48	1.20	1.38	1.39	1.32	1.30	1.30	1.38	1.24	1.26	1.25	1.60	1.68	1.40	1.58	1.59	
Vietnam	0.00	0.00	0.00	0.00	0.00	0.13	0.13	0.13	0.13	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.13	
<b>Middle East</b>																				
Kuwait	0.32	0.29	0.36	0.50	0.65	0.72	0.79	0.94	0.94	0.86	0.79	0.58	0.43	0.36	0.36	0.50	0.65	0.79	0.86	
Turkey	1.01	1.40	2.00	2.00	1.00	0.60	0.60	0.30	0.20	0.20	0.25	0.65	1.00	1.40	2.00	2.00	1.00	0.60	0.60	
Other Middle East	0.36	0.29	0.07	0.22	0.36	0.29	0.64	0.65	1.28	1.14	0.79	0.58	0.58	0.65	0.29	0.43	0.58	0.43	0.79	
<b>Americas</b>																				
Argentina	0.00	0.07	0.07	0.00	0.07	0.00	0.07	0.14	0.14	0.14	0.22	0.14	0.22	0.07	0.07	0.00	0.07	0.00	0.07	
Brazil	0.43	0.29	0.14	0.22	0.22	0.22	0.22	0.29	0.29	0.36	0.29	0.29	0.22	0.14	0.14	0.22	0.22	0.22	0.22	
Chile	0.13	0.14	0.22	0.22	0.22	0.29	0.29	0.29	0.29	0.36	0.22	0.22	0.14	0.14	0.22	0.22	0.22	0.29	0.29	
Dominican Republic	0.21	0.14	0.14	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.14	0.22	0.22	0.14	0.14	0.22	0.22	0.22	0.22	
Puerto Rico	0.16	0.14	0.14	0.07	0.07	0.07	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.07	0.07	0.14	
Other Americas	0.39	0.32	0.43	0.30	0.38	0.38	0.31	0.12	0.29	0.26	0.34	0.16	0.31	0.38	0.36	0.31	0.31	0.31	0.30	

LNG demand forecast vs previous year																			mn t	
	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	
<b>Northeast Asia</b>																				
China	-0.92	-0.25	-1.04	0.26	-1.11	-0.41	0.74	1.10	0.75	0.65	0.14	-0.88	1.49	1.22	1.24	1.26	1.26	1.31	1.32	
Japan	0.13	-1.03	0.05	-0.14	-0.97	-0.40	-1.37	-0.45	-0.70	-0.29	-1.89	0.48	-0.76	0.76	-0.40	-0.28	-0.30	-0.39	-0.41	
South Korea	-0.20	-0.82	0.15	0.84	0.29	0.32	0.06	-0.02	-0.09	-0.04	-0.04	-0.50	0.77	1.05	0.11	0.07	0.05	0.08	0.08	
Taiwan	0.30	0.14	0.20	0.29	0.34	0.29	0.30	0.09	0.15	0.12	-0.02	0.39	0.10	0.23	0.08	0.01	0.12	0.11	0.02	
<b>South and Southeast Asia</b>																				
Bangladesh	0.12	-0.02	-0.04	-0.03	0.03	-0.05	-0.06	0.03	0.10	-0.00	0.12	-0.14	-0.12	0.00	0.07	0.00	0.00	0.07	0.00	
India	0.12	0.29	0.04	0.17	-0.09	0.33	0.25	-0.05	-0.12	0.41	0.47	0.15	0.18	0.25	0.19	0.21	0.28	0.27	0.26	
Pakistan	0.04	0.00	-0.07	-0.18	-0.16	0.00	-0.19	-0.20	-0.18	-0.14	-0.03	0.01	0.03	0.00	0.00	0.00	0.00	-0.07	0.00	
Indonesia	-0.14	0.06	0.10	0.04	-0.14	0.20	-0.08	0.05	-0.07	-0.11	-0.00	-0.10	0.06	0.03	0.03	0.03	0.03	0.03	0.03	
Malaysia	0.00	0.07	-0.06	0.02	-0.03	0.05	0.06	-0.02	-0.02	-0.01	-0.10	-0.13	0.06	0.02	0.02	0.02	0.02	0.02	0.02	
Philippines	0.00	-0.07	0.08	-0.07	0.08	0.00	-0.06	0.01	0.01	-0.00	0.02	0.00	0.08	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	
Singapore	0.11	0.07	-0.18	-0.15	0.06	-0.19	-0.06	-0.07	-0.07	-0.08	0.01	-0.03	-0.07	0.04	0.04	0.04	0.04	0.04	0.04	
Thailand	-0.21	0.16	0.59	0.47	-0.07	0.36	0.26	0.22	0.07	0.35	0.37	0.27	0.68	0.20	0.20	0.20	0.20	0.20	0.20	
Vietnam	0.00	0.00	0.00	0.00	0.00	-0.00	0.07	0.06	0.13	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.07	0.00	
<b>Middle East</b>																				
Kuwait	-0.13	0.13	0.05	0.11	0.22	0.12	0.18	0.14	0.05	-0.19	-0.16	0.01	0.11	0.07	0.00	0.00	0.00	0.07	0.07	
Turkey	0.39	-0.11	0.44	0.50	0.06	0.31	0.20	0.01	-0.16	-0.09	-0.02	0.38	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	
Other Middle East	0.36	0.29	0.07	0.15	0.36	0.22	0.45	0.29	0.49	0.21	0.08	0.08	0.21	0.36	0.22	0.22	0.22	0.14	0.14	
<b>Americas</b>																				
Argentina	0.00	0.07	0.07	0.00	0.07	-0.07	-0.02	-0.10	-0.13	-0.05	0.22	0.07	0.22	0.00	0.00	0.00	0.00	0.00	0.00	
Brazil	0.30	0.22	-0.01	0.04	0.14	0.07	0.01	0.16	-0.02	0.25	-0.14	-0.17	-0.21	-0.14	0.00	0.00	0.00	0.00	0.00	
Chile	-0.02	0.11	-0.00	0.07	0.08	0.08	-0.05	-0.05	0.08	0.07	0.08	0.07	0.02	0.00	0.00	0.00	0.00	0.00	0.00	
Dominican Republic	0.07	0.03	0.00	0.08	0.05	-0.02	0.10	-0.01	-0.00	0.07	-0.01	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Puerto Rico	-0.04	0.01	0.02	-0.06	-0.10	-0.06	0.01	0.03	0.07	-0.00	0.04	-0.02	-0.02	0.00	0.00	0.07	0.00	0.00	0.00	
Other Americas	0.12	-0.04	-0.25	-0.08	-0.24	-0.05	0.09	-0.18	0.00	-0.11	-0.32	-0.21	-0.08	0.06	-0.07	0.00	-0.07	-0.07	-0.00	

# LNG demand

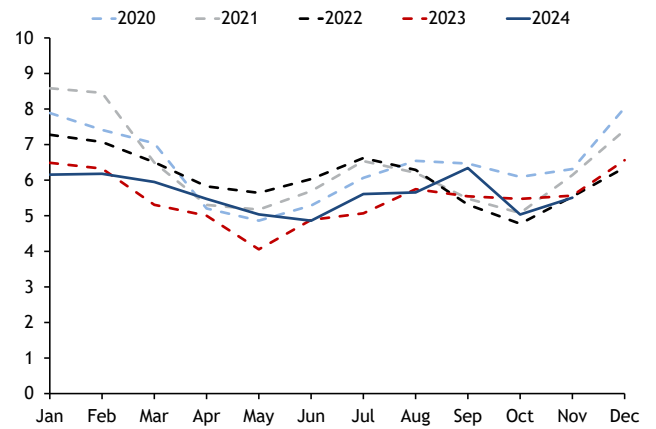
**China LNG imports**

*mn t*



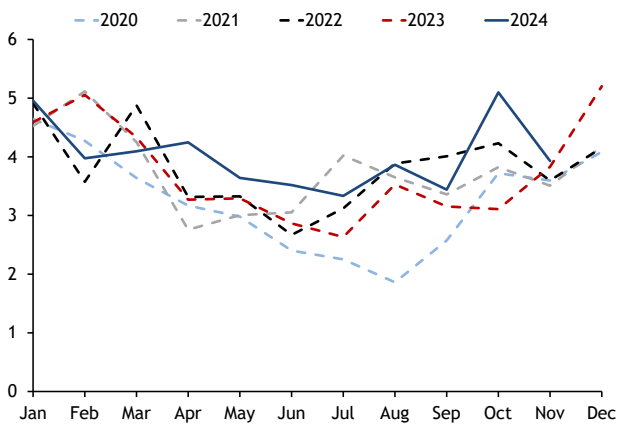
**Japan LNG imports**

*mn t*



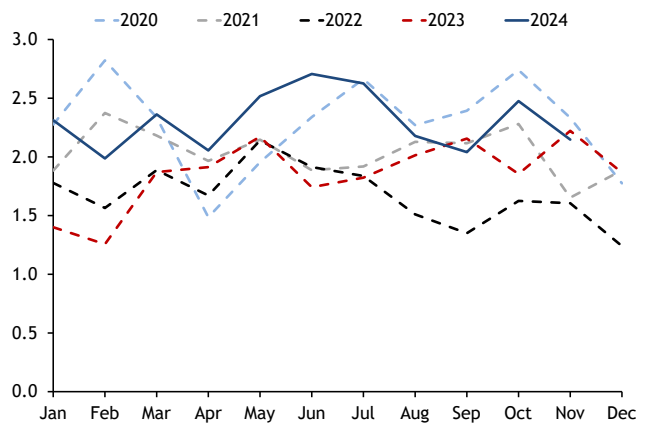
**South Korea LNG imports**

*mn t*



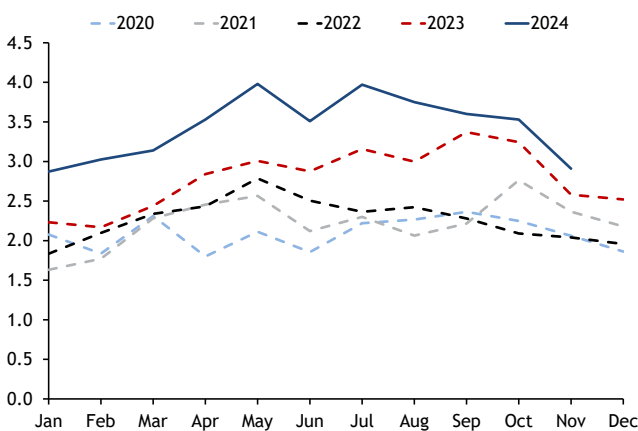
**India LNG imports**

*mn t*



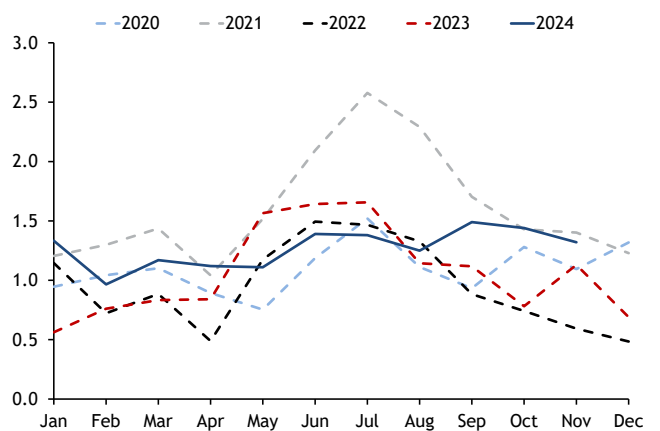
**Other south and southeast Asia LNG imports**

*mn t*



**Americas LNG demand**

*mn t*



## LNG supply

### Global supply ramp-up looms from late 2025

The past two years have seen exceptionally small additions to global liquefaction capacity — just 3.8mn t/yr was added in 2023, while the stymieing of Russia’s Arctic LNG 2 project by US sanctions means that 2024 is on course to end with just 3.4mn t/yr added to operational capacity.

The second half of the decade will be different. In 2025, we expect 37.7mn t/yr of new capacity to be brought on stream, followed by a massive 70mn t/yr increase in 2026 — dwarfing the 41.8mn t/yr added to global capacity in 2018, which precipitated the sharp decline in prices in 2019, before the Covid-19 pandemic crushed demand in 2020.

But the majority of the increase in 2025 will not register until later in the year. We expect the 2.3mn t/yr Tortue project off Senegal, Mexico’s 1.5mn t/yr Altamira Fast LNG project and the 5.5mn t/yr first train of the Corpus Christi phase 3 project in the US to start up at the beginning of 2025.

In April and July, we expect the two 7mn t/yr trains at LNG Canada to start operations, but the bulk of the year’s additions come from the gradual ramp-up of the 27.2mn t/yr Plaquemines facility in Louisiana. We estimate that each of the 18 blocks at the facility will start at roughly 60-day intervals, meaning that commissioning the entire capacity will span from the start of 2025 to the middle of 2027.

We do not expect the 18.1mn t/yr Golden Pass facility in the US to start contributing meaningfully to global supply until the start of 2026, with the second and third trains at the facility coming on stream at six-month intervals thereafter. Qatar’s North Field expansion project should come on stream over the course of 2026 — we estimate that the new trains 8-11 at Ras Laffan will start at roughly three-month intervals from February 2026.

And at the end of 2026, we anticipate that Nigeria will have completed the 7.8mn t/yr seventh train at its 22mn t/yr Bonny complex, where construction continues apace. Given recent improvements in Nigeria’s feedgas availability, we are currently treating this facility as additional supply, rather than as a replacement for older liquefaction capacity — but we continue to monitor the situation.

We have not changed our view on the Arctic LNG 2 project, which has been unable to deliver a single cargo since the imposition of US sanctions. We cannot discount that an end to

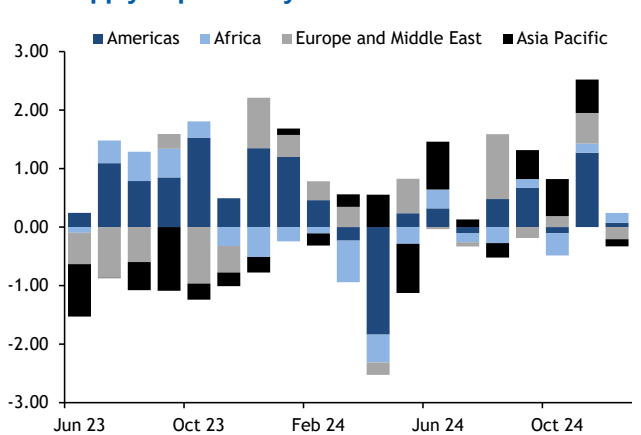
the conflict in Ukraine could lead to a lifting of sanctions, but we do not think it is possible to assign a meaningful probability to when such an event might happen.

The massive increase in capacity expected over the coming years should also bolster the resilience of the global LNG system to outages at major facilities. The clustering of projects on the US Gulf coast means that some risk remains of parallel outages — particularly during the hurricane season — but the impact of downtime at a single facility should become more muted as global liquefaction capacity continues to expand.

This will not necessarily translate into a reduction in price volatility. As more global LNG supply is priced against gas and hedged accordingly — overwhelmingly at the TTF — then outages will still require offtakers to buy back their hedges, resulting in price volatility. Europe’s greater dependence on LNG to refill storage could also contribute to price volatility, given that the seaborne supply response to a price signal may be weeks, rather than the days or even hours in which it is possible for flexible pipeline supply to respond to market signals.

LNG loadings by region						mn t
	Nov 24 forecast	Nov 24 actual	Diff to forecast	Diff to M-1	Diff to Y-1	Dec 24 forecast
Americas	8.88	9.05	0.17	0.45	1.27	9.58
Africa	3.60	3.32	-0.28	0.10	0.13	3.73
Europe and Middle East	11.34	11.44	0.10	0.74	0.52	11.94
Asia Pacific	11.68	11.90	0.22	-0.26	0.57	11.97
<b>Total</b>	<b>35.50</b>	<b>35.71</b>	<b>0.21</b>	<b>1.03</b>	<b>2.50</b>	<b>37.23</b>

### LNG supply vs previous year



## LNG supply

LNG supply forecast by country																			mn t	
	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	
<b>Americas</b>																				
US	7.75	8.40	9.08	8.30	8.67	8.25	8.47	8.20	8.00	7.53	7.98	8.85	9.39	10.21	10.72	9.78	10.39	9.93	10.05	
Trinidad and Tobago	0.79	0.71	0.78	0.69	0.75	0.66	0.62	0.66	0.62	0.65	0.55	0.63	0.62	0.69	0.78	0.69	0.75	0.64	0.60	
Peru	0.40	0.36	0.36	0.32	0.36	0.35	0.27	0.27	0.27	0.30	0.29	0.34	0.35	0.36	0.36	0.32	0.36	0.35	0.27	
Mexico	0.11	0.11	0.11	0.10	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.10	0.11	0.11	0.16	
Canada	0.00	0.00	0.00	0.00	0.00	0.12	0.24	0.17	0.48	0.59	0.69	0.83	0.92	1.07	1.19	1.02	1.13	1.09	1.13	
<b>Africa</b>																				
Algeria	1.08	1.29	1.29	1.17	1.22	1.27	1.28	1.24	1.22	1.10	1.18	1.29	1.25	1.29	1.29	1.17	1.22	1.27	1.28	
Nigeria	1.21	1.38	1.32	1.19	1.32	1.20	1.13	1.20	1.24	1.13	1.24	1.32	1.31	1.38	1.32	1.19	1.32	1.20	1.13	
Egypt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Equatorial Guinea	0.30	0.27	0.27	0.24	0.22	0.16	0.23	0.25	0.26	0.26	0.26	0.26	0.26	0.27	0.27	0.24	0.22	0.16	0.23	
Angola	0.28	0.35	0.40	0.36	0.40	0.38	0.40	0.38	0.40	0.40	0.38	0.40	0.38	0.40	0.40	0.36	0.40	0.38	0.40	
Cameroon	0.18	0.11	0.11	0.10	0.11	0.07	0.14	0.12	0.09	0.09	0.09	0.10	0.11	0.11	0.11	0.10	0.11	0.07	0.14	
Senegal	0.00	0.00	0.00	0.16	0.18	0.17	0.18	0.17	0.18	0.18	0.17	0.18	0.17	0.18	0.18	0.16	0.18	0.17	0.18	
Mozambique	0.23	0.29	0.29	0.26	0.29	0.28	0.29	0.28	0.29	0.29	0.28	0.29	0.28	0.29	0.29	0.26	0.29	0.28	0.29	
Congo	0.07	0.05	0.04	0.00	0.04	0.00	0.04	0.04	0.05	0.05	0.04	0.05	0.04	0.08	0.13	0.16	0.23	0.22	0.23	
<b>Europe and Middle East</b>																				
UAE	0.45	0.49	0.49	0.44	0.49	0.48	0.38	0.48	0.49	0.49	0.48	0.49	0.48	0.49	0.49	0.44	0.49	0.48	0.38	
Qatar	6.63	6.88	6.88	6.21	6.18	6.65	6.88	6.65	6.88	6.88	6.65	6.88	6.65	6.88	6.88	6.54	7.59	8.03	8.30	
Oman	1.08	1.03	1.03	0.93	1.03	1.00	1.03	1.00	1.03	1.03	0.84	0.89	1.00	1.03	1.03	0.93	1.03	1.00	1.03	
Norway	0.40	0.43	0.43	0.39	0.43	0.29	0.00	0.00	0.29	0.43	0.41	0.43	0.41	0.43	0.43	0.39	0.43	0.41	0.43	
Russia	2.88	3.10	2.87	2.51	2.88	2.81	2.79	2.28	1.52	2.39	2.56	2.82	2.80	3.10	2.87	2.51	2.88	2.81	2.79	
<b>Asia Pacific</b>																				
Brunei	0.33	0.42	0.42	0.36	0.30	0.29	0.30	0.29	0.30	0.30	0.29	0.30	0.29	0.30	0.42	0.36	0.30	0.29	0.30	
Indonesia	1.30	1.57	1.47	1.25	1.53	1.45	1.49	1.50	1.48	1.62	1.41	1.46	1.50	1.57	1.47	1.25	1.53	1.44	1.48	
Malaysia	2.79	2.38	2.51	2.56	2.43	2.35	2.18	2.14	2.27	2.18	2.09	2.24	2.33	2.41	2.55	2.60	2.46	2.38	2.21	
Australia	6.81	6.94	6.76	6.11	6.75	6.52	6.45	6.47	6.72	6.32	5.86	6.80	6.84	7.06	7.06	6.38	7.04	6.56	6.64	
Papua New Guinea	0.68	0.68	0.68	0.67	0.76	0.68	0.67	0.70	0.77	0.68	0.74	0.69	0.76	0.68	0.68	0.67	0.76	0.68	0.67	
<b>LNG supply forecast vs previous year</b>																			mn t	
	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	
<b>Americas</b>																				
US	0.80	-0.10	1.00	0.99	1.27	2.00	0.69	1.04	1.10	0.11	0.72	1.19	1.64	1.82	1.64	1.48	1.72	1.67	1.58	
Trinidad and Tobago	0.25	0.09	0.11	0.01	0.02	0.10	0.08	0.25	0.06	-0.03	-0.21	0.03	-0.17	-0.02	0.00	0.00	0.00	-0.02	-0.02	
Peru	0.11	-0.03	0.03	0.02	-0.00	-0.03	-0.11	-0.03	-0.00	0.08	-0.16	0.07	-0.05	0.00	0.00	0.00	0.00	0.00	0.00	
Mexico	0.11	0.11	0.11	0.10	0.11	0.11	0.11	0.11	0.11	0.09	0.05	0.04	-0.00	0.00	0.00	0.00	0.00	0.00	0.05	
Canada	0.00	0.00	0.00	0.00	0.00	0.12	0.24	0.17	0.48	0.59	0.69	0.83	0.92	1.07	1.19	1.02	1.13	0.98	0.89	
<b>Africa</b>																				
Algeria	-0.09	0.24	0.29	0.18	0.28	0.10	0.15	0.26	0.51	0.38	-0.00	0.34	0.17	0.00	0.00	0.00	0.00	0.00	0.00	
Nigeria	0.26	0.26	-0.18	-0.06	0.21	0.19	-0.04	-0.11	-0.12	-0.13	-0.04	0.20	0.10	0.00	0.00	0.00	0.00	0.00	0.00	
Egypt	-0.14	-0.28	-0.14	-0.14	-0.07	-0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Equatorial Guinea	0.08	-0.09	0.05	-0.05	-0.07	-0.06	0.02	-0.04	0.04	0.05	-0.03	-0.02	-0.04	0.00	0.00	0.00	0.00	0.00	0.00	
Angola	0.00	0.01	0.19	0.15	0.05	0.11	0.05	0.04	0.05	0.05	0.04	-0.01	0.11	0.04	0.00	0.00	0.00	0.00	0.00	
Cameroon	0.04	-0.01	0.01	-0.06	-0.03	-0.07	0.10	0.00	-0.02	-0.02	-0.07	-0.01	-0.07	0.00	0.00	0.00	0.00	0.00	0.00	
Senegal	0.00	0.00	0.00	0.16	0.18	0.17	0.18	0.17	0.18	0.18	0.17	0.18	0.17	0.18	0.18	0.00	0.00	0.00	0.00	
Mozambique	-0.07	-0.01	0.06	-0.04	-0.02	-0.03	-0.02	-0.03	-0.02	0.01	-0.03	-0.02	0.05	0.00	0.00	0.00	0.00	0.00	0.00	
Congo	0.07	0.05	0.04	-0.04	0.04	0.00	-0.03	0.04	-0.00	-0.01	0.04	0.01	-0.03	0.03	0.09	0.16	0.19	0.22	0.19	
<b>Europe and Middle East</b>																				
UAE	0.01	-0.01	-0.01	-0.01	-0.15	-0.04	0.05	-0.04	-0.01	-0.02	-0.03	-0.02	0.03	0.00	0.00	0.00	0.00	0.00	0.00	
Qatar	0.37	-0.03	-0.53	-0.09	-0.71	0.22	0.91	0.31	0.10	-0.08	0.38	1.01	0.02	0.00	0.00	0.33	1.41	1.38	1.43	
Oman	0.15	-0.13	0.03	-0.09	-0.12	-0.12	0.14	0.01	-0.04	0.08	0.04	-0.09	-0.08	0.00	0.00	0.00	0.00	0.00	0.00	
Norway	-0.01	0.03	-0.02	-0.02	0.09	-0.19	-0.39	-0.40	-0.11	0.04	-0.05	0.04	0.01	0.00	0.00	0.00	0.00	0.12	0.43	
Russia	0.00	-0.07	-0.12	-0.21	-0.12	-0.08	-0.13	-0.03	-0.47	-0.56	-0.30	-0.13	-0.08	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Asia Pacific</b>																				
Brunei	-0.07	-0.05	-0.05	-0.11	-0.11	-0.18	0.03	-0.11	-0.17	-0.09	-0.04	-0.10	-0.04	-0.12	0.00	0.00	0.00	0.00	0.00	
Indonesia	-0.24	-0.06	0.15	0.26	0.12	-0.10	-0.09	-0.02	-0.18	0.13	-0.04	-0.13	0.20	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	
Malaysia	0.33	-0.11	-0.12	0.06	0.09	0.17	0.44	-0.04	0.31	0.51	-0.12	-0.25	-0.46	0.03	0.04	0.04	0.03	0.03	0.03	
Australia	0.63	0.09	-0.20	-0.82	-0.56	-0.17	0.11	-0.24	0.27	-0.48	-0.55	-0.13	0.03	0.13	0.30	0.27	0.29	0.04	0.20	
Papua New Guinea	-0.08	0.00	-0.05	0.07	0.01	0.01	-0.01	0.03	0.09	-0.01	0.21	-0.07	0.08	0.00	0.00	0.00	0.00	0.00	0.00	



## EU and UK power sector demand

### Coal plant closures limit response to still weather

Gas-fired electricity generation across the EU and UK in November was 298mn m<sup>3</sup>/d, 11mn m<sup>3</sup>/d lower than our forecast for the month. Still conditions in the first half of November dramatically cut wind power generation, which coal and lignite were only able to partially replace, requiring gas burn to increase considerably.

Wind speeds were expected to recover to higher than normal levels in the second half of November, but actual wind output, especially in the last week of November, was stronger than expected at the time we conducted our forecast. The daily variation in wind output across the EU and UK in November ranged from 500 GWh/d to 3,300 GWh/d. Wind output on 1-7 December was 50pc higher than the equivalent period last year, but wind generation for 10-15 December is expected to be considerably lower than normal, requiring gas-fired plants to again step in before wind output increases in the second half of the month.

Gas-fired generation in Germany was more responsive than hard coal to the cold, windless weather in early November. German hard coal-fired plants were running at a load factor of 65pc in the first half of November, but available capacity has fallen by more than 18pc compared with a year earlier.

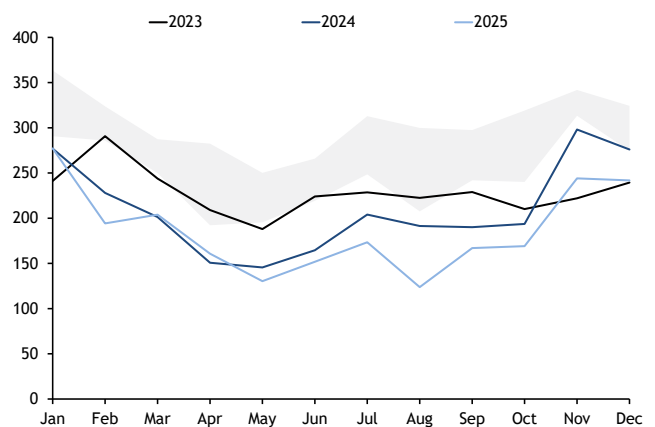
The improved fuel-switching economics and greater availability of coal mean we think there is scope for German coal burn to rise by around 20pc on the year — from a low base — during the second quarter, albeit this is contingent on the smooth return of the Datteln plant in February.

The limited response from coal-fired plants in November supports our conviction that API 2 prices are unlikely to move above \$125-130/t for a sustained period, unless we see a simultaneous supply shock in Colombia and/or South Africa that necessitates a pull on Australian spot supply.

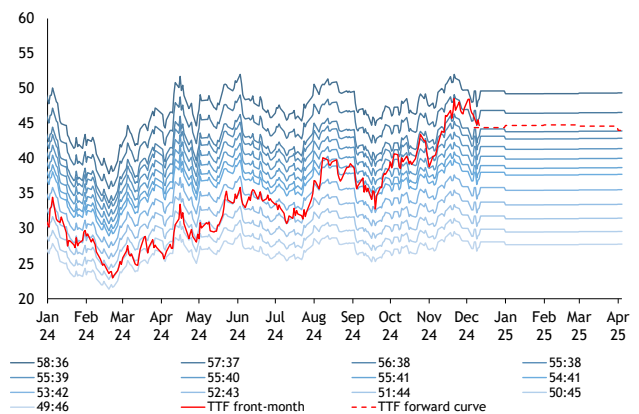
A change to our approach to scaling nuclear capacity available and utilisation rates has resulted in our forecast for gas-fired generation increasing compared with last month's forecast, despite our stronger expectations for coal and lignite generation across next year.

Power sector gas demand forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	298	309	-11	222	76
Dec 24	276	274	2	239	37
Jan 25	277	282	-5	277	0
Feb 25	194	192	3	228	-34
Mar 25	204	197	7	201	3
Apr 25	161	151	10	151	10
May 25	130	117	14	146	-15
Jun 25	152	132	20	165	-13
Jul 25	173	160	13	204	-31
Aug 25	124	110	14	191	-68
Sep 25	167	156	11	190	-23
Oct 25	169	180	-11	194	-24
Nov 25	244	255	-11	298	-54
Dec 25	242	241	1	276	-34
Jan 26	276	276	0	277	-1
Feb 26	194	168	27	194	0
Mar 26	201	180	21	204	-3
Apr 26	163	132	31	161	3
May 26	127			130	-3

Power sector gas demand forecast mn m<sup>3</sup>/d



Power sector fuel switching range €/MWh



## EU and UK residential, commercial and industrial demand

### Demand rise during cold spell exceeds expectation

Residential, commercial and industrial demand across the EU and UK was over 40mn m<sup>3</sup>/d higher in November than our forecast, owing primarily to cooler weather conditions than at the time our forecast was created.

Consumption across the 20-23 November cold spell marginally exceeded our modelled expectation for the actual wind-adjusted heating degree days (HDDs) recorded, but demand across the milder than normal end to the month was over 40mn m<sup>3</sup>/d higher than we would have expected for the conditions. The UK and Italy have seen the greatest relaxing of consumer restraint so far this winter, but of the nine largest consuming countries only France and Germany exhibited greater restraint than our post-Ukraine conflict demand profiles during November.

We estimate that residential and commercial demand across the winter so far has been 48mn m<sup>3</sup>/d higher than a year earlier. Under our latest population-weighted, wind-adjusted country-level HDD forecasts, we expect residential and commercial demand in December to be 32mn m<sup>3</sup>/d higher than expected a month ago.

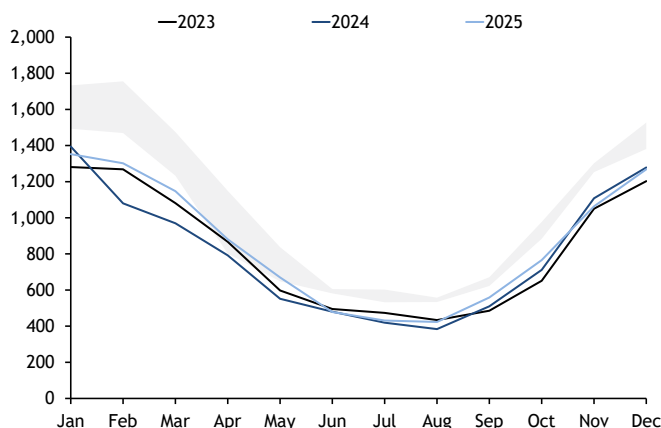
In its latest three-month outlook, the UK's Met Office outlines that there is a smaller than normal chance of cold weather but increased prospect of wet and windy conditions, which if holds true could limit residential and power sector demand as we head into 2025.

As we have stated previously, rising gas prices should start to limit and potentially reverse recent gains in industrial gas consumption. The latest French industrial demand data by sector, which cover November, show year-on-year declines in demand across all sectors except for agriculture and metals, with chemicals, refining and petrochemicals the hardest hit. In the Netherlands, data up to the end of October illustrate that industrial demand in aggregation is broadly flat to October 2023, but refining use was down by 17 GWh/d, indicating the start of an unwinding of the industrial demand recovery. In contrast, Spanish industrial demand for November was up on the year.

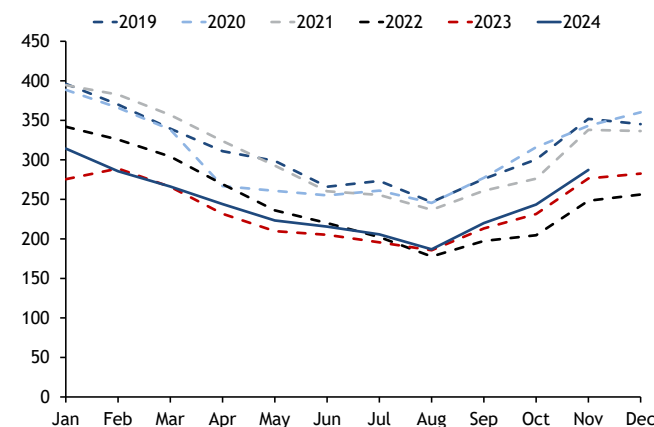
November was the first month since the start of the summer that LPG has been priced at a discount to gas. At current forward rates, European propane is at a discount to TTF prices by over \$3/mn Btu for calendar 2025, which should see refining sector use of gas decline across the coming months.

ResCom and industrial demand forecast					mn m <sup>3</sup> /d
	Latest forecast	Previous forecast	Change in forecast	Previous year	Change to Y-1
Nov 24	1,108	1,071	36	1,050	57
Dec 24	1,278	1,247	31	1,203	76
Jan 25	1,352	1,352	0	1,394	-42
Feb 25	1,302	1,302	0	1,080	221
Mar 25	1,147	1,147	0	970	178
Apr 25	881	881	0	792	89
May 25	670	670	0	552	118
Jun 25	478	478	0	480	-2
Jul 25	431	431	0	419	12
Aug 25	423	423	0	384	39
Sep 25	559	559	0	510	49
Oct 25	766	766	0	711	54
Nov 25	1,063	1,067	-4	1,108	-45
Dec 25	1,268	1,268	0	1,278	-10
Jan 26	1,378	1,378	0	1,352	25
Feb 26	1,337	1,337	0	1,302	35
Mar 26	1,187	1,187	0	1,147	40
Apr 26	896	897	-1	881	15
May 26	702			670	33

Residential, commercial, industrial demand mn m<sup>3</sup>/d



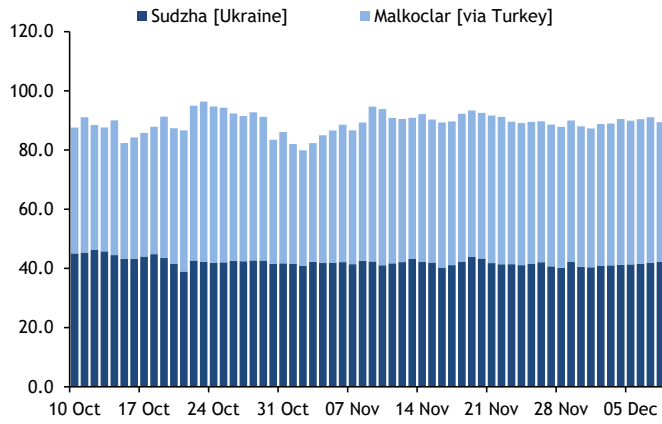
European industrial sector gas demand mn m<sup>3</sup>/d



## Recent flows

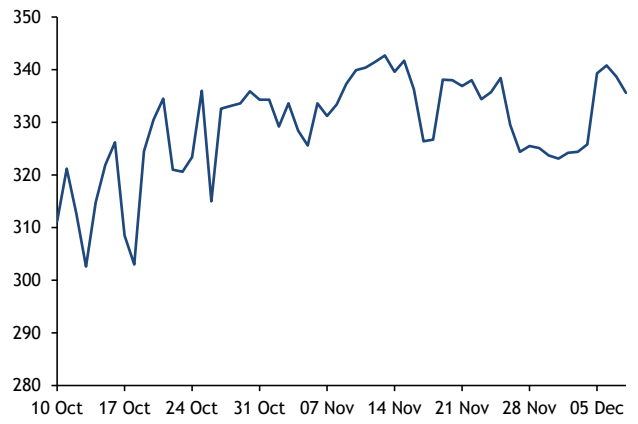
**Russia flows to Europe**

*mn m<sup>3</sup>/d*



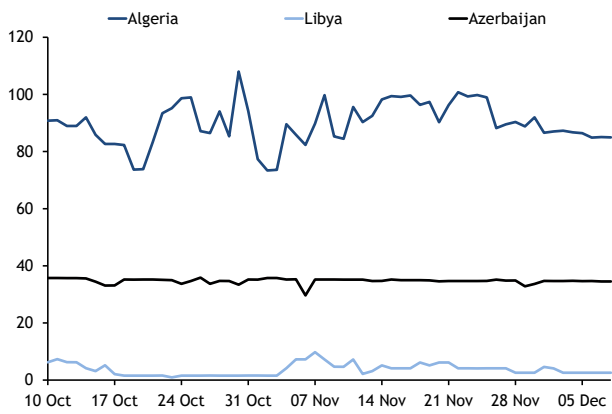
**Norway flows to Europe**

*mn m<sup>3</sup>/d*



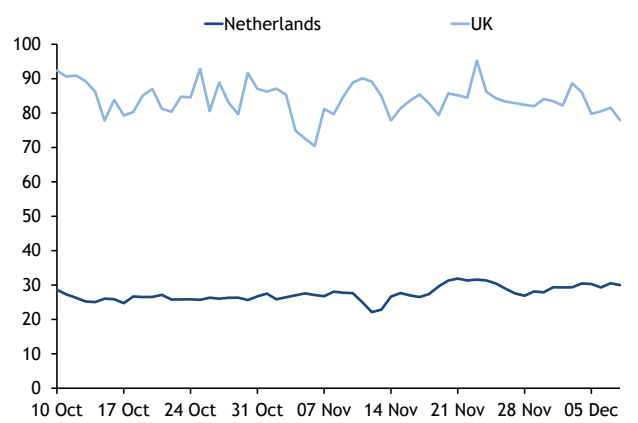
**Algeria, Libya, Azerbaijan flows to Europe**

*mn m<sup>3</sup>/d*



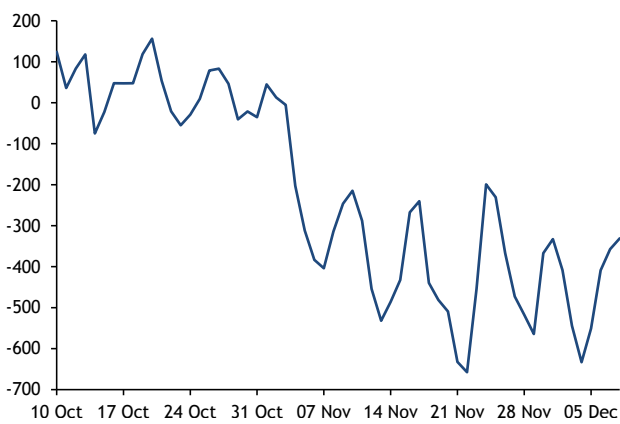
**EU and UK production**

*mn m<sup>3</sup>/d*



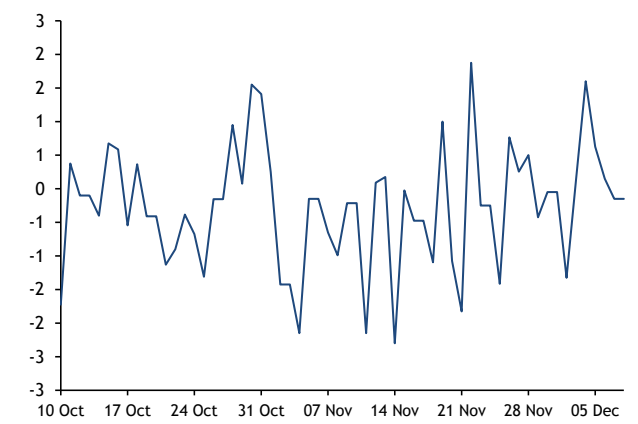
**Storage net injections**

*mn m<sup>3</sup>/d*



**TTF day ahead – month 1 price differential**

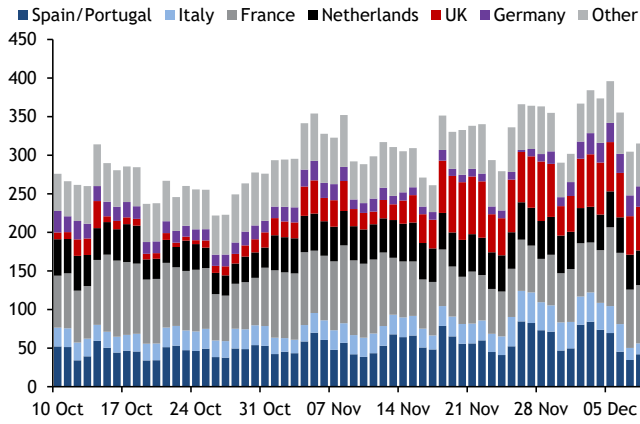
*€/MWh*



## Recent supply and demand sources

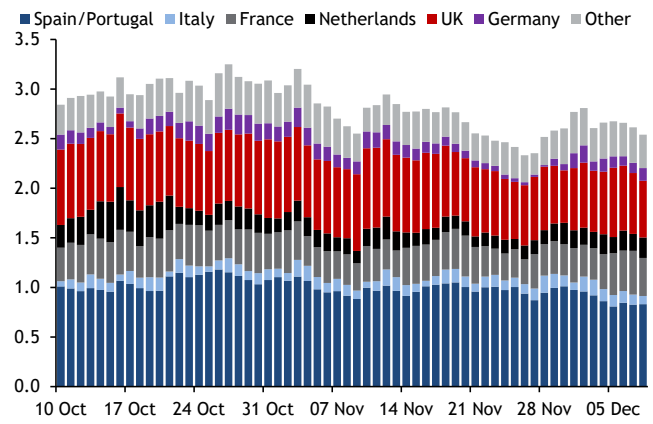
European LNG sendout

mn m<sup>3</sup>/d



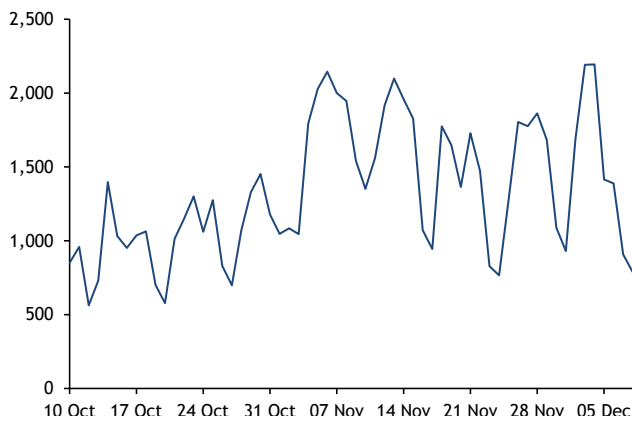
European LNG stocks

mn t



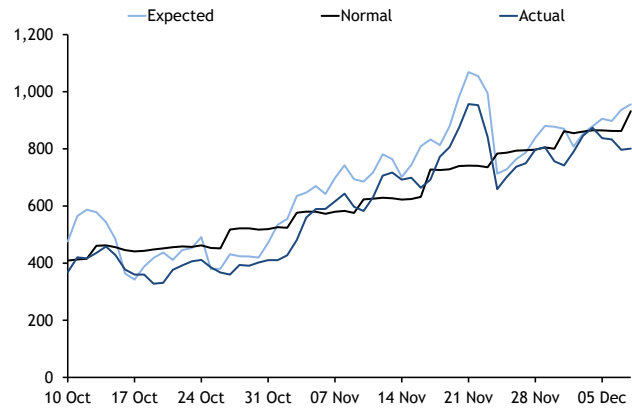
European gas-fired power generation

TWh



European res/com demand - top 8 consumers

mn m<sup>3</sup>/d



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