

## MNI Gas Weekly: Weather Forecasts in Focus

By Lawrence Toye, Daniel Dawson, & Zach Simon (29/10/2025)

### Executive Summary:

- **European Gas Benchmarks** have fallen near October-lows amid milder weather forecasts.
- Asia's **LNG market** is seeing a cold snap weighed against ample supply.
- In the **Middle East & Africa**, Total\energies is close to restarting Mozambique LNG.
- **Henry Hub** fell as expectations for the first seasonal heating demand diminished.
- In **the Americas**, Venezuela halted gas deal with Trinidad.

## European Natural Gas

TTF front month has fallen to the low end of its range for the month amid a mild weather forecast. The EU's confirmation of its Russian LNG ban from 2027 had added some support to pricing earlier in the week.

- Front month TTF prices traded between €31.12/MWh and €32.885/MWh this week, compared to €31.365/MWh and €32.73/MWh over the previous week.
- Temperatures in NW Europe are forecast above normal throughout the coming two weeks. CWE Wind is anticipated to rebound over the weekend but on a general downward trend from Nov. 2.
- Norwegian pipeline supplies to Europe are down to 288.7mcm/d today. Gassco shows total planned unavailable capacity of 61.8mcm/d today and tomorrow, before falling to 19.5mcm/d on Oct. 31.
- NW European LNG sendout is estimated to recover to 227mcm/d on Oct. 28 after a dip down to around 205mcm/d over the weekend, Bloomberg shows.
- European gas storage edged lower on the day to 82.85% full on Oct. 27, GIE shows. The previous five-year seasonal average for the time of year is 91.9%.
- Europe's gas storage levels are expected to stand at about 35% by the end of winter this year, Vitol's head of LNG trading Claudio Ribeiro said at the Asia Gas Markets Conference on Tuesday.
- Algeria's gas flow to Italy at Mazara are steady on the day and estimated at 58.1mcm/d today after briefly rising to a high of 81.3mcm/d on Oct. 27, Bloomberg shows.
- Greece's Gastrade has received the first LNG cargo at its FSRU in Alexandroupolis since January this year, according to LNG Prime.
- UK energy regulator OFGEM is assessing a proposal to align entry/exit capacity fees across the gas grid, which would see lower charges for imports into the GB grid and shift a greater portion to exit points, according to Timera Energy.
- A surge in LNG production this year and next is poised to turn LNG markets from sellers' markets to buyers' markets, according to the IEA's Executive Director Fatih Birol, cited by Reuters.

### EU Adopts 19th Russia Sanctions Package

The EU has adopted a new package of sanctions which includes a ban on Russian LNG imports from Jan. 2027.

- The LNG ban will take effect in two stages. Short-term contracts will end after six months and long-term contracts from Jan. 1, 2027.

- The measure comes in line with expectations. The timeline is also a year earlier than the full Russian gas ban currently being negotiated by EU member states as amendments to RePowerEU.
- 10.4m mt of supplies from Yamal LNG will be lost or diverted upon the ban, according to BNEF analysis, forcing Europe to source more US and Qatari supply. The lost Russian cargoes will be redirected to Asia.
- This loss of Yamal supplies may add upward pressure to gas prices, BNEF said.
- The 19th sanctions package also includes 117 additional shadow fleet vessels, made up mostly of tankers, according to Reuters.

### **SEFE Signals it Will Reassess Yamal LNG Contract**

Germany's SEFE signalled that the EU's ban on Russian LNG provides it with the certainty to reassess a legacy contract with Yamal LNG, according to Bloomberg.

- SEFE has been criticised for honouring its long-term deal with Novatek-led Yamal.
- The cost of cancelling that contract was estimated at up to €10bn.
- "The import ban timeline is now established, enabling us to assess its implications with greater certainty," a SEFE spokesperson said.
- SEFE has been "actively diversifying" its portfolio for the past three years to meet the company's supply obligations, the spokesperson added.
- SEFE has a contract for 2.9m mtpa of imports into Zeebrugge from Yamal, according to Reuters

### **German Gas-Fired Power Gen Replaces Coal, Lignite in October**

German gas-fired power generation is on track to rise well above 2024 levels and the five-year average in October.

- German gas-fired power generation has averaged 7.01GW so far this month, on track to rise 2.36GW above the five-year average for October and 1.84GW above 2024 levels.
- German rescom gas demand has averaged 71.9mcm/d so far this month, up from 66mcm/d in October 2024, Bloomberg data showed.
- Looking ahead to November, German clean spark spreads for a 59%-efficient gas plant are well in the money at around €13/MWh at the time of writing. This is near levels at the start of the month but below the Oct. 17 high of above €20/MWh, according to MNI calculations.
- The Argus winter outlook suggested last week that German gas-fired generation may increase this winter after clean spark spreads for a 55%-efficient gas plant expired almost €15/MWh higher on the year for Q4.
- Germany's increase in gas-fired power generation comes despite higher renewables generation this month.

### **UK Gas Production Decline Set to Boost LNG Imports This Winter**

Declining UK gas production is set to increase the country's LNG imports by 10% this winter, BNEF reports.

- UK domestic gas production is in long-term decline and forecast to fall by 1 bcm this winter (October 2025 to March 2026).
- Supply from other sources, primarily pipeline imports, is expected to remain broadly unchanged from last season.
- Norwegian deliveries are expected to remain steady while flows from continental Europe are set to stay mostly muted.
- The UK gas price premium would need to rise to at least €0.8/MWh and up to €3.1/MWh to cover interconnector tariff charges and incentivize imports from Europe.

- Gas demand remains the key uncertainty that could drive LNG needs even higher.
- Last winter saw near-normal temperatures but below-average wind speeds increase gas use for powergen.

### European Gas Price Volatility at Multi-Year Lows in Q3 2025

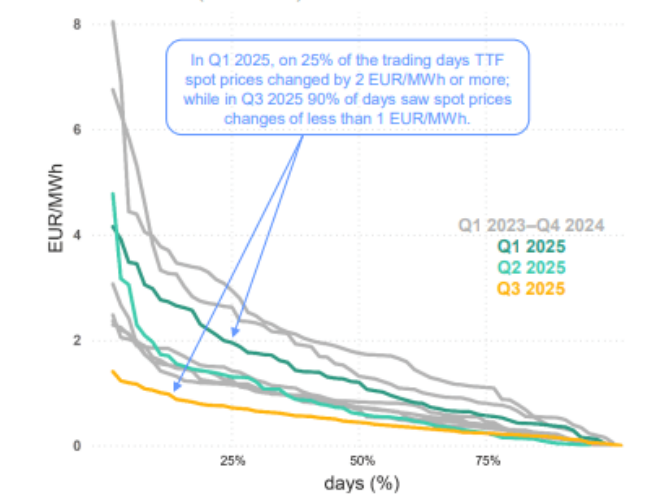
Following a volatile H1, European gas markets settled to one of the calmest periods in recent years over Q3, according to ACER.

- Both wholesale prices and market volatility declined. Imports rose, and injections into underground storage exceeded levels seen in the past two summers, ACER said.
- Despite higher injections, European gas storage at 82% full stood below stocks at the start of the last three heating seasons.
- This leaves European markets more reliant on imports over the coming winter, particularly if demand is higher than expected, ACER said.
- LNG imports increased by 38% on the year in Q3. Because demand from other major buyers (such as China and Japan) was stagnant, and global LNG production rose, prices declined even as imports increased.
- As LNG's share of supply grew, gas flows in the European transmission network adjusted, channelling supply to markets with limited or no direct access to LNG.
- Price differences between hubs in Western Europe and those in Italy, Central and Eastern Europe stayed elevated for a second consecutive quarter.

### TTF Price Volatility - Source (ACER)

#### Steady fundamentals and absence of geopolitical shocks saw price volatility drop to lowest level since 2020.

Range of TTF gas day-ahead price changes per quarter, absolute change of price to previous trading session close, Q1 2023–Q3 2025 (EUR/MWh)



## European Gas-Fired Power Output to Rise 10% Year on Year in 2025

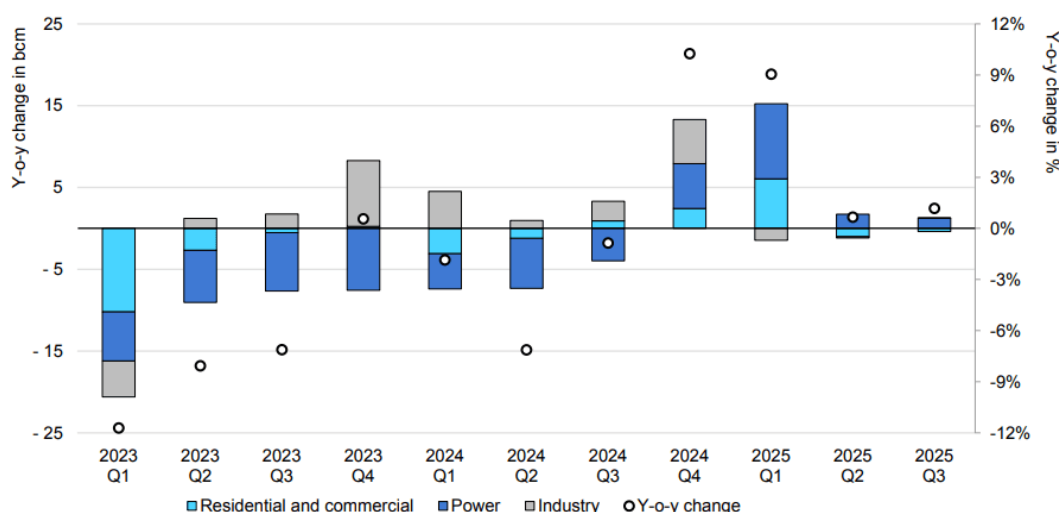
European gas-fired power generation is forecast to rise by almost 10% on the year in 2025 according to the IEA.

- European gas-fired power output increased by 15%, or 12bcm, on the year in the first nine months of this year.
- The increase so far this year was primarily driven by lower wind and hydropower generation and higher power demand.
- Hydropower generation declined by 12% year on year in Q1-Q3 2025, while wind generation fell by 5% on the year.

### European Gas-Fired Power Generation - Source (IEA)

#### The power sector emerged as the strongest driver of Europe's gas demand in Q1-Q3 2025

Estimated year-on-year change in semi-annual natural gas demand in OECD Europe, 2023-2025



## APAC LNG

Asian spot LNG prices were mostly steady this week as high inventories and weak demand balanced out colder weather and renewed sanctions risk, according to Reuters.

- The average price for December delivery into north-east Asia rose slightly by 10 cents/MMBtu on the week to \$11.20/MMBtu, sources told Reuters.
- This downside pressure is being offset by stronger heating demand in Korea and northern China amid colder-than-normal temperatures.
- However, rising domestic gas output and ample storage in China, along with softer demand in Thailand, is expected to cap prices.
- In Japan, temperatures are forecast to drop below seasonal norms later this month, but this has yet to generate extra spot demand.
- Spot LNG remains too expensive for many buyers in China and India, according to Bloomberg; spot prices would need to fall below \$7-\$8/MMBtu to stimulate demand, according to Uniper's head of LNG trading Mohammad Arif.

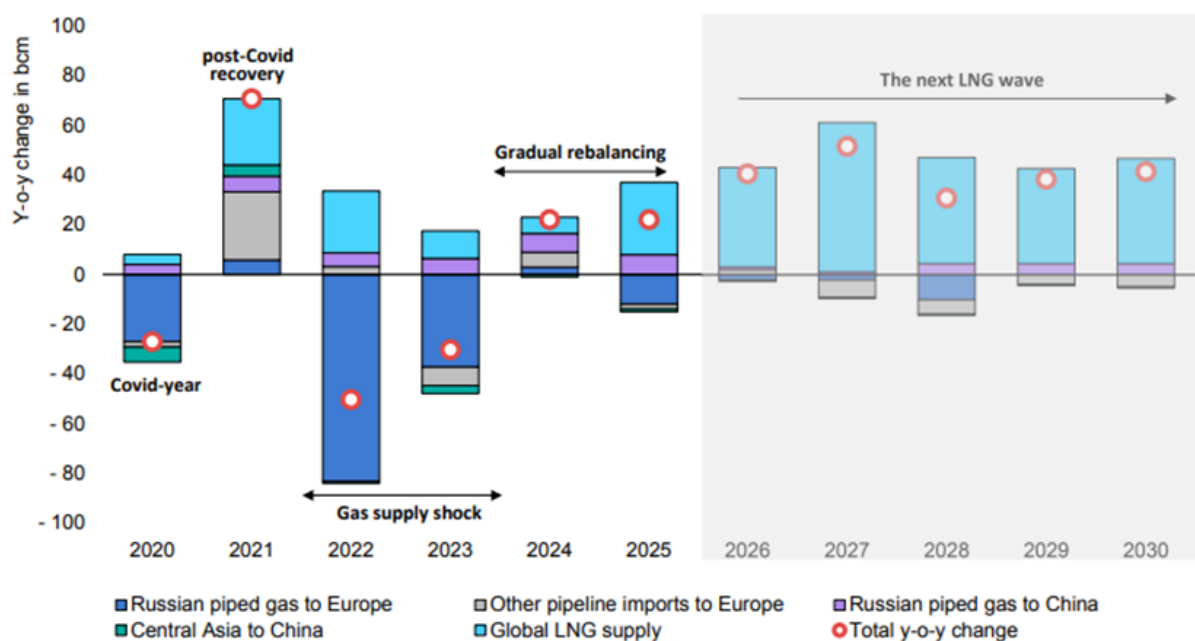


## IEA Natural Gas Outlook

The IEA forecasts that 300 bcm/yr of new LNG export capacity will be added worldwide by 2030, supported by expansions in the US and Qatar.

- The expansion could translate into a net increase of 250 bcm/y in global LNG supply by 2030. This takes into account declining LNG output from legacy producers, as well as ramp-up rates and utilisation factors.
- The increase is equivalent to 7% of Asia's thermal coal demand.
- Global LNG demand growth is not expected to absorb all incremental LNG supply out to 2030 in the IEA's base case scenario. Instead, a 65 bcm/y LNG supply surplus could materialise.
- If European and Asian spot LNG prices gradually approach the short-run marginal cost of US LNG supply between 2027-2030, additional gas demand could arise, especially in price sensitive Asian markets, the IEA forecasts.
- However, if existing infrastructure in Southeast Asia and other emerging LNG-importing regions is insufficiently expanded, up to one quarter of the demand response may fail to emerge.

## Year-on-Year Change in Key Piped Natgas Trade and Global LNG Supply- Source (IEA)



## US-Asia Arbitrage Marginally Opens

The US FOB loading arbitrage for cargoes via the Cape is now marginally open, according to Spark Commodities.

- US cargoes were about 6 cents/MMBtu more profitable to Northeast Asia versus Northwest Europe.
- The Spark Arb Freight Breakeven rate required for a zero arb rose to \$38.75k on Oct. 24.
- The JKM - TTF Dec25 spread is around 21 cents/MMBtu today, rising from near parity at the start of the month, according to Bloomberg data.

## US LNG Arbitrage - Source (Spark)

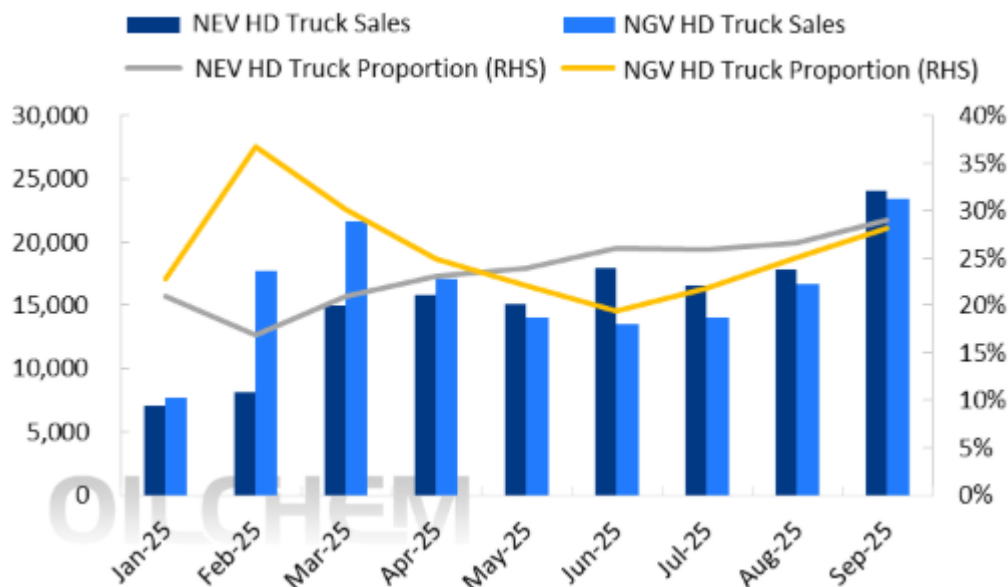


### China

China's natural gas heavy-duty truck sales continued to rise sharply in September 2025, reaching 23,400 units, according to OilChem data.

- This represented a 40% month-on-month and 149% year-on-year increase. It also marked the second consecutive month of growth.
- However, between Jan-Sep, natural gas trucks made up only 25.59% of total sales, down from 29.58% for 2024.
- Looking ahead, rising LNG prices, and shifting policy support towards new energy vehicles pose challenges to sustaining growth in the natural gas truck sector, OilChem forecasts.

## 2025 Heavy-Duty Truck Sales & Proportion (Units)- Source (OilChem)



- Elsewhere in China, Chevron swapped at least one China-bound LNG cargo to avoid paying a port fee aimed at US-linked tankers, according to Bloomberg.
- For pipeline imports, Russia's Gazprom hit a new record for daily flows to China via the Power of Siberia pipeline Oct. 22, the third new daily record in a month,
- Looking at infrastructure, the Wenzhou Huagang LNG Terminal in Zhejiang Province began operations on Oct. 25, significantly strengthening both China's regional and national LNG supply capacity, OilChem said.
- The terminal can currently handle LNG vessels up to 155,000 cubic metres, with plans to expand to 182,000 cubic metres and a full annual capacity exceeding 10m mt once all six planned tanks are completed.

## Supply

The LNG volume at sea for at least 20 days rose 7.8% over the last week, according to Bloomberg estimates. LNG on water volumes were 3.58m mt as of Oct. 26, compared to 3.32m mt the week prior.

- LNG stockpiles held by Japanese utilities fell by 7.51% on the week to Oct. 26 to 1.97m mt, according to trade ministry data. Stocks fell back below the five-year average for the end of October of 2.03m mt.
- Qatar's North Field East gas expansion project is set to begin LNG production in H2 2026, Energy Minister Saad al-Kaabi confirmed on Oct. 23, cited by Platts.
- Speaking during the Gas Exporting Countries Forum in Doha, Kaabi, who is also president and CEO of QatarEnergy, said production was expected to start before the end of next year, though he declined to give an exact date. The North Field expansion will add 65m mtpa of new LNG capacity, increasing Qatar's total output to 142m mtpa by the end of the decade.
- Turkmenistan, Central Asia's largest natural gas producer, plans to maintain output at around 80 bcm in 2025–2026, according to the state energy firm Turkmengaz.
- Global underground gas storage capacity has increased by around 10 Bcm since 2022, reaching 424 Bcm across 699 facilities worldwide, according to an International Gas Union report published on Oct. 27, cited by Platts.
- However, Asia holds less than 5% of global storage, at about 20 Bcm, but is the only region showing strong growth. This expansion is largely driven by China's coal-to-gas transition, which has added 6 Bcm of new storage since 2022.

## Middle East & Africa

TotalEnergies is close to restarting its Mozambique LNG project which has been on hold since 2021 due to a deadly attack by Islamist militants.

- On Saturday, Total said the consortium behind the project had "taken the decision to lift the Force Majeure" and that it had informed the Mozambican government the FT reports.
- Mozambique's government must approve updates to the budget for the project, known as Mozambique LNG, before it is relaunched, Total added.
- Under the updated schedule, the first shipments of gas from the project would begin in the first half of 2029, five years after the initial schedule of July 2024.
- Elsewhere in Africa, Nigeria's NNPC has started operating part of the Obiafu-Obrikom-Oben (OB3) gas pipeline, now delivering around 300 mmcf/d, Platts said.
- This has boosted supplies to the vital Bonny LNG plant, which is expanding its capacity to 30m mtpa with the construction of a seventh train.

### Egypt Exports LNG Cargo to Turkey

Egypt exported an LNG cargo to Turkey from its Idku LNG plant, the Ministry of Petroleum and Mineral Resources said Oct. 22, cited by Platts.

- The shipment, carried by the TotalEnergies-operated LNG Endurance, departed Idku on Oct. 18 with a load of 150,000 cubic metres of LNG, according to Platts.
- This marks the third export from the terminal within a month. Earlier, the Minerva Amorgos, chartered by Total, sailed for Spain Sep. 20, and Shell's New Nature left for Italy on Oct. 11.

### Iraq Signs Contract With Exceletrate to Lease LNG Import Ship

Iraq's government signed a contract with US firm Exceletrate Energy to lease a floating LNG ship, Saad Freih, director of the fuel directorate at the ministry of electricity, told Bloomberg.

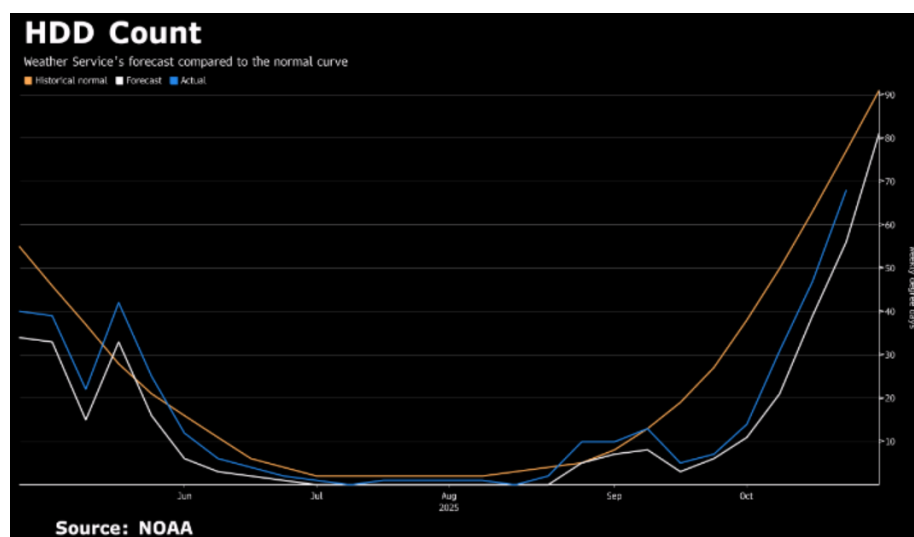
- The vessel will be ready for operation in the summer 2026.
- Iraq is looking to bring in LNG imports as it doesn't have enough domestic gas to operate its mostly gas-fired power plants. This leads to crippling blackouts during summer demand peaks.
- Iraq previously signed a deal for pipeline gas from Turkmenistan and has been looking to diversify after repeated interruptions in its gas supplies from Iran.

## US Natural Gas

Henry Hub Nov 25 was overall bearish on the week as contract expiry neared and previous expectations for the first seasonal heating demand diminished. This, in addition to robust production, outweighed the record volume of LNG feedgas to US export facilities over the week. The forward curve fell as a result, pricing Jan 26 about 30 cents lower from the price on Oct 22.

- Henry Hub Front Month has traded between \$3.2/MMBTU and \$3.572/MMBtu this week, compared to \$2.893/MMBtu and \$3.572/MMBtu over the previous week.

### US HDD Count- Source (Bloomberg Finance L.P./NOAA)



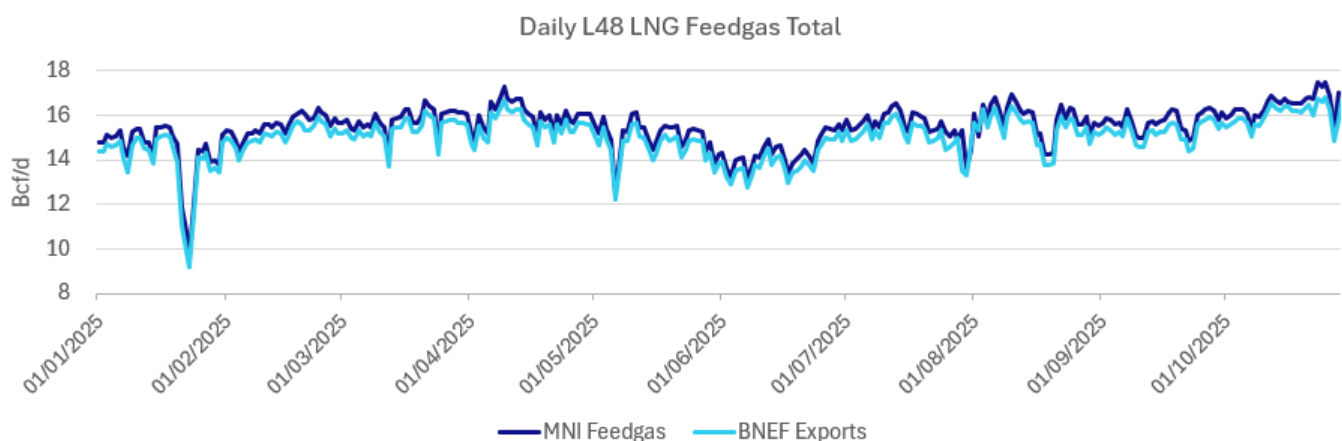


- Lower 48 natural gas production averaged 108.23 bcf/d in the 10 days to Oct-28, compared to last week's 10-day average of 108.2 bcf/d.
- Baker Hughes US rig count: Gas: 121 (0) - up 20 rigs, or 19.8% on the year.
- US heating demand for the week ending Nov 1 is forecast to be 8 heating degree days (HDD) below the long-term normal, according to Bloomberg, citing the NOAA. During the week to October 25, the US was 7 HDD below normal.

## US LNG

Natural gas deliveries to US LNG terminals averaged 16.26 bcf/d in the seven days to Oct-29, compared to the seven-day average of 16.25 bcf/d during the previous period.

### Daily L48 LNG Feedgas Total - Source (Bloomberg Finance L.P./MNI)



## Cameron LNG Feedgas Drops

Feedgas deliveries to Cameron LNG dropped precipitously on Monday Oct. 27 but made a recovery the following day

- MNI data show feedgas was about 0.28 bcf/d in-day nominations on Oct. 27, but recovered to about 1.93 bcf/d the following day, in line with the 30-day moving average of 1.97 bcf/d.
- Sub-facilities data show all feedgas pipelines dropping on Oct. 27, including LEAP, LEG, TGP, and CGT, though flows were not largely interrupted on Transco.
- Cameron LNG has not publicised a reason for the outage.

## Delfin Midstream FLNG

Delfin Midstream has entered a letter of Award (LOA) with Samsung Heavy Industries to provide engineering, procurement, construction, and installation (EPCI) for the company's first FLNG vessel and bringing the firm one step closer to reaching FID by the end of 2025, Kpler said.

- Delfin can now have exclusive rights to SHI's dock for construction of its FLNG vessel ahead of a planned November 2025 FID.

- The firm has 6.4m mtpa of commitments with Petrobras, Sefer, Devon Energy, Gunvor, Centrica, Vitol, and Hartree Partners.

## JERA

Japan's JERA announced plans to acquire US shale gas assets in Louisiana, strengthening its integration into the US natgas supply chain and shoring up a steady supply of LNG, according to Kpler.

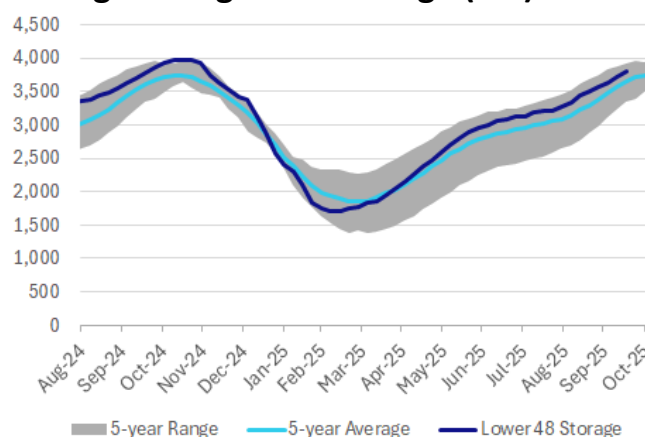
- JERA agreed to purchase 100% of Williams and GEP Haynesville II in western LA's Haynesville Shale Basin, which currently produces over 500 mmcf/d and has 200 undeveloped drilling locations.
- JERA hopes to get to 1 bcf/d in the future to feed local data centres and export facilities.

## US Natgas Inventories

The EIA weekly gas inventories for the week ending Oct. 17 showed a build of 87 bcf. The seasonal five-year average shows a net build of 77 bcf. Total stocks are up to 3,808 bcf, 34 bcf above last year and 164 bcf above the 5-year average.

- The storage report was underestimated by surveys. Reuters underestimated 6 bcf (+81 bcf), the WSJ by 6 bcf (+81 bcf), Bloomberg by 4 bcf (+83 bcf), and NGI by 4 bcf (+83 bcf).
- With storage north of 3.8 Tcf, the remaining two weeks of the injection season would require an average of +46 Bcf to reach 3.9 Tcf and +71 Bcf to reach 3.95 Tcf. Reaching 4 Tcf would require an average of +96 Bcf. The final two weeks have averaged +52 Bcf over the past five years (+65, +39), bringing storage to 3.912 Tcf.

**Working Underground Storage (Bcf) – Source (EIA)**



## Latam

Venezuela revoked energy deals with neighbouring Trinidad & Tobago for its "support of a US military offensive" in the Caribbean. The energy framework agreement with Trinidad

- The Trinidad-Venezuela energy cooperation framework – allowing the two countries to forge natural gas deals - was signed in 2015 for a 10-year term and was renewed this year for another five years.
- The Trump administration recently granted Trinidad limited permission to import Venezuelan gas after it had cancelled an earlier approval in April.
- Trinidad needs Venezuelan gas to replenish supply to the industrial backbone of its fragile economy, Bloomberg noted.