MNI Gas Weekly: Market Awaits Trump-Putin Meeting

By Lawrence Toye & Daniel Dawson (13/08/2025)

Executive Summary:

- **European Gas Benchmarks** have fallen on healthy fundamentals as market awaits Trump-Putin meeting.
- Asia's **LNG market** softened as markets await further clarity on Russian energy sanctions.
- In the **Middle East & Africa**, Israel and Egypt signed a larger supply agreement.
- **Henry Hub** has lost ground amid forecasts for cooler August temperatures in the U.S.
- In **the Americas,** Mexico's CFE awarded a two-cargo tender.

European Natural Gas:

TTF front month has seen some further pressure across the last week, as steady fundamentals and healthy storage injections offset risks from a warm weather forecast and upcoming Norwegian seasonal maintenance. Meanwhile, the market is assessing any chances of reduced Russia sanctions as it awaits Friday's Trump-Putin meeting.

- Front month TTF prices traded between €32.11/MWh and €34.295/MWh this week, compared to €33.11/MWh and €35.49/MWh over the previous week.
- Temperatures in NW Europe are forecast above normal in the coming week but are expected to cool to near normal through the second week of the outlook.
- NW European LNG sendout was up to 180mcm/d on Aug. 11, compared to an average of around 170mcm/d so far this month, Bloomberg shows.
- European gas storage is up to 72.27% full on Aug. 11 compared to the previous five-year average of nearly 79.7% full, according to GIE. Net injections dipped lower on the day but remained above normal.
- Norwegian pipeline supplies to Europe are today estimated at 328.8mcm/d, Bloomberg shows. Gassco shows outages of 26.6mcm/d until Aug. 17 with an unplanned capacity reduction of 10mcm/d at Ormen Lange this week.
- Germany's cabinet approved a draft bill last Wednesday to scrap the gas storage levy for all consumers Reuters reports.

LNG Vessels Diverting Back Towards Europe Ahead of Tighter Pipeline Supply

A vessel carrying US LNG which last week changed course east, has rerouted for the second time and is again heading towards France, according to ship-tracking data compiled by Bloomberg.

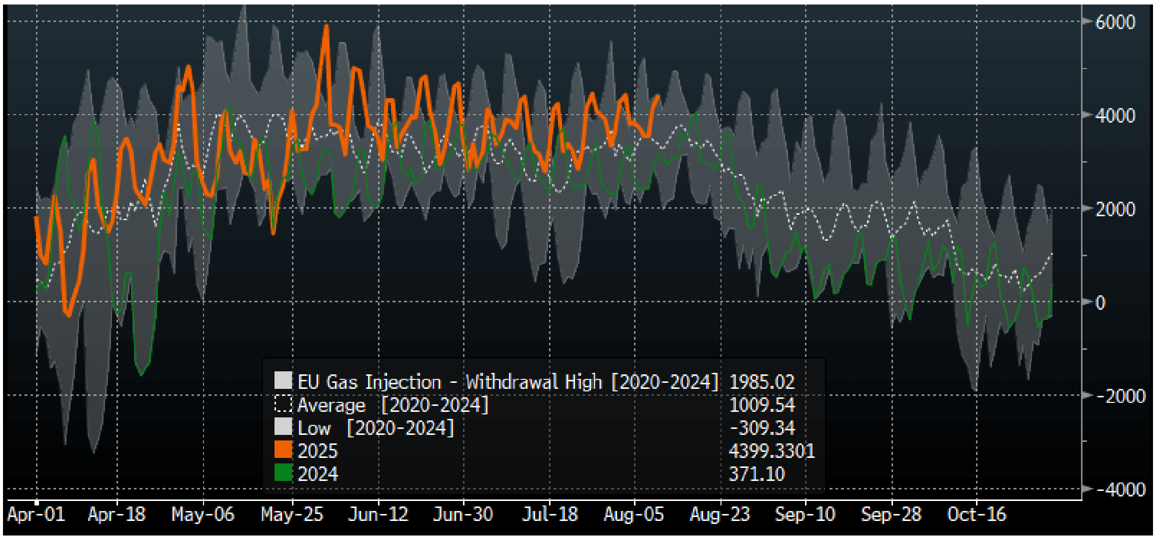
- The Shinshu Maru tanker made the move late last week and is expected in France's Fos-sur-Mer on Aug. 25.
- Another vessel with US LNG made an apparent U-turn toward Europe while passing South America over the weekend, according to Bloomberg.
- The vessel in question, Maran Gas Roxanna, is signalling an estimated arrival of August 18 - without disclosing the destination.
- Europe had previously seen several diversions away from its markets last month, including toward Egypt, South America and Asia amid ample supplies.
- Europe's gas supplies are set to tighten in late August and into September due to seasonal maintenance in Norway.

EU Gas Stores Build Ahead of Norway Maintenance

European gas storage injections once again averaged above normal in the last week as facilities build stores ahead of seasonal maintenance in Norway.

- European gas storage is up to 71.96% full on Aug. 10 compared to the previous five-year average of nearly 79.5% full, according to GIE.
- Injections have averaged 15% above the five-year average since the start of April and a continuation would bring storage to the EU pre-winter target of 80% by Sep. 8.
- Based on the withdrawal rates from the last ten years, the EU storage level would build to an average of 86.8% of capacity at the end of October with a range between 79.6% and 93.7%.
- The average net injection rate edged slightly lower last week to 3,851GWh/d from 3,946GWh/d the week prior. Injections are above the previous five-year average of 3,372GWh/d despite a dip near to normal on Aug. 7-8.
- Storage in Germany is at 160.6Wh (64.7% full), Italy at 168.7TWh (83.3%), Netherlands at 87.3TWh (60.5%), France at 101.3TWh (80.6%) and Austria at 77.4TWh (77.1%).

EU Gas Storage Injections- Source (GIE / Bloomberg Finance L.P.)



Gastrade Resumes Alexandroupolis LNG Terminal Regasification

Gastrade has announced the resumption of unloading and regasification services at the Alexandroupolis LNG Terminal, according to a company statement.

- Such services will become available at a maximum regasification capacity of 45.4 GWh/day including redundancy with respect to its booster pumps.
- The above capacity will remain available until September 30, 2025, under specific operational and commercial conditions.
- The present 25% limitation of the Terminal's nominal capacity will be lifted at the start of the new Gas Year, on October 1, 2025, whereas certain operational restrictions may remain for a limited period thereafter.

US-Russia Talks May Herald Easing of Gas Sanctions

President Trump’s meeting Aug. 15 with Russian President Vladimir Putin may see gas and LNG used as a bargaining chip, potentially leading to some relaxation of Europe’s phase-out plans, Montel said.

- Russia’s last pipeline flows to Europe are via the 15 bcm/y TurkStream route. This is scheduled to end once an EU-wide phase-out of Russian gas kicks in fully at year-end 2027.
- Rystad Energy said that Russia will likely restate their interest to continue TurkStream flows, but an increase via other routes seems off the table for now.
- The EU has stressed that any diplomatic solution must protect Ukraine and Europe’s “vital security interests.”
- Eurasia Group see gas as a bargaining chip to achieve much bigger priorities, meaning relaxed LNG sanctions may be used to sweeten a ceasefire deal.
- This goes against the EU policy, but there could be workarounds, like Ukraine buying Russian gas at the border, before storing it and mixing it with other gas to be sold on to the EU.
- Overall, the general market expectation is that no significant boost in Russian gas to Europe is coming any time soon.

Goldman Maintains €37/MWh TTF Forecast for Balance of Year

Goldman Sachs has maintained a TTF price forecast of €37/MWh for the balance of 2025 and €30/MWh for 2026, according to Reuters.

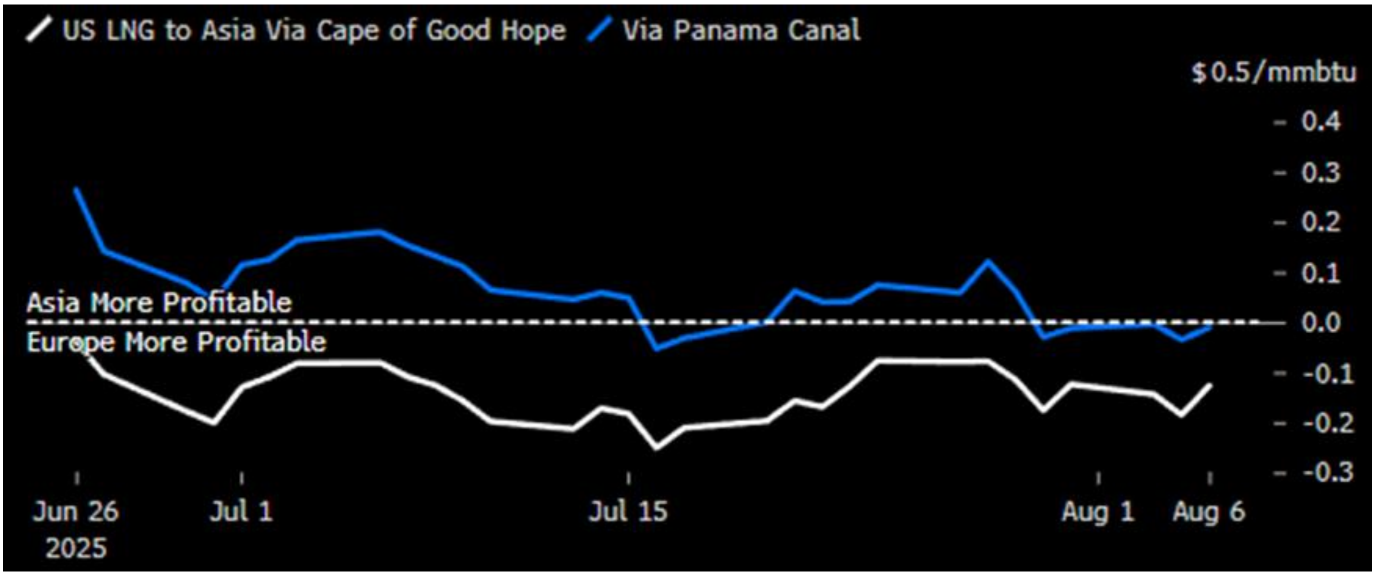
- The lack of change in European gas markets since the announcement of a meeting between President Donald Trump and President Vladimir Putin reflects the market's scepticism for a lasting peace agreement.
- The market is pricing in no significant shift in Russian gas or LNG supply ahead of the meeting scheduled for August 15 in Alaska.

APAC LNG

Asian spot LNG prices fell last week driven by weak demand, while traders also awaited further clarity on any US energy sanctions or secondary tariffs on buyers of Russian energy.

- The average LNG price for September delivery into north-east Asia was at $11.90/MMBtu, Reuters said.
- The JKM front-month swap ranged between $11.365/MMBtu and $12.011/MMBtu in the week to Aug. 12, compared to a range of $11.662/MMBtu and $12.351/MMBtu the week prior, according to Bloomberg.
- Spot gas prices have been relatively rangebound since the start of summer gas season in April, ICIS said, adding that the trend is likely to persist for the remainder of the summer season. The only exception was the temporary strike during the 12-day Israel-Iran war in June.
- Netback pricing still suggests US LNG exporters are likely to favour supply to Europe over Asia, according to Spark Commodities.

US LNG Netbacks Source (Bloomberg Finance L.P.)



China

China's domestic LNG prices are under pressure this month as possible cuts to industrial output lower demand, according to ENN Group cited by Bloomberg.

- Strong hydro generation following heavy rains and temperatures falling within their seasonal norms in southern China have eased pressure for gas-fired power generation, Argus analysts told Reuters.
- Chinese demand for LNG is expected to remain soft in the coming months, driving lower prices throughout 2026, Capital Economics said, cited by Bloomberg.
- China's combined pipeline gas and LNG imports fell year on year in July, according to General Administration of Customs data.

Japan and Korea

South Korea has suffered from weak spot demand, with many gas-fired power plants uncompetitive on price with coal-fired alternatives, Reuters said.

- LNG stockpiles held by Japanese utilities increased by 1.55% on the week to Aug. 10 to 1.96m mt, according to trade ministry data. Stocks are still below the five-year average for the end of July of 2.15m mt and of 2.04m mt for the end of August.
- Japan could boost LNG purchases in the coming weeks due to a surge in power generation as hot temperatures raise demand, according to Bloomberg.
- On Aug. 6, the Tokyo area gas power generation reached the highest since March 2024 while temperatures in parts of Tokyo may rise to 47C on Aug. 8, according to the Japan Meteorological Agency. The 10-day moving average of Japan's LNG imports has rose to the highest since April although still below the seasonal five-year average, Bloomberg said.

US-China Tariffs Showing Little Impact on LNG

China has extended the suspension of additional 24% tariffs on US goods for 90 days from Aug. 12, but the 25% tariff on US LNG remains unchanged, limiting any immediate trade impact. The move follows a similar US decision to delay tariff increases, yet industry sources say Chinese LNG imports from the US are still unlikely under the current rate.

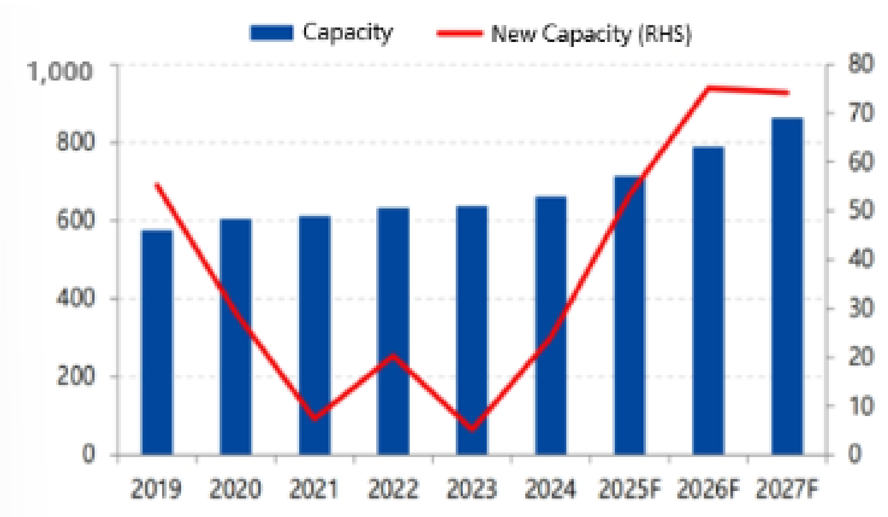
- Chinese buyers have largely avoided direct purchases of US LNG since mid-February due to the retaliatory tariff, although some have participated in spot market trades via intermediaries.
- Some Chinese buyers have sought contractual clauses allowing rejection of US cargoes, but this remains rare. In 2024, the US supplied 4.16m mt of LNG to China, a 32% rise year-on-year, representing 5.4% of total imports.

Supply Side

The total estimated quantity of LNG on tankers that have not unloaded for at least 20 days increased 11% over the last week, according to Bloomberg estimates. LNG on water volumes were 3.24m mt as of Aug. 10, up from 2.93m mt the prior week.

- Petronas aims to expand LNG exports to growing Southeast Asian markets while also supporting rising domestic demand in Malaysia partly driven by a data-centre boom, Bloomberg said.
- Global LNG capacity is seen reaching 863.6 bcm/y by the end of 2027, up 230 bcm/y compared to 2023, OilChem said.
- The new additions are dominated by the US and Qatar, adding 107 bcm/y and 66.7 bcm/y, respectively. Australia, due to cautious investment, will see sluggish growth, adding only 11.8 bcm/y to 2027, with its global share falling from 18.0% to 14.2%.

Global LNG Production Capacity (Bcm)- Source (OilChem)

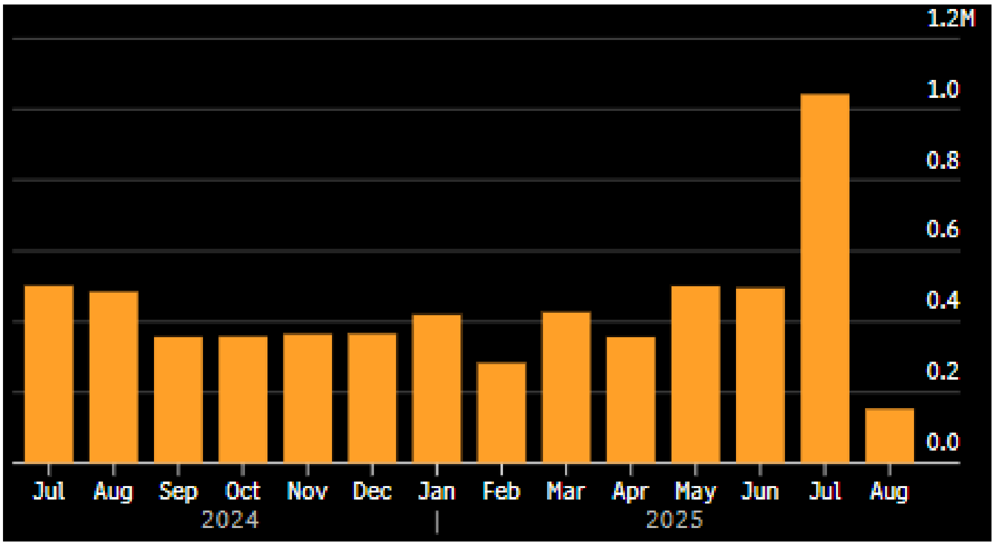


Middle East & Africa:

Egypt’s natural gas supply agreement for 130 Bcm over 15 years with partners in Israel’s Leviathan field, could be transformative, offering both significant volumes and long-term stability, Platts said.

- This comes as Egypt faces declining domestic output and rising LNG import needs.
- The new arrangement will eventually replace the current 2019 deal for 60 Bcm, which ends in the early 2030s.
- Since early 2025, Egypt’s LNG imports have surged to 3.67m mt, up sharply from 2024 levels.
- The Leviathan flows, expected to start in the first half of 2026, could cut LNG demand by 1–2 Bcm that year alone, according to Platts.
- In the near term, Egypt has cancelled over 2m bbl of petroleum cargoes it acquired when gas supplies to Israel were briefly cut, after securing LNG cargoes to meet its power demand, Bloomberg said.
- Meanwhile, Egypt has stepped up its buying of LNG after adding two additional FSRUs to regasify natural gas arriving on the water.

Egypt’s Monthly LNG Imports (mt) Source (Bloomberg Finance L.P.)



Jordan Resumes LNG Regasification

Jordan is receiving its first LNG delivery since the Energos Force FSRU took up position there at the start of August, according to ICIS analyst Alex Froley.

- The BW Lesmes from Senegal/Mauritania has just arrived to deliver a cargo.
- During June and July, Jordan had been without an LNG import facility after its previous FSRU left.

Angola Offer LNG Tender After Cancellation

Angola LNG offered one cargo on a DES basis in a sell tender for mid-September delivery to various locations, Bloomberg reported. Bids are due Aug. 13.

- This tender follows the cancellation of a previous tender Aug. 6 due to local marine conditions. The cancelled tender was for an August-September cargo.

Renaissance Resumes Fully Deliveries to Nigeria's Bonny LNG

On 7 August, Nigerian energy producer Renaissance announced it had resumed delivering its full contracted gas volumes to the Bonny LNG plant for the first time in over five years, Platts said.

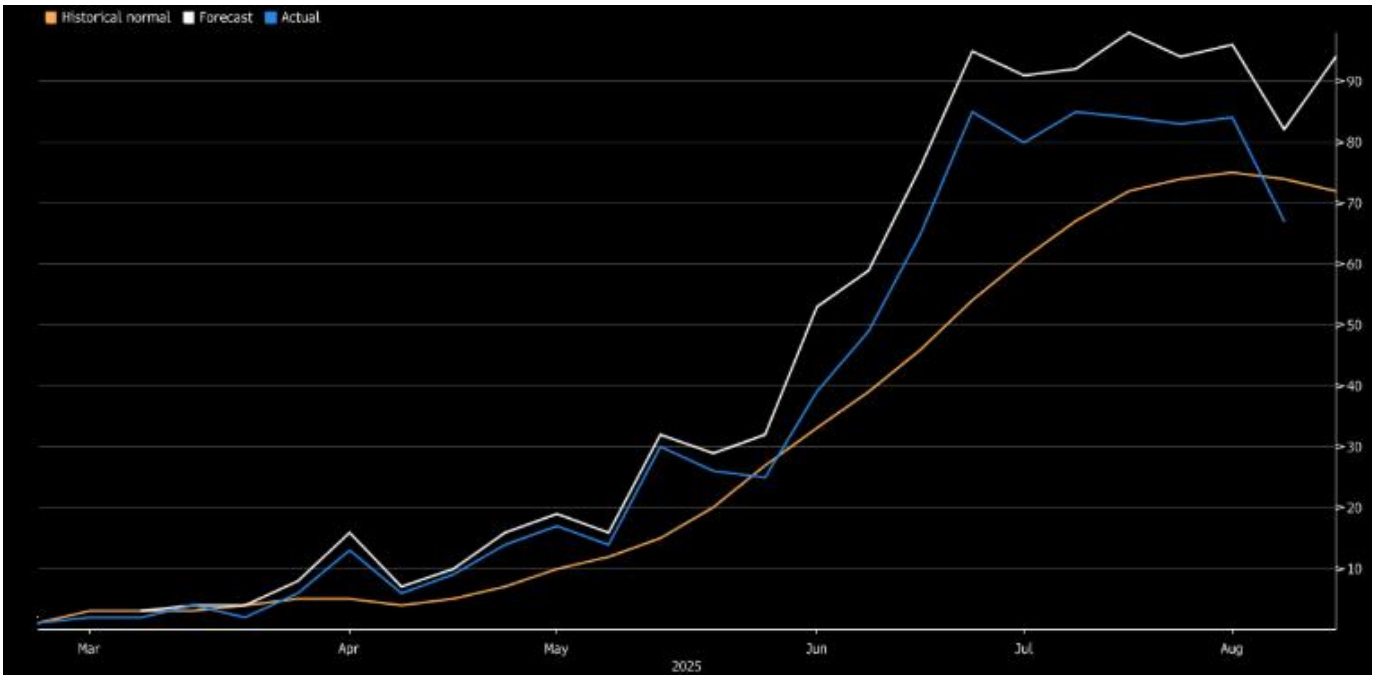
- The six-train Nigeria LNG facility, with a nameplate capacity of 22m mtpa, has been operating below capacity due to gas shortages caused by repeated pipeline sabotage.
- The plant has been under force majeure since October 2022 but continues exporting LNG. So far in 2025, exports have reached 11.1m mt, on track to surpass 2024's 13.7m mt.

US Natural Gas:

Henry Hub front month has lost ground this week, with a sharp drop Aug. 12 as cooler August temperature forecasts slash outlooks for cooling demand.

- Henry Hub Front Month has traded between $2.774/MMBTU and $3.148/MMBtu this week, compared to $2.895/MMBtu and $3.131/MMBtu over the previous week.
- US Henry Hub spot prices for 2025 have been cut by 6 cents/MMBtu, or 1.6%, to $3.75/MMBtu, according to the EIA in its August Short Term Energy Outlook. However, prices in 2026 are expected to be $4.50/MMBtu, down from $4.58/MMBtu in the July outlook.
- Lower 48 natural gas production averaged 109.19 bcf/d in the 10 days to Aug. 12, compared to last week's 10-day average of 108.89bcf/d.
- US dry natural gas production across 2025 has been revised up 10.2 bcf/d to 116.1 bcf/d, the EIA said. Production in 2026 is expected to be 115.9 bcf/d, up 9.5 bcf/d from the July forecast.
- US natural gas consumption for 2025 is expected to be 91.4 bcf/d, up 0.3 bcf/d from the EIA's July STEO forecast.
- Baker Hughes US rig count: Gas: 123 (-1) - up 25 rigs, or 25.5% on the year.
- US cooling demand for the week ending August 16 is forecast to be 25 cooling degree days (CDD) above the long-term normal, according to Bloomberg, citing the NOAA. During the week to August 9, the US was 5 CDD below normal.
- Forecasts for August are on track to be the coolest since 2017, with cooling demand falling 4 bcf/d over the next seven to 10 days, according to EBW.
- Tropical Storm Erin is forecast to become a hurricane by the end of the week according to the National Hurricane Centre, though it poses no immediate threat to the continental United States.

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



- The Dallas Morning News reports the Texas General Land Office (GLO) has formally objected to a plan by Pilot Water Solutions LLC to drill three new saltwater disposal wells in the Permian Basin, warning the project could contaminate state-owned crude reserves in North America's top oil field.

Regional hubs

Algonquin non-G City rose steadily over the week to reach a monthly high of $4.53/MMBtu on Aug. 11. The New England gas deficit widened over the week, reaching nearly 900 mmcf/d on Aug. 12.

- The Boston CDD count is 13 above the 10-year normal, while end-user demand surpassed 3 bcf/d compared to the 30-day average of 2.37 bcf/d.
- Meanwhile, Waha has priced below $1.00 for since Aug. 7, reaching a weekly nadir of 49.9 cents/MMBtu on Aug. 11.
- Pipeline constraints in the Permian Basin are weighing on prices, with total Gulf Coast export capacity under 80% since Aug. 6. The Permian Highway underwent maintenance on Aug. 7, in which Kinder Morgan reduced the pipeline's capacity by roughly 45%, according to a company notice.

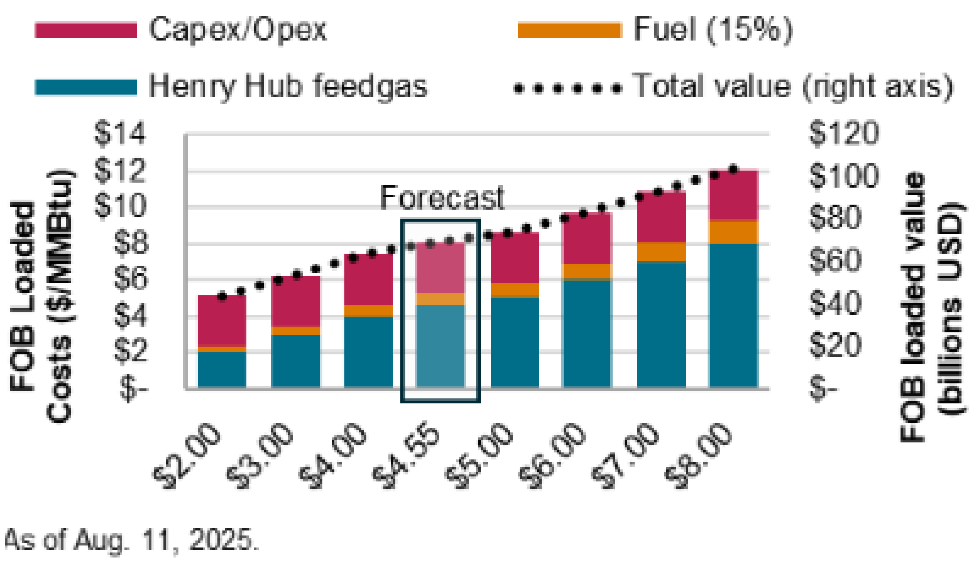
US LNG

Natural gas deliveries to US LNG terminals averaged 15.86 bcf/d in the seven days to Aug. 13, compared to the seven-day average of 15.45 bcf/d during the previous period.

- NextDecade has secured equity investment commitments from TotalEnergies and GIP for Train 4 of its Rio Grande LNG facility, according to Bloomberg

- ExxonMobil and Chevron are taking diverging paths in the Permian Basin, the heart of US shale production, Argus said.
- Sempra announced Port Arthur Phase 2 investment moving forward and Costa Azul nearly complete. Port Arthur will target FID for Phase 2 sometime in 2025. Port Arthur Phase 1 targeting 2027 start date.
- Cheniere's CEO Jack Fusco announced Stage 4 expansion for the Corpus Christi LNG export facility of 24 mtpa
- Cheniere will also target late 2026 or 2027 for the next Sabine Pass investment, according to Bloomberg.
- Venture Global prevailed over Shell in an arbitration case regarding long-term contracts from Calcasieu Pass. It still faces lawsuits from six other offtakers, including BP and Sinopec.
- LNG will become the main driver of additional US energy exports, with values dependent on feedgas costs, construction timelines and producer margins, Platts said.
- By 2028, US LNG export capacity is projected to rise by 74.2m mtpa, a 67% increase, doubling 2024 export volumes.
- Based on a Henry Hub price of $4.55/MMBtu and an 18% FOB margin, annual LNG export values could reach $66bn in 2026, $67bn in 2027 and $74bn in 2028 — nearly triple 2024 levels.

US LNG Export Value Scenarios 2026-28 Source (Platts)



US Natgas Inventories

The EIA weekly gas inventories for the week ending Aug. 01 showed a build of 7 bcf.

- The seasonal five-year average shows a net build of 29 bcf. Stocks built by 21 bcf this time last year.
- Total stocks are up to 3,130 bcf. This is 137 bcf below levels seen a year ago and 173 above the previous five-year average of 2957 bcf.
- Forecasts: +13 (BBG), +17 (RTRS), +18 (WSJ) and +13 (NGI).

- US natural gas storage is on track to end the April-October summer injection season at a two-year low of 3.830 Tcf on Oct. 31, according to analysts' estimates gathered by Reuters.
- That compares with an eight-year high of around 3.938 Tcf for the same period in 2024 and the five-year average of 3.782 Tcf.
- For the winter 2025 (Nov. 2025-March 2026), analysts estimate stockpiles will end that withdrawal period with stocks of 1.542 Tcf on March 31, 2026.

Canada Natural Gas

LNG Canada applied to the Canada Energy Regulator to raise its maximum permitted annual LNG exports by 6.4%, from 38.1 Bcm to 40.5 Bcm, Platts reported.

- The request does not increase the total volume authorised over its 40-year licence, as expansion plans have been delayed until the early 2030's.
- Phase 2 of the project, involving Trains 3 and 4, was initially expected to follow swiftly after Phase 1, with full capacity reached within 18 months of start-up.
- However, LNG Canada now anticipates Phase 2 will begin 6–7 years after Phase 1, likely in 2032 or 2033, pending an FID.
- Canada's natural gas sector is slowing, with producers cutting back on drilling and shutting in output amid four-decade low prices, Argus said.
- In June, only around 160 rigs were active — the lowest in two years and down 17% from June 2024.
- The downturn has particularly affected dry gas producers, whose output lacks profitable condensates.
- Canada's gas rig count for Aug. 8 according to Baker Hughes: 57 (+4). This is down 12 on the year.
- The Canadian government is also looking hard at developing a remote northern port of Hudson Bay as a conduit for exporting natural gas and other commodities, Bloomberg reported.
- This comes as the country tries to reduce its economic dependence on the US.
- The energy minister said that he sees tremendous potential for turning the port of Churchill, Manitoba into a much larger export hub, opening up new trade routes to Europe and other markets.

Latam

Mexico's state-owned utility CFE has awarded two LNG cargoes in its latest tender, with contracts set to be signed on Aug. 11, Platts said

- Both cargoes — destined for the Manzanillo terminal on the Pacific Coast and the Altamira terminal on the Gulf Coast — were awarded to Shell for delivery Aug. 21-27 at TTF plus 10–30 cents/MMBtu.
- The pricing reflects prompt delivery and potential Panama Canal transit costs, Platts said.
- Analysts suggest these imports are likely driven by technical needs to keep terminals operational rather than strong market demand.
- Also in Mexico, the planned 3.9m mtpa Amigo LNG has signed an engineering, procurement and construction project for marine facilities with local contractor Comsa Marine, BNamericas said.
- This is a milestone towards the start of exports in Q3 2028, the developers said. The project is still awaiting FID.

Argentina's LNG Developments

In Argentina, Southern Energy has made an FID on a 20-year charter of Golar LNG's MK II FLNG unit, securing $400 million annually in charter fees plus a commodity-linked tariff, Platts said.

- The tariff includes 25% of any FOB prices above $8/MMBtu, Platts added.
- Currently being converted in China, the MK II FLNG is due for delivery to Argentina by 2028, where it will be moored in the San Matías Gulf. It will complement the FLNG Hilli, which begins its own charter in 2027.
- Together, the two units will offer a combined LNG export capacity of 5.95m mtpa.
- Also in Argentina, Energy producer Pampa Energia is in talks to join LNG export plans that YPF is developing with ENI and Shell, the CEO said on an earnings call.
- For now, Pampa is focused on its involvement in a separate LNG project through a consortium called Southern Energy, which has secured two FLNGs, Bloomberg said.
- A pipeline expansion to supply the FLNGs should be operational in 2027.
- However, the group still hasn't reached FID to build another dedicated pipeline from Vaca Muerta.