

MNI Gas Weekly: Steady Global Supplies Keep Gas Prices Subdued

By Lawrence Toye, David Lee, & Zach Simon (27/08/2025)

Executive Summary:

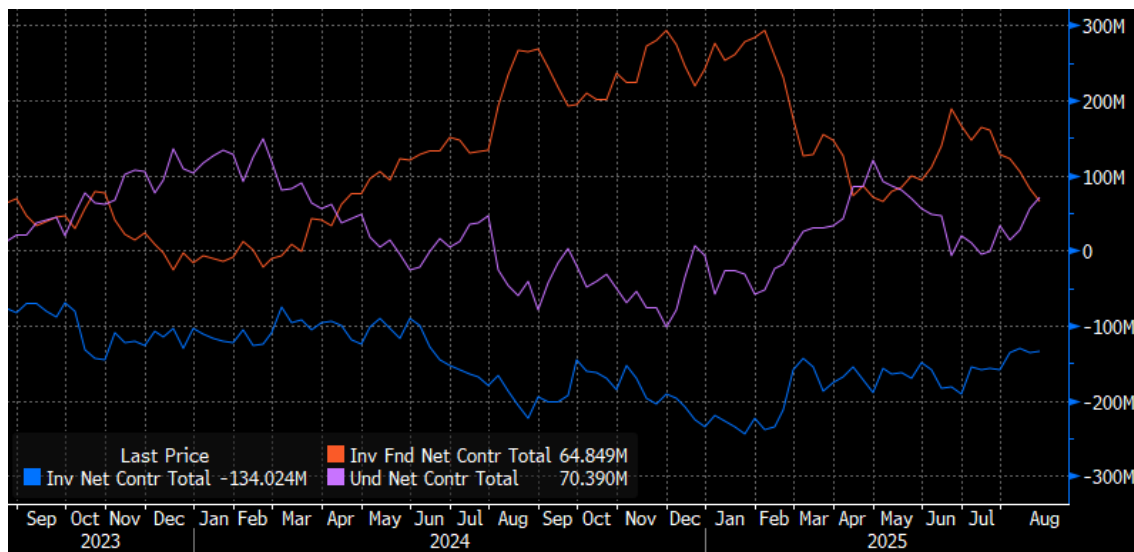
- **European Gas Benchmarks** stabilized within the €32.86/MWh to €33.9/MWh range weighing steady storage injections ahead of the main seasonal Norwegian maintenance in early September.
- **Asian LNG** buying is rising but prices remain under pressure with limited spot purchases.
- In the **Middle East & Africa**, Israel's energy ministry has approved an updated development plan for the Leviathan gas field.
- **Henry Hub** regained some ground after falling to its lowest level since early November amid cooler forecasts.
- In the **Americas**, Amigo LNG signs a SPA deal with Macquarie in addition to a Gunvor deal last week.

European Natural Gas:

TTF front month has stabilized within the €32.86/MWh to €33.9/MWh range since Aug. 22 after a recovery last week from the lowest since May 2024 at €30.3/MWh on Aug. 18. The market weighs steady storage injections ahead of the main seasonal Norwegian maintenance in early September and the latest comments surrounding any potential for ceasefire in Ukraine.

- Front month TTF prices traded between €31.605/MWh and €33.905/MWh this week, compared to €30.3/MWh and €32.88/MWh over the previous week.
- Investment funds reduced net long ICE TTF futures positions again in the week to Aug. 22 to extend a net decline since June and the lowest since April 2024.
- Net European gas storage injections are holding at or slightly above normal ahead of the ramp up in seasonal Norwegian outages in the coming days.
- Norwegian pipeline supplies to Europe are today down to 281.2mcm/d, Bloomberg shows. Gassco shows total planned outages of 86.85mcm/d today dipping to 69.5mcm/d on Aug. 29 before rising to around 120 mcm/d between Aug. 30 and Sep. 18.
- European gas storage up to 76.24% full on Aug. 25 compared to the previous five-year average of 83.8% full, according to GIE. Average net injections held steady on the week at 3,338GWh/d in the week to Aug. 24 and compared to the previous five-year average of 3,207GWh/d, GIE data shows.
- Based on the withdrawal rates from the last ten years, the EU storage level would build to an average of 86.2% of capacity at the end of October with a range between 80.5% and 92.5%.
- Storage in Germany is at 172.1TWh (69.2% full), Italy at 178.2TWh (88%), Netherlands at 92.2TWh (63.9%), France at 106.5TWh (84.7%) and Austria at 80.9TWh (80.7%).
- Temperatures in NW Europe are forecast to drift back to near normal in the coming days and to cool roughly in line with the seasonal normal through the remainder of the two-week outlook.
- NW European LNG sendout was steady at 177.6mcm/d on Aug. 25 compared to an average of 169mcm/d so far in August, Bloomberg shows.
- LNG Croatia's FSRU heads to Turkey's Kuzey Star shipyard after five years at Krk, according to the company's website and reported by Bloomberg. Upgrades are expected to continue until October.
- Gas transit infrastructure in the Ukraine's central Poltava region suffered "significant damage." Russia has increasingly been targeting Ukraine's infrastructure ahead of winter. Last winter it much more heavily relied in Europe for supplies, a trend likely to remain this winter – especially if it is cold.

ICE TTF net positioning - Source (Bloomberg Finance L.P.)



APAC LNG

Asian spot LNG prices fell slightly last week amid high storage inventories, continued weak demand and a lack of progress on Ukraine peace talks, Reuters said. The average LNG price for October delivery into north-east Asia was at \$11.40/MMBtu, down 25 cents/MMBtu on the week.

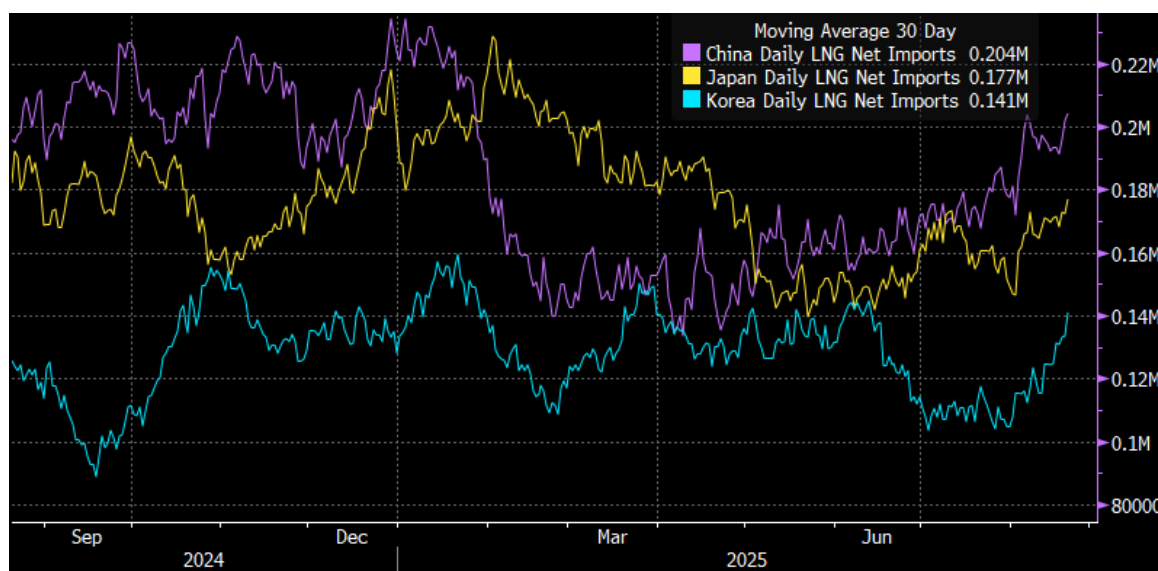
- Market sources told Reuters that Asian LNG prices should fall further as storage levels remain elevated and the overall supply picture remains strong.
- Although Japan's summer heat continues, demand for November heating is lagging. Reuters added. Furthermore, China is leaning more heavily on domestic gas and pipeline imports, and South Korea is well-stocked.
- Sources told Reuters that spot prices may need to fall below \$10/MMBtu to revise some buying interest in China, some NOCs were re-offering cargoes and higher stocks and weaker gas-fired powergen is due to stronger hydro output.
- China's CNOOC, sold one full LNG cargo to ENN through an auction on the Shanghai Petroleum and Natural Gas Exchange (SHPGX) on Aug. 22, Platts said, marking the first time a full LNG cargo was auctioned in China.
- ENN secured the 65,000 mt cargo for late September delivery at Yuan 4,100/mt (~\$11/MMBtu). The first cargo, for mid-September, received no bids.
- The US arbitrage to north-east Asia via the Cape of Good Hope is still incentivising US cargos to deliver to Europe, Spark Commodities said.
- The JKM front-month swap ranged between \$4.515/MMBtu and \$11.756/MMBtu in the week to Aug-26, compared to a range of \$10.763/MMBtu and \$11.899/MMBtu the week prior, according to Bloomberg.

Asia LNG Buying Providing Limited Market Price Support

China's LNG imports are on track to rise to 6.04m metric tons in August and the highest since January after reaching a five-year low of 4.48m tons in February, according to Kpler data.

- Despite the suggestion of a recovery in demand, monthly imports have been lower year on year since October 2024. Current LNG imports are largely secured under long-term contracts but with limited spot purchases despite lower spot prices for delivery to North Asia.
- European LNG imports are expected at 7.86m tons in August compared to 8.84m tons in July but still 22% higher year on year. Jan-Aug imports are 82.71m tons compared to 67.74m tons in 2024.
- LNG imports to India are set to fall for a third month to 1.83m tons in August which would be the weakest since June 2023, according to Kpler data.
- Japan LNG imports are on track to rise to the highest since February at 5.83m tons in August and South Korea the highest since Dec. 2023 at 4.99m tons.

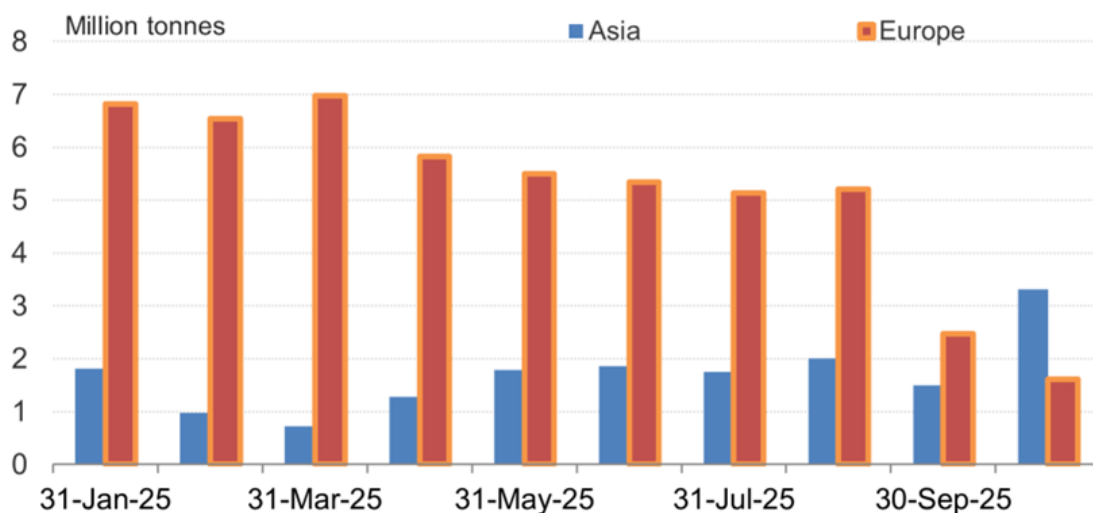
Asian 30-Day Average LNG Imports- Source (Bloomberg Finance L.P.)



- LNG stockpiles held by Japanese utilities increased by 7.92% on the week to Aug. 24 to 2.18m tons, according to trade ministry data, to rise above the previous seasonal five-year average.
- Tokyo Gas is negotiating to purchase 1 mtpa of LNG from Venture Global on a 20-year contract and is expected to come from the second phase of the CP2 export facility which is scheduled to come online by the end of 2028, according to Reuters. "We are exploring various projects, including those in the United States, to secure new LNG supplies, but we cannot comment on the status of individual projects," Tokyo Gas said..
- Venture has been offering LNG at lower-than-market prices with low liquefaction rates, attracting both long-term contract customers and uncommitted short-term contracts to potential CP2 buyers, according to Reuters.

- South Korea's Kogas became a first-time customer from the Shell-operated 14 mtpa LNG Canada project, according to Kpler. The cargo departed on August 23 with a 174,000 cubic meter capacity. Kogas is the last venture partner to lift a cargo after Shell with three cargoes, Petronas two, while Mitsubishi, PetroChina, with one apiece.
- Korea Gas Corp. has signed a deal to additionally buy 3.3mtpa of LNG from companies including Trafigura for 10 years from 2028, according to statement cited by Bloomberg. The deal, indexed to Henry Hub, helps diversify Korea Gas' supply sources which have previously focused on the Middle East while contributing to the stability of energy supply to Korea.
- Pakistan plans to ask Qatar to delay LNG deliveries over the next five years due to weak demand and high import costs, according to Bloomberg. Pakistani officials want to delay two shipments per month in 2026 and reschedules to 2031. Pakistan already deferred several Qatari LNG shipments for 2025 into 2026, and has also asked its other supplier Eni Spa to divert deliveries.
- Asia's LNG imports from the US are on track to reach an eight-month high of 2.01m tons in August and estimated as high as 3.61m tons in October, according to Reuters citing Kpler data. The surge is a sign countries are raising imports as part of trade deals with President Donald Trump on import tariffs and investment.

LNG Imports from the US- Source (Reuters)



Russia/Ukraine

Trump said on Monday he believes personal animosity is the reason Putin is avoiding a meeting with Zelenskyy. Zelenskyy has repeatedly expressed willingness to attend such a meeting. But Putin and his officials have consistently dodged the proposal.

- Russia and Ukraine have stepped up strikes on energy facilities against one another in recent weeks as uncertainty remains about the next steps in the peace process.
- Gas transit infrastructure in Ukraine's central Poltava region suffered "significant damage" following overnight Russian drone attacks, according to Ukrainian Energy Ministry on Aug. 27.

- Potential energy deals were discussed on the sidelines of U.S./Russia talks surrounding peace in Ukraine a number of officials have said to Reuters.
- The officials discussed the possibility of Exxon Mobil re-entering Russia's Sakhalin-1 oil and gas project.
- They also raised the prospect of Russia purchasing U.S. equipment for its LNG projects, such as Arctic LNG 2, which is under western sanctions.
- The talks were held when U.S. envoy Steve Witkoff visited Moscow earlier this month.
- The deals were touted to try and persuade Russia towards a peace deal which is so far proving elusive.
- One of four sanctioned LNG carriers, the Christophe de Margerie, has been tracked near Russia's Koryak floating storage unit after departing the Arctic LNG 2 facility via the Northern Sea Route, Platts said. It is one of several tankers, including Zarya, Voskhod and Iris, seen loading at Arctic LNG 2 since June, when shipments resumed following the idling of the first production train last winter.

Middle East & Africa:

Israel's energy ministry has approved an updated development plan for the Leviathan gas field, the country's largest offshore resource, Platts said.

- Operated by Chevron with partners NewMed Energy and Ratio Energies, the field currently produces around 12 Bcm/year, but phased expansion is set to lift capacity first to 14 Bcm/year by 2026, and then to 21 Bcm/year, with the potential to reach 23 Bcm/year.
- The ministry noted the expansion would initially boost production by about 50%, strengthening Israel's ability to supply both local and export markets.
- The approval also underpins a new export agreement with Egypt, which is increasingly reliant on Israeli gas as its own production declines.
- NewMed recently signed a deal with Blue Ocean Energy for an extra 2 Bcm/year from 2026, rising to 110 Bcm after the expansion is complete.
- In 2023, Leviathan produced 11.2 Bcm of gas, of which 7 Bcm went to Egypt, 2.7 Bcm to Jordan, and 1.5 Bcm to the Israeli domestic market.

Mozambique expects construction on the Mozambique LNG project to resume by September, President Daniel Chapo told Nikkei Asia on Aug. 22.

- He said preparations should be completed in August, allowing work to restart no later than next month.
- Production is now scheduled for 2029 or 2030. France's TotalEnergies, which operates the 13.1m mtpa project, had originally aimed for first LNG in 2024.
- The project was halted in April 2021, when TotalEnergies declared force majeure and withdrew staff following escalating violence in the Cabo Delgado region.

Kuwait set a new monthly gas production record in June, with more growth likely over July and August, MEES said.

- Kuwait's gas production hit a record 2.07 bcf/d in June and is on track to exceed last year's record of averaging 1.83 bcf/d for 2025. Production averaged 1.85 bcf/d in H1 2025, according to JODI figures.

- Associated gas output is likely to rise further as Kuwait's oil production increases, possible pushing full year figures to average 2 bcf/d.
- However, LNG imports remain in line with last year's record levels as the country cuts oil burn.

Bahrain has finished awarding nine cargoes under its first ever summer of LNG imports, with six already delivered, MEES said.

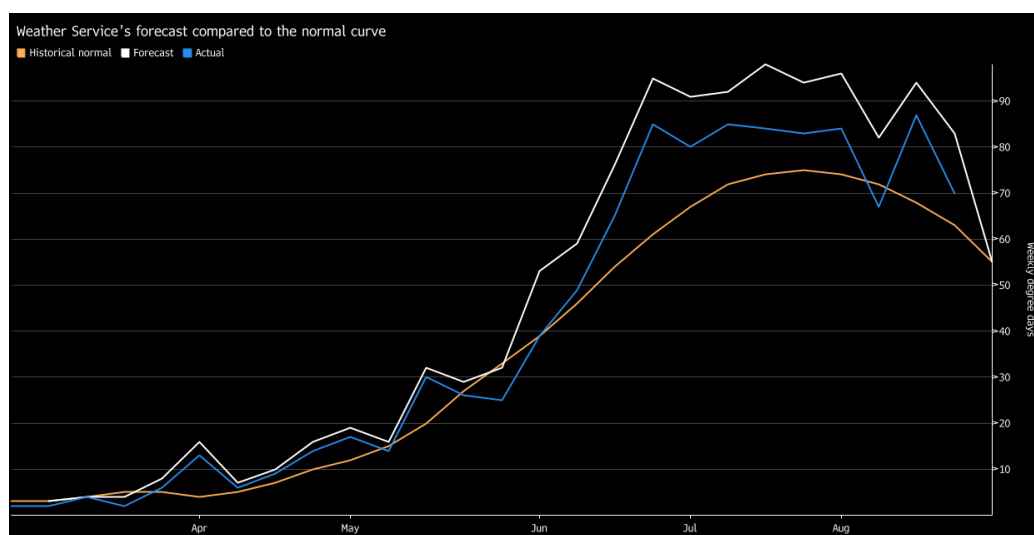
- The six cargoes totalled 440k mt of LNG, with the first discharged in May.
- The Bahrain LNG import terminal has regasification capacity of 800 mmcf/d (5.9m mtpa) and send out capacity of 500 mmcf/d, giving Bahrain scope to further raise imports, MEES added.

US Natural Gas:

Henry Hub front month has regained some ground after falling to the lowest since early November at \$2.622/mmbtu on Aug. 25 amid cooler weather forecasts, ongoing healthy production and amid recent variations in LNG terminal feedgas flows.

- Henry Hub Front Month has traded between \$2.622/MMBTU and \$2.912/MMBtu this week, compared to \$2.725/MMBtu and \$2.966/MMBtu over the previous week.
- Natural gas deliveries to US LNG terminals averaged 15.32 bcf/d in the seven days to Aug-26, compared to the seven-day average of 14.84 bcf/d during the previous period.
- Lower 48 natural gas production averaged 108.67 bcf/d in the 10 days to Aug-25, compared to last week's 10-day average of 109.66 bcf/d.
- Baker Hughes US rig count: Gas: 122 (0) - up 27 rigs, or 28.4% on the year.
- US cooling demand for the week ending August 30 is forecast to be 1 cooling degree days (CDD) below the long-term normal, according to Bloomberg, citing the NOAA. During the week to August 23, the US was 6 CDD above normal.
- The front month contract hit a 10-month low on August 25 of \$2.60/MMBtu after much cooler revisions for temperatures across the entire US.

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



- Secretary of Energy Chris Wright issued an emergency order directing MISO in coordination with Consumers Energy to keep the J.H. Campbell coal-fired power plant in West Olive, Michigan operational.

Regional Hubs

- EPNG has reduced its maintenance schedule for August by 873 bcf/d of capacity on August 21, 714 bcf/d of capacity on August 22, and 173 bcf/d of capacity from August 23 through the end of the month.

US LNG

Natural gas feedgas flows to Cheniere's Corpus Christi LNG plant were down on Tuesday August 26, suggesting an outage on one of the export facility's trains

- On the morning of August 26, LSEG data showed the plant pulling 1.1 bcf/d, down from its usual 2.4 bcf/d.
- Similarly, Bloomberg data showed the plant pulling 1.103 bcf/d, down 43.9% from the previous day's number of 1.967 bcf/d. The 30-day moving average at the time was 1.94 bcf/d.
- The export facility was receiving about 340 mmcf/d less feedgas that morning from the NGPL pipeline compared to the previous day, according to MNI estimates.
- Overall US feedgas dropped as a result from 16.3 bcf/d on August 25 to 15.4 bcf/d on the 26th.

Trafigura inked a long-term agreement to supply South Korea's Kogas with volumes commitment through offtake agreements with US LNG producers

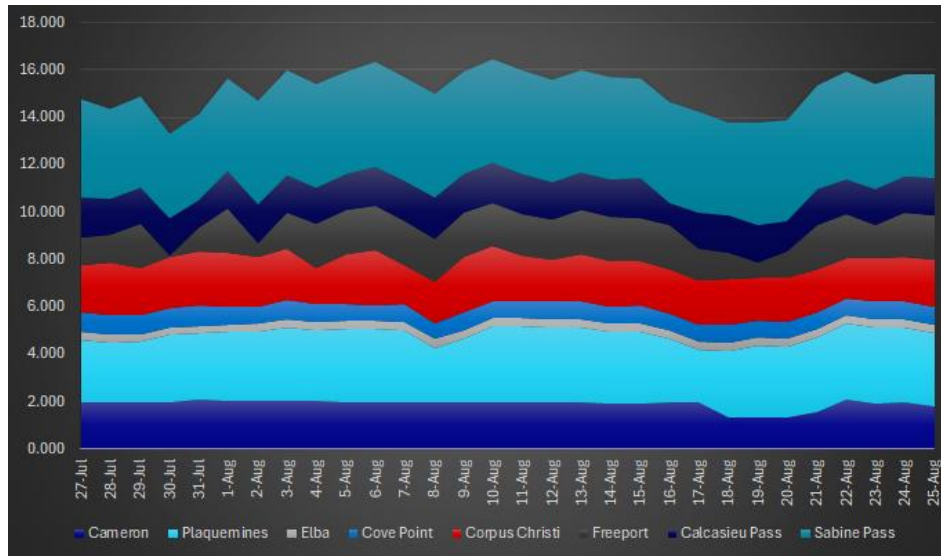
- One of which includes Cheniere Energy, which owns America's largest LNG export facility on the Gulf Coast. Cheniere has in place a 15-year SPA with Trafigura for 1 mtpa that began in 2019.
- Kogas is also set to receive its first LNG cargo from LNG Canada, which began operating this year. Kogas is the last of LNG Canada's joint venture partners to receive LNG from Canada. The MOL Azure has its destination set to Eastern Asia with 76 kt of LNG, according to Kpler estimates.

FERC and DOE grant more time for LNG project timelines: Texas LNG and Lake Charles LNG

- Texas LNG secured a five-year FERC extension to 2029 to construct and start operations at its Brownsville facility. The export facility had been required to complete the facility by November 22, 2024, but legal challenges to its federal and state permits led the developer to request more time from FERC.
- The facility will include two 2mtpa liquefaction trains, two 210k cubic meter storage tanks, with one ship berth. Enbridge's Valley Crossing System will supply Brownsville through a 10.2-mile interstate pipeline.
- DOE gave Energy Transfer more time to begin its Lake Charles LNG export project in Louisiana, extending Lake Charles' existing application to export to countries without free trade agreements with the US.
- Energy Transfer asked for a three-year extension to complete the project, and has not reached FID.

Natural gas deliveries to US LNG export terminals have bounced between 13.795 bcf/d and 16.435 bcf/d so far in August driven by dips in feedgas to Freeport, Corpus Christi and Cameron at times in the month, Bloomberg shows. Total current feedgas is showing as 15.5 bcf/d.

US LNG Feedgas Deliveries – Source (BNEF)



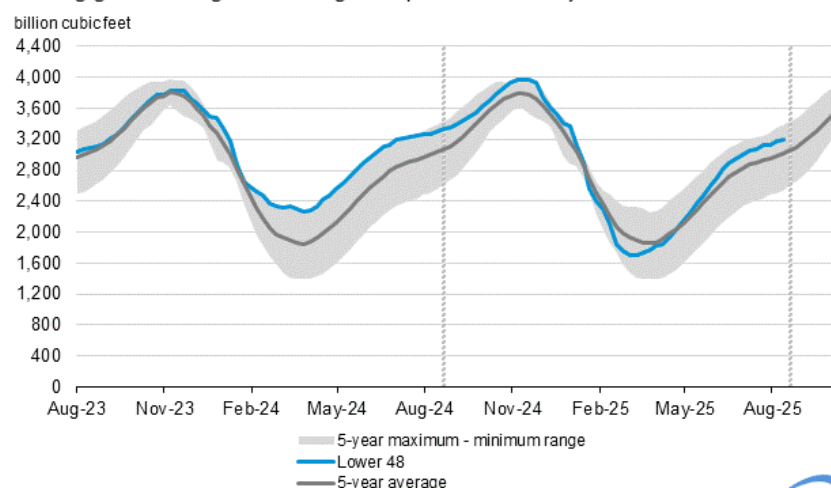
US Natgas Inventories

The EIA weekly gas inventories for the week ending Aug. 15 showed a build of 13 bcf. The seasonal five-year average shows a net build of 35 bcf. Stocks built by 29 bcf this time last year.

- Total stocks are up to 3,199 bcf. This is 95 bcf below levels seen a year ago and 174 above the previous five-year average of 3,025 bcf.
- The storage report was overestimated by Reuters by 9 (+22), WSJ by 12 (+25), BBG by 4 (+17), NGI by 5 (+18)

US Gas Inventories – Source (EIA)

Working gas in underground storage compared with the 5-year maximum and minimum



Data source: U.S. Energy Information Administration



Latam

Australia's Macquarie has signed a sales and purchase agreement for 0.6mtpa of LNG over a 15-year term with Amigo LNG.

- LNG supplies are expected to commence with the start-up of Amigo LNG's first liquefaction train, targeted for H2 2028.
- The project is yet to make a final investment decision but follows an SPA for 0.85mtpa agreed with Gunvor last week. Other previous agreements include with Sahara Group and OQ Trading.
- The long-term deal marks a major milestone for Amigo LNG, reinforcing its position as Mexico's first large scale LNG export terminal on the country's Pacific coast.
- The facility will receive gas from the US Permian basin to supply as LNG cargoes to customers in Asia and Latin America.
- Amigo LNG also awarded an EPC contract this week to Drydocks World to construct a floating LNG facility and related floating storage unit infrastructure.

Argentina's energy department issued an export authorization certificate for the second of two vessels exporting LNG from the Rio Negro province, set to begin exports in 2028, according to BNamericas

- The 30-year authorization is for Southern Energy's MK II vessel for 548,900 MMBtu daily and 191 MMBtu annually for a total volume of 5.46 billion MMBtu over the authorization's lifespan.
- Southern Energy must also build 470 km of pipeline for 28 mcm/d to the FSRU.
- Southern Energy, "expressed its commitment to contract the provision of transportation services for the required capacity, based on the reported export volumes."