

## MNI Gas Weekly: Summer Storage Injections Start to Climb

By Lawrence Toye & Daniel Dawson (11/06/2025)

### Executive Summary:

- **European Gas Benchmarks** have fallen after above normal storage injections outweigh US-China talk optimism.
- Asia's **LNG market** saw its first decline in five weeks as demand shows little sign of improvement.
- In the **Middle East & Africa**, Egypt is set to receive an additional FSRU.
- **Henry Hub** is losing ground amid continued triple digit storage builds.
- In the **Americas**, six companies submitted bids for what is likely Enarsa's final tender of the Argentinian winter.

### European Natural Gas:

TTF front month has fallen across the past week with above normal injections into European gas storage, despite seasonal maintenance in Norway and the US, outweighing upside support later in the week from US-China trade discussions.

- Commerce Secretary Lutnick said that the Geneva Consensus was agreed to after two days of US-China trade talks, but it is now up to both presidents to agree to its implementation.
- Front month TTF prices traded between €34.44/MWh and €36.85/MWh this week, compared to €33.705/MWh and €37.005/MWh over the previous week.
- Above temperatures in NW Europe are forecast to drift back closer to normal into early next week but remain above normal through the second week of the outlook.
- European gas storage is up to 51.79% full on June 9, according to GIE compared to the previous five-year average of 62.1% full. Net injection rates remain above the previous five-year seasonal average this week having averaged 5.1% above so far this summer.
- NW European LNG sendout edged higher again to 249mcm/d on June 9 compared to an average of 228mcm/d so far in June and 136mcm/d in June 2024, Bloomberg shows.
- Norwegian pipeline supplies to Europe are today down at 265.9mcm/d, Bloomberg shows. Gassco shows planned unavailable capacity of 70mcm/d today and gradually rising to a peak of 93.3mcm/d on June 15.
- The European Commission has proposed banning the use of Nord Stream infrastructure as part of a fresh round of sanctions against Moscow.
- Annual maintenance has begun at the TurkStream pipeline, ENTSOG data shows. The TurkStream pipeline is due to be offline from June 10-16 inclusive.

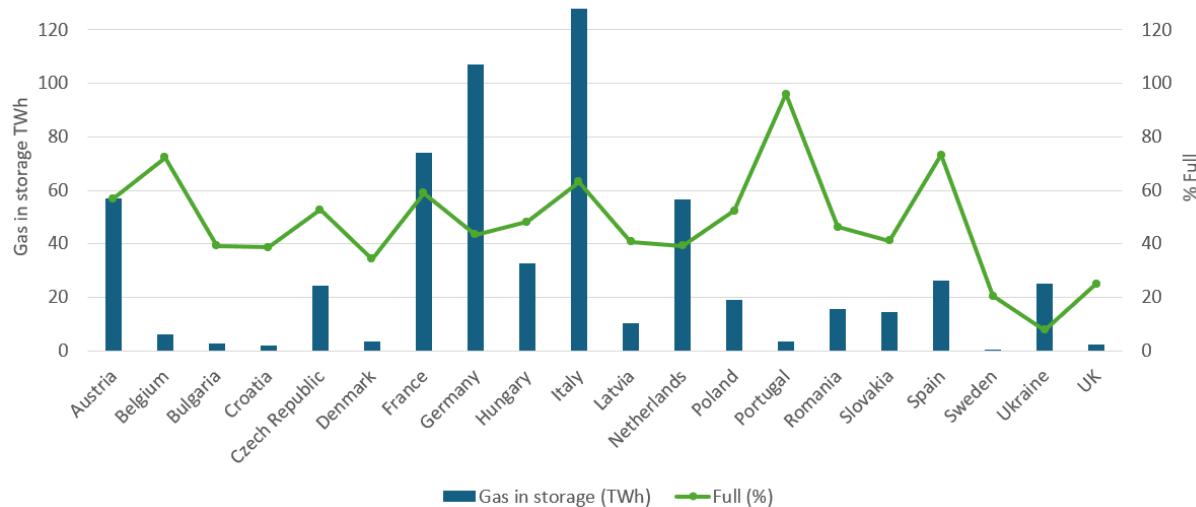
### Above Normal European Gas Storage Injections Continue

EU gas storage net injection rates have averaged 5.1% above the previous five-year average so far this summer season with above normal net injections again in the last week, GIE data shows.

- The average net injection rate in the week to June 8 held steady on the week at 4,060GWh/d compared to 4,127GWh/d the previous week and again above the previous five-year average of 3,470GWh/d, GIE data shows.

- Injections have been supported by healthy LNG imports to Europe amid weak demand from China and despite seasonal maintenance in Norway and the US.
- European gas storage is up to 51.40% full on June 8, according to GIE but still well below the previous five-year average of 61.9% full for the time of year.
- Based on the withdrawal rates from the last ten years from now until the end of October, the EU storage level would build to an average of 86.8% of capacity at the end of the season with a range between 72.2% and 96.5%.
- Storage in Germany is at 107.2TWh (43.3% full), Italy at 127.9TWh (63.1%), Netherlands at 56.6TWh (39.3%), France at 74.1TWh (59%) and Austria at 57TWh (56.8%).

European Gas Storage Levels - Source (GIE/MNI)

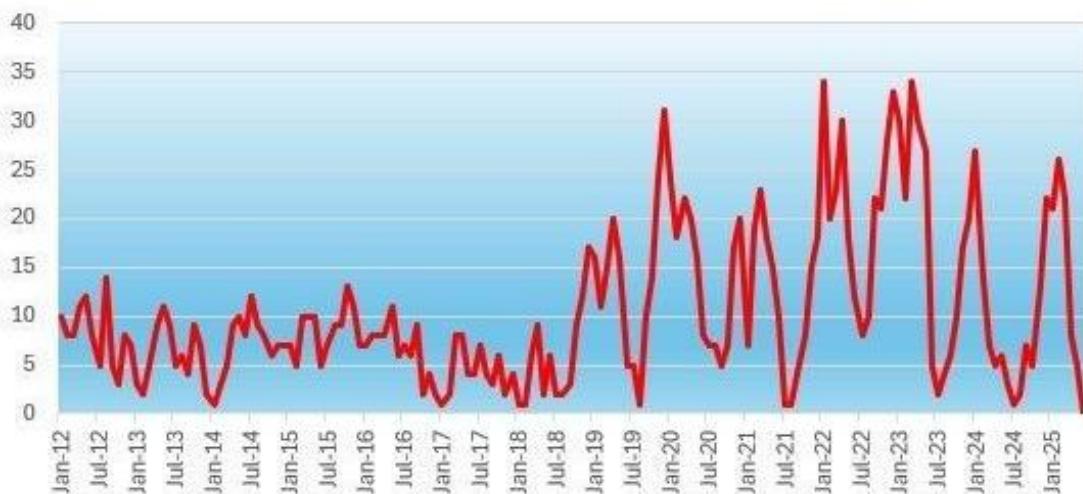


### UK Back in Summer LNG Import Slowdown

The UK has not yet received any LNG cargoes in June as the country's lack of seasonal gas storage results in another summer slowdown in imports, according to ICIS analyst Alex Froley.

- Some cargoes are due for arrival later this month, ICIS added. BNEF tracking last week showed a delivery due into Milford Haven on June 26.
- The UK saw 5 LNG cargo deliveries last month, BNEF showed.
- Summer LNG deliveries tend to favour Continental Europe, where there is more available storage capacity to fill compared to the limited capacity in the UK.
- UK imports are typically lower in the summer although the UK was used as a gateway to Continental Europe in Summer 2022 prior to the implementation of LNG imports terminals in Germany.

## UK LNG Cargoes Imports - Source (ICIS)



## France, Belgium Seek Reassurances on EU's Russia Gas Ban

France and Belgium are seeking more reassurances on the economic and legal consequences on the EU's plan to ban Russian gas imports, Politico reported.

- The EU is seeking to ban short-term Russian gas purchases by the end of 2025 and long-term contracts by the end of 2027.
- France, Europe's top buyer of Russian LNG, told Politico it prefers a strategy of hunting for alternative supplies.
- Belgium, the second-largest buyer, wants a report detailing the economic fallout before deciding, Politico said.
- The hesitation runs counter to the EU's other major Russian LNG importers, Spain and the Netherlands. Both told Politico that they are eager to back the upcoming legislation.
- The support of all four nations will be crucial for the European Commission as it seeks approval for its proposal, expected next month.
- Last year, the four countries imported 16.77m mt of Russian LNG, 97% of the EU's total imports and more than half of Moscow's global exports, Kpler data showed.
- Hungary and Slovakia are likely to attempt to derail the ban, Politico said, with numerous politicians calling for a post-war return to Russian energy.

## Next Auction for Vertical Corridor Capacity Reservations Expected Soon

A decision is expected within the next few days on when the next auction for capacity reservations along the Vertical Corridor will take place, Energypress reported on June 6.

- The move follows an uneventful first auction round, which saw no market participation.
- According to Energypress sources, the most likely outcome is for the platform to reopen for July capacity bookings, adhering to the originally announced schedule.
- The lack of interest could be due to limited preparation time available to potential bidders.

- Some voices within the project had recommended delaying the auction to July from the outset to avoid signalling weak demand.
- The Vertical Corridor is a key emerging gas route connecting Greece to Ukraine via Bulgaria, Romania and Moldova.
- The new auction product, to be made available for the period June through October, allows for capacity booking across the entire corridor under a single transit tariff.
- Energypress previously reported that questions remained around whether the single tariff will make the route fully competitive.
- Data from Ukraine's GTSOU shows that transporting gas from Greece's Revithoussa LNG terminal to Ukraine costs over €10/MWh, rising to €13/MWh from the Alexandroupolis FSRU.
- In contrast, alternative supply routes used by Ukraine come at significantly lower rates, ranging between €3.9/MWh and €6.7/MWh, Energypress reported.

#### **European Natgas Demand Marginally Lower W/W: JPMorgan**

European natgas demand was marginally lower on the week, driven by reduced residential demand in Germany, JPMorgan said in an analyst note.

- Total natural gas demand in NWE during the week of June 2-8 averaged 230 mcm/d, 3% below the previous week and a 15% decline on the year.
- Lower natural gas demand week-on-week was driven by lower residential consumption, particularly in Germany, where residential demand fell by 6 mcm/d, representing an 18% decline.
- Total demand in Germany and Belgium declined by 6% and 2% on the week respectively. In contrast, demand in France, the Netherlands and Denmark saw a 1% weekly increase.
- In June so far, NWE gas demand has averaged 225 mcm/d, 50 mcm/d below the bank's initial forecast for the month.
- The difference is arising from non-residential demand, JPMorgan says, but limited data points could be influencing the trend.
- Year-to-date demand is averaging around 487 mcm/d, compared to 472 mcm/d during the same period last year.
- The outperformance was driven by heightened demand in February due to colder weather and less favourable renewables conditions.

#### **APAC LNG**

Asia spot prices declined on a weekly basis for the first time in five weeks, with poor regional demand pressuring prices

- The average LNG price for July delivery into north-east Asia was at \$12.30/MMBtu, down from \$12.40/MMBtu last week, Reuters said.
- Platts assessed the JKM front month physical at \$12.302/MMBtu June 10.
- The JKM front-month swap ranged between \$0.527/MMBtu and \$12.895/MMBtu in the week to June 10, compared to a range of \$11.752/MMBtu and \$12.91/MMBtu the week prior, according to Bloomberg.

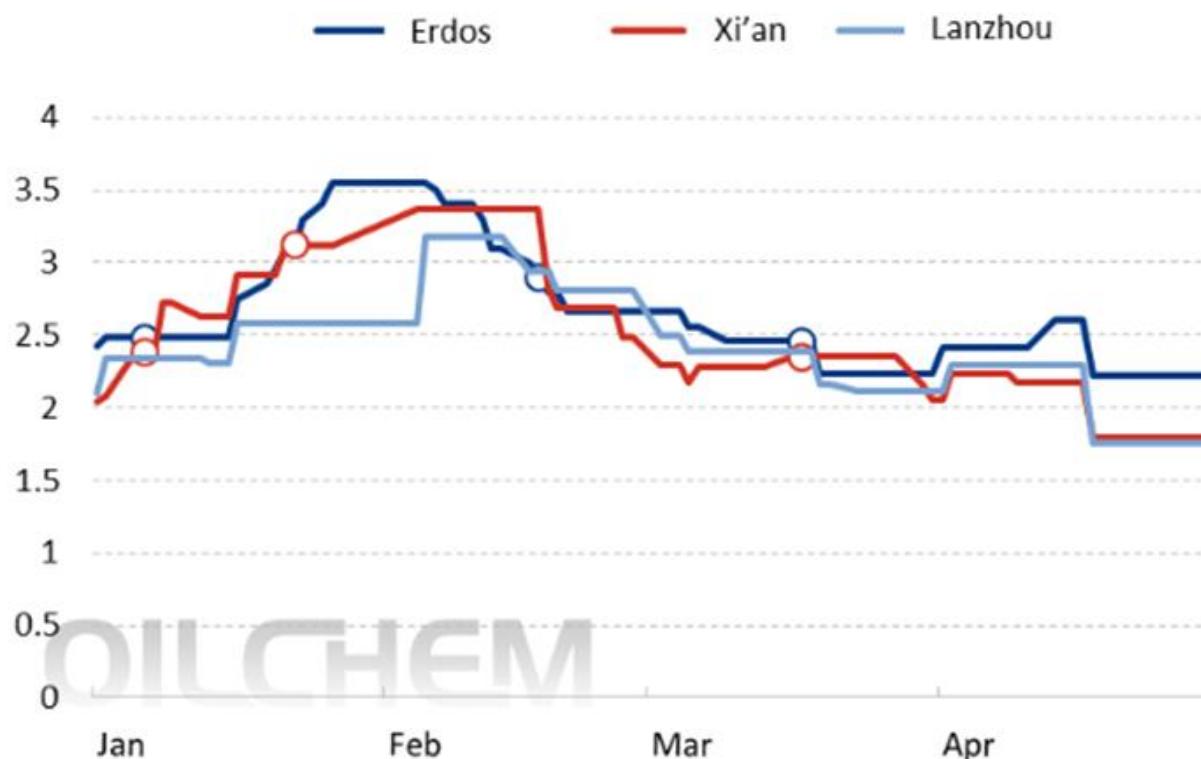
- The US arbitrage to northeast Asia via the Cape of Good Hope decreased this week and is still pointing towards Europe, but the economics via Panama marginally point to Asia, Spark Commodities said.
- Demand remains subdued with little appetite from major importers like China and India. Meanwhile, continued uncertainty in US-China trade talks will also add some volatility to the market.
- The total estimated quantity of LNG on tankers that have not unloaded for at least 20 days fell 1.1% in the week to June 8 to 4.43m mt.

## China

China's natural gas consumption is projected to grow by around 4% in 2025, driven by industrial recovery and stable transport-sector demand, OilChem said.

- However, rising domestic and pipeline supplies is hitting LNG demand. LNG imports may even dip 0.2% on the year, the first post-Covid fall, OilChem said.
- China's LNG heavy-duty truck market also weakened in April amid softer diesel prices, favourable policies for electric vehicles, and weakness in the freight market, OilChem said.
- 17.1k units sold were LNG-powered. This is a monthly fall of 14.7% and a 35.2% decline year-on-year.

**China's Diesel-Gas Price Spread (Yuan/mt) - Source (OilChem)**



## India

Indian demand has been particularly weak due to the monsoon season, while current JKM levels above \$12/MMBtu are too higher for price-sensitive Indian buyers.

- India's 10-day moving average LNG imports fell to the lowest since January at about 36k mt/d June 5, according to Bloomberg.
- Imports are about 43% lower than the five-year average for this time of the year as demand from purchases for power generation have been limited by milder-than-expected weather and high spot prices.

## Wider APAC Market

While temperatures are set to rise above seasonal averages in South Korea and Japan in the coming weeks, stockpiles are healthy and there is little sign of buyers rushing to secure additional spot market volumes, according to Argus.

- LNG stockpiles held by Japanese utilities increased by 4% on the week to June 8 to 2.34m mt, according to data released by the trade ministry cited by Bloomberg.
- Stocks are above the five-year average for the end of May of 2.18m mt and 2.1m mt for the end of June. Stockpiles were 2.10m mt around this time in 2024.
- Vietnam – an LNG importer since 2023 - received its first cargo from Russia, according to Bloomberg. The Blue Dragon I delivered 58.2k mt of LNG to the Thi Vai import terminal in Vietnam from the Sakhalin-2 project.

## Malaysia's Exports Recovering

Malaysia's LNG exports have seen a gradual recovering over the past three weeks after maintenance last month, according to Bloomberg.

- Exports are still about 24% lower than the previous five-year average for this time of year.
- May LNG exports were down 31% from a year earlier, BNEF showed.
- Maintenance at two terminals at Petronas' Bintulu LNG facility in Malaysia last month was the cause of the lower output.

## LNG Freight Rates Under Pressure

LNG freight rates in the Pacific remained consistently lower in May, with two-stroke vessel rates not exceeding \$22,000/day, Platts said.

- Brokers noted reduced activity in the East, contributing to weaker rates due to limited inquiries and fixtures.

## LNG Two Stroke Rates in May - Source (Platts)



## Middle East & Africa:

### Egypt's Newest FSRU Heads for Ain Suhkna

The Energos Eskimo FSRU LNG terminal left the port of Aqaba in Jordan on June 4, according to Bloomberg, en route to the Red Sea town of Ain Suhkna for a 10-year lease to Egypt's EGAS.

- Egypt has signed a deal to deploy a third floating storage and regasification unit at Egypt's Ain Suhkna port to cover LNG demand in June-November, according to Kpler.
- Egypt also plans to finalise some LNG purchase agreements for delivery over the next few years, as the country deepens its dependence on imports, Bloomberg reports.
- The government is in the final process to strike deals with as many as six companies – including Aramco, Trafigura and Vitol – to buy cargoes through June 2026, Bloomberg says citing sources.
- It could buy more than 160 cargoes for that period, the sources said.

### Iraq Looking to Get Deal for FSRU Back on Track

Elsewhere in the region, Iraq's oil minister told MEES that Baghdad is set to sign a deal for an FSRU in the next 2-3 weeks, despite the recent setback in negotiations.

- Iraq is in advanced negotiations with Breeze Investment and Adnoc, he said.
- Once acquired, the FSRU will arrive at the Khor al-Zubair port and supply 750 mmcf/d at peak with a minimum of 350 mmcf/d, the oil minister told MEES.
- With the country facing acute gas shortages this year, LNG imports would partially offset a decline in Iranian gas imports.

### GTA Loads Third Cargo

In Africa, the third ever LNG cargo from Senegal/Mauritania's GTA project is due to deliver to Europe, according to ICIS.

- The British Contributor is due to deliver the third cargo to Belgium on June 20.

- GTA's first two cargoes went to Asia.

### Oman to Take FID on Fourth Production Train

The Oman LNG venture is expected to take an FID on a fourth production train by September, Integrated Gas' CEO Abdul Rahman Al Yahyaei said cited by Bloomberg.

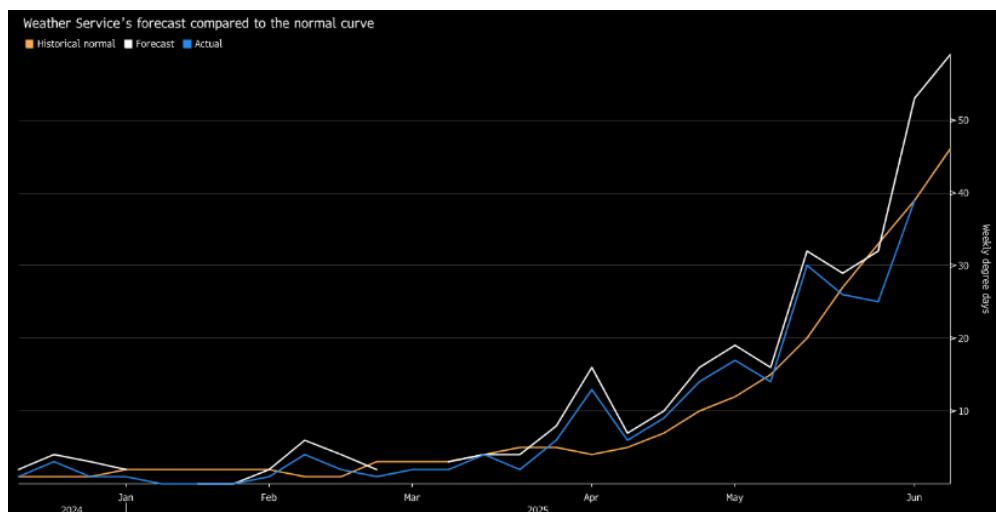
- The fourth production unit will help Oman unlock and monetize 'difficult gas,' such as sour gas, expanding trade of Omani liquefied gas as well as third-party volumes, he added.
- The fourth 3.8m mtpa train would take the facility's total production to 15.2m mtpa.
- Last year, reports suggested plans to add the new liquefaction train at its three-train Qalhat complex by 2029.

### US Natural Gas:

Henry Hub has fallen by around 4% this week, with pressure coming from triple digit storage builds, coupled with maintenance at Sabine Pass and Cameron LNG,

- Henry Hub Front Month has traded between \$3.51/MMBTU and \$3.817/MMBTu this week, compared to \$3.437/MMBTu and \$3.764/MMBTu over the previous week.
- The US Henry Hub spot prices for 2025 have been cut by 10 cents/MMBTu, or 2.4%, to \$4.02/MMBTu, according to the EIA in its June Short Term Energy Outlook.
- However, prices in 2026 are seen at \$4.88/MMBTu, up from \$4.80/MMBTu in the May outlook.
- Baker Hughes US rig count: Gas: 114 (5) - up 16 rigs, or 16.3% on the year.
- Lower 48 natural gas production averaged 105.66 bcf/d in the 10 days to June 10, compared to last week's 10-day average of 106.25bcf/d.

US CDD Count- Source (Bloomberg/NOAA)



- US dry natural gas production across 2025 has been revised up 1.0 bcf/d to 105.9 bcf/d, according to the EIA in its June Short Term Energy Outlook. Production in 2026 is expected to be 106.4 bcf/d, unchanged on the May forecast.

- US cooling demand for the week ending June 14 is forecast to be 14 cooling degree days (CDD) above the long-term normal, according to Bloomberg, citing the NOAA. During the week to June 7, the US was 1 CDD above normal.

### US Gas Storage

The EIA weekly gas inventories for the week ending May. 30 showed a build of 122 bcf.

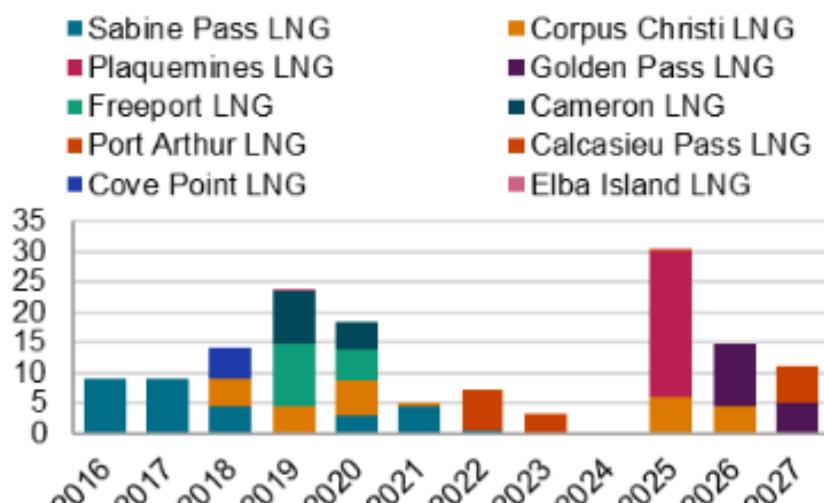
- The seasonal five-year average shows a net build of 98 bcf. Stocks built by 94 bcf this time last year.
- Total stocks are up to 2,598 bcf. This is 288 bcf below levels seen a year ago and 117 above the previous five-year average of 2481 bcf.
- US natural gas storage injections during the month of May are expected to average almost 550 bcf over the next five years, according to Platts.

### US LNG

Natural gas deliveries to US LNG terminals averaged 13.5 bcf/d in the seven days to June 11, compared to the seven-day average of 13.59 bcf/d during the previous period.

- The US LNG industry welcomed the US Trade Representative's (USTR) decision to retract a proposal to suspend LNG export licenses for failing to meet US ship transport requirements, Platts reported.
- Initially part of maritime restrictions announced in April 2025 to counter China's maritime influence and boost US shipbuilding, the USTR's June 6 modifications removed the license suspension to address concerns about its impact on the LNG sector.
- Cheniere Energy is planning for FID on Corpus Christi midscale trains 8-9 'in the coming months,' according to CCO Anatol Feygin, cited by Bloomberg.

Us Liquefaction Additions Through 2027 (MMtpa) - Source (Platts)



As of June 9, 2025.

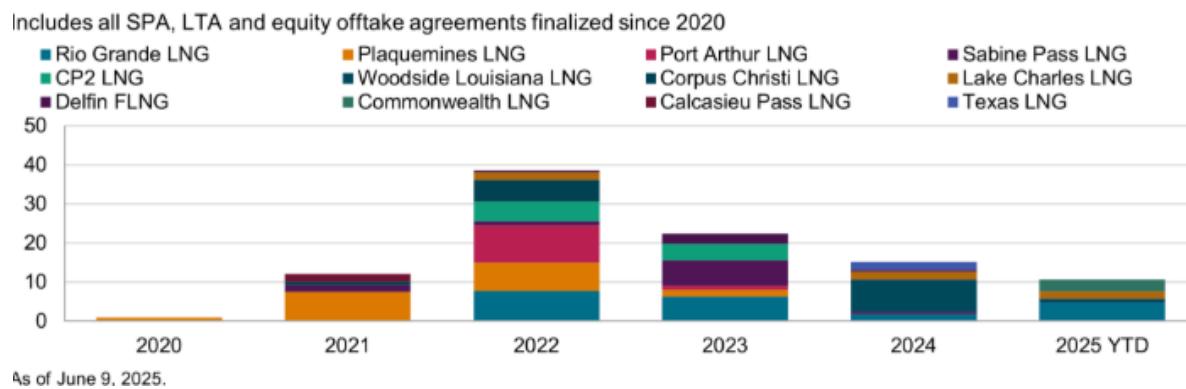
- Venture Global requested to withdraw its proposed 24m mtpa Delta LNG export facility application, according to a filing to the Federal Energy Regulatory Commission cited by Reuters.
- Total nameplate US liquefaction capacity is expected to reach 121m mtpa by 2025 year-end, up around 31m mtpa (34%) on the year. This is driven by the start up on Plaquemines and the first four trains at Corpus Christi stage 3, Platts said.
- US liquefaction capacity is seen rising by a further 27m mtpa (22%) through the end of 2027.

### 'Liberation Day' Likely a Boost for US LNG

The 'Liberation Day' tariffs and subsequent trade negotiations with the US have largely supported US LNG exports, Platts said.

- Outside of China, which was hit with more extensive tariffs, most countries see US LNG as a key element in future trade agreements.
- As liquefaction capacity grows, LNG could surpass crude oil as the top US fuel export, aiding trade balance efforts for partners, Platts forecast.
- So far in 2025, eight new firm contracts totalling 10.7m mtpa have been signed up from 1.3m mt/month in 2024.

### Us LNG Firm Offake Contracts (MMtpa) - Source (Platts)



### Latam

Six companies submitted offers to supply eight LNG cargoes to Argentina's state-run Enarsa under its third and likely final tender for 2025, Platts said.

- The companies were: Vitol, TotalEnergies, BP, PetroChina, Gunvor, and Trafigura. BP is seen as the front runner and the result is due June 11.
- The cargoes are to be delivered to the Escobar terminal between July 12-Aug. 5.
- The deal is likely to carry a premium to the TTF hub, possibly higher due to competing Egyptian demand, Platts said.
- With nearly 8.46 Bcf imported in 2025 to date, and five of 14 purchased cargoes already delivered, further tenders are unlikely unless colder-than-expected August weather emerges, Platts added.

### Panama Canal Laden Transits Fell in May

The number of laden LNG tanker transits through the Panama Canal in May halved compared to April, Platts said, driven by weaker activity in Asia.

- Two laden LNG carriers transited the canal in May, compared to four in April and three in March. April's laden transits represented an eight-month high.
- The two May transits were laden with US-origin cargoes and were headed to Asia.
- There were also four ballast LNG carrier transits through the canal in May, the highest level since June 2024.
- By comparison, there were three ballast transits in April and zero in March.

**LNG Transits Through Panama Canal- Source (Platts)**

