

Global & Regional Market Analysis

NATURAL GAS, 2025 April

21/05/2025

STORIES OF THE MONTH

APRIL 2025



On April 2, 2025, the U.S. announced a sweeping tariff hike, starting with a universal 10 percent tariff on all imported goods, followed by additional, targeted tariffs on dozens of specific countries. China answered by raising its tariffs on imports of U.S. goods to 125%.



NOVATEK has restarted low-rate production at the Arctic LNG 2 facility, under U.S. sanctions.



» The European Parliament has approved **lowering the EU gas storage target from 90% by November 1 to 83% between October 1 and December 1**. It also backed extending the 2022 gas storage rules until the end of 2027. Member states may **deviate by up to 4 percentage points**, but **total storage levels must remain above 75%**.

» Germany's cabinet has approved reducing the country's gas storage target for 1 November from 90% to 80% for most storage sites, the government announced on April 30.



Hungary is set to boost gas transmission to Slovakia in 2025, **raising firm capacity at the Veľké Zlievce/Balassagyarmat interconnection from 3.5 to 4.38 bcma** (5,300,315 kWh/h) after completing necessary upgrades.



Bulgaria started the construction of several pipeline sections last month, aiming to double its cross-border capacity with Greece

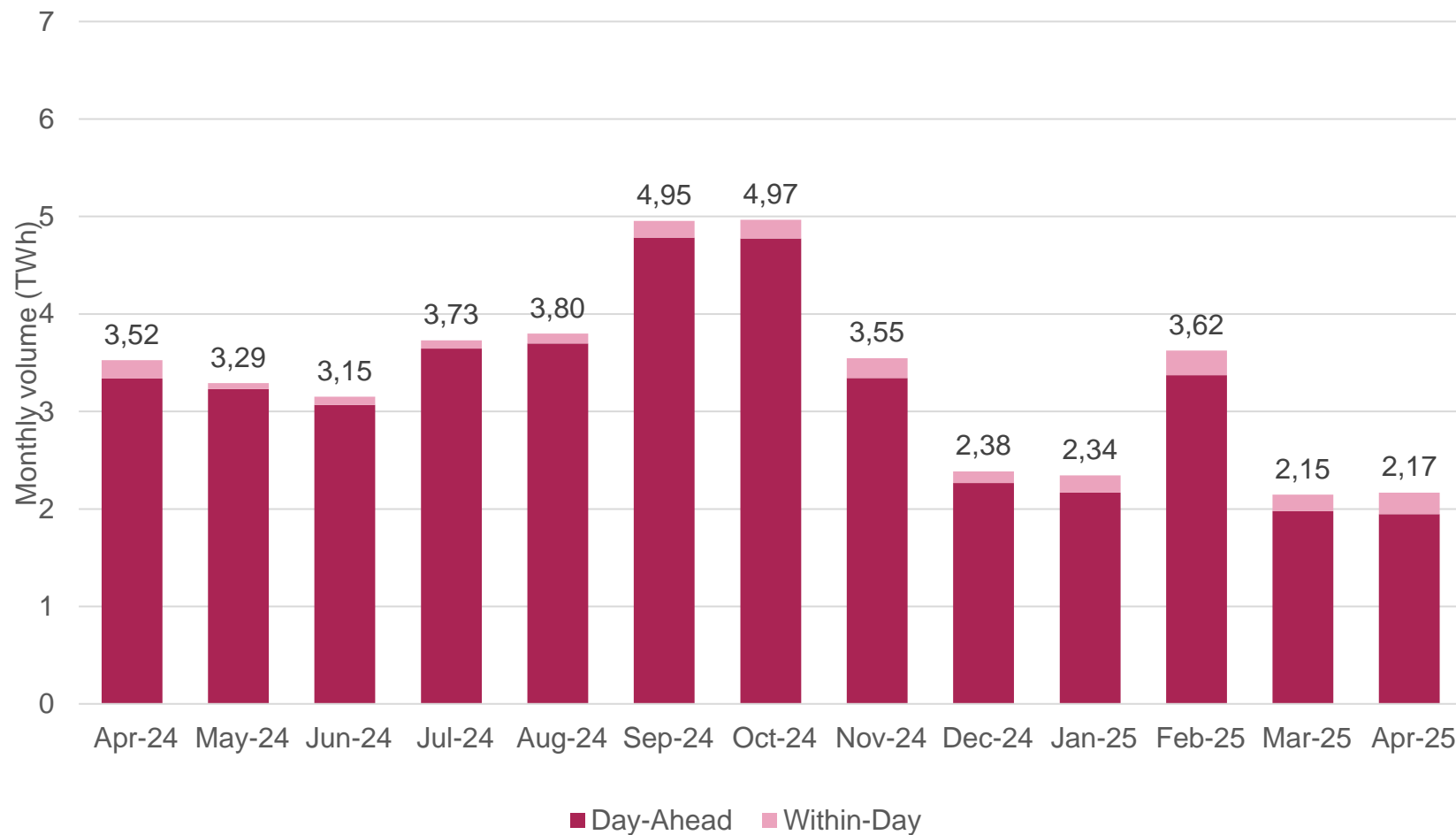


The Krk LNG Terminal plans to boost capacity by 0.75 bcm annually for the next 15 years, starting next gas year, according to Croatia's Managing Director of LNG.

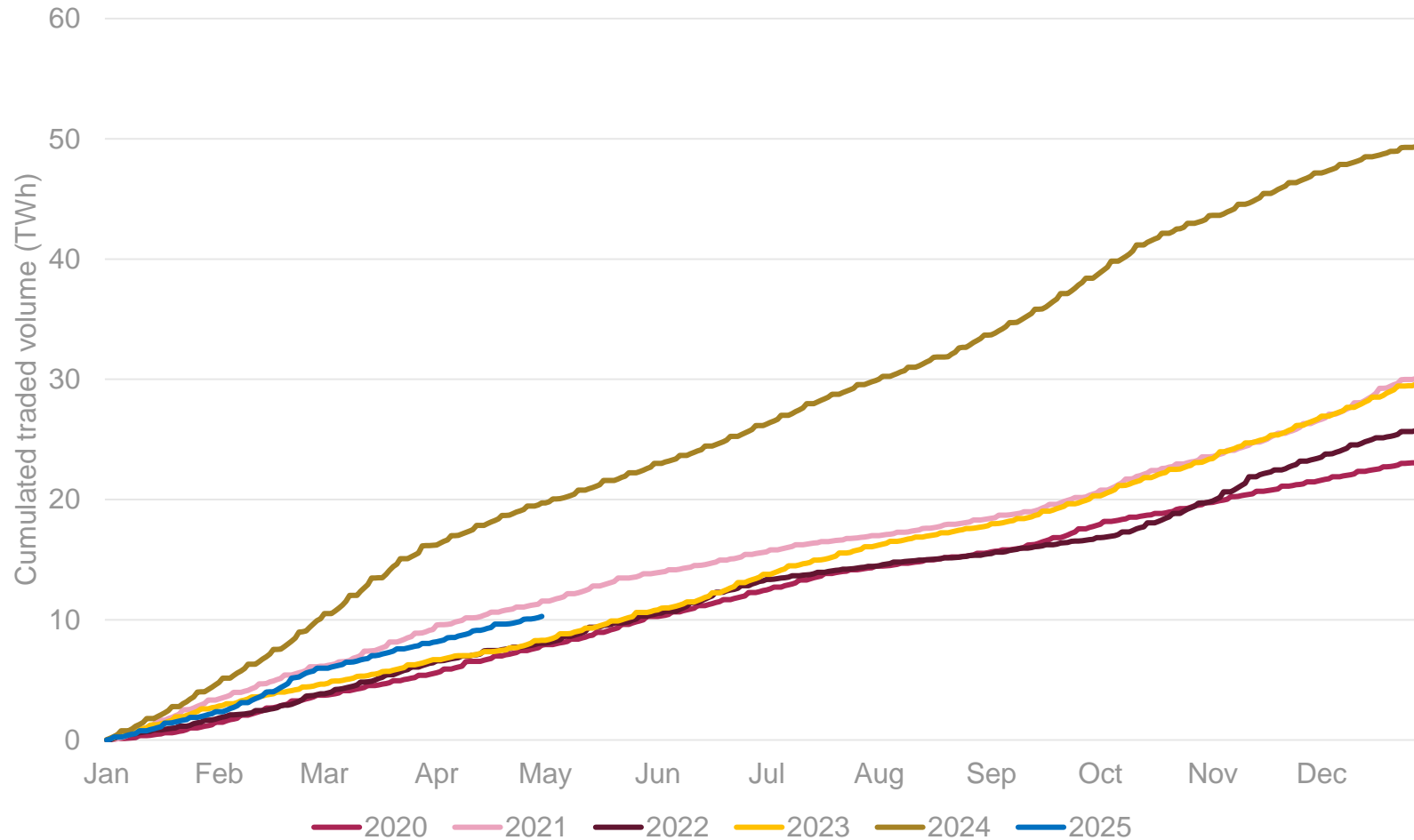
TRADED VOLUMES

EXPERT OPINION:

- » In April, traded volumes MoM remained flat.
- » The traded volumes may have been negatively affected compared to March by lower domestic consumption and the narrowing spread with the eastern exchanges (BRM, BGH), while the widening spread with the western exchanges (CEGH, TTF) may have had a stimulating effect.
- » YoY, Compared to April of last year, the traded volumes in April 2025 have declined significantly.
- » However, volumes remain broadly in line with the volumes recorded in the same month of previous years.



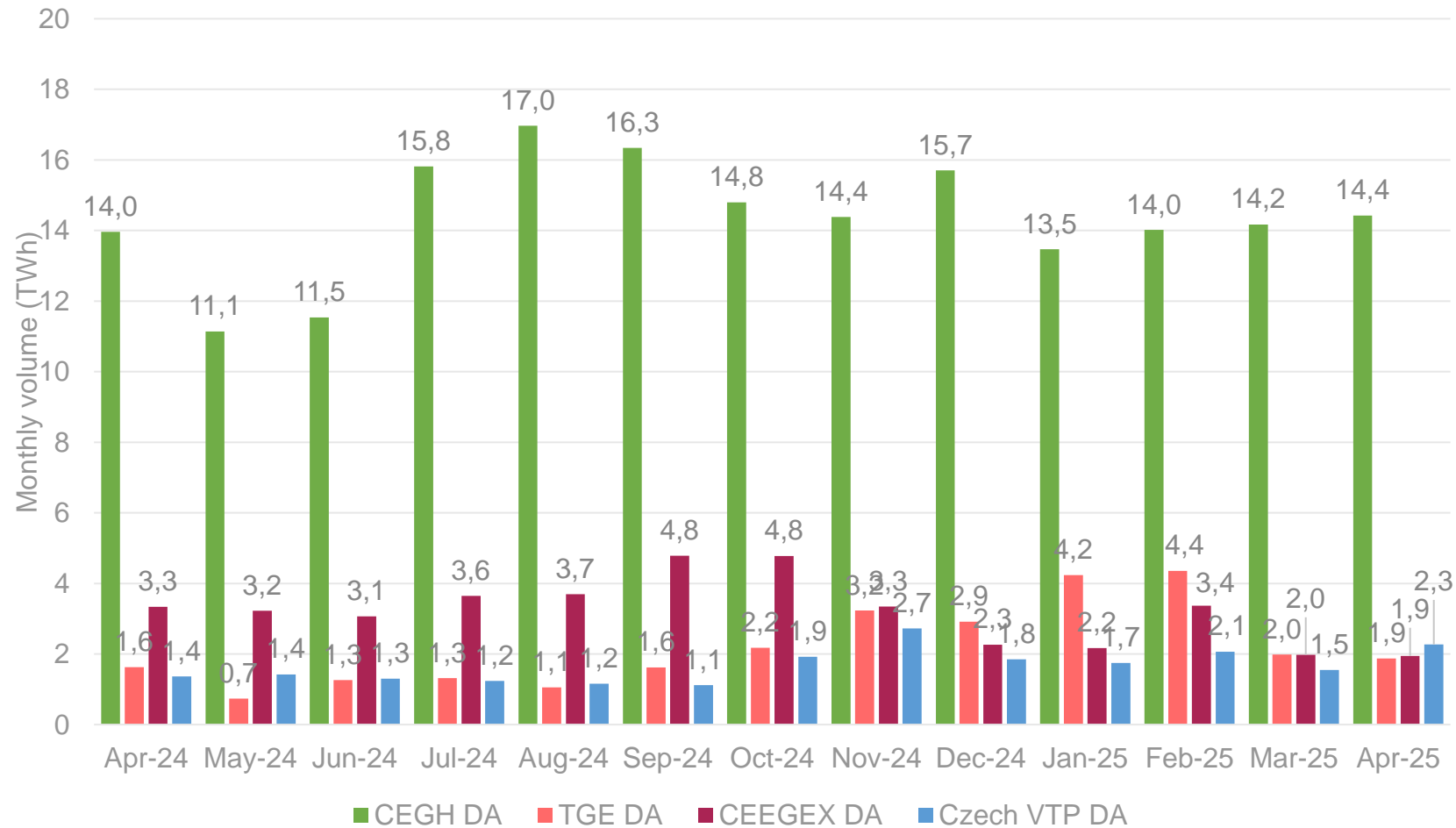
TRADED VOLUMES YEARLY COMPARISON



EXPERT OPINION:

- » On the cumulative annual volumes graph we can observe a decline compared to the more favorable volumes in 2024 April.
- » The volume traded in April last year was not approached even by the April figures of previous years.
- » Despite the more significant decline compared to last year, **the total annual traded volumes remain the third highest in CEEGEX's history.**

REGIONAL SCOPE DA MARKETS



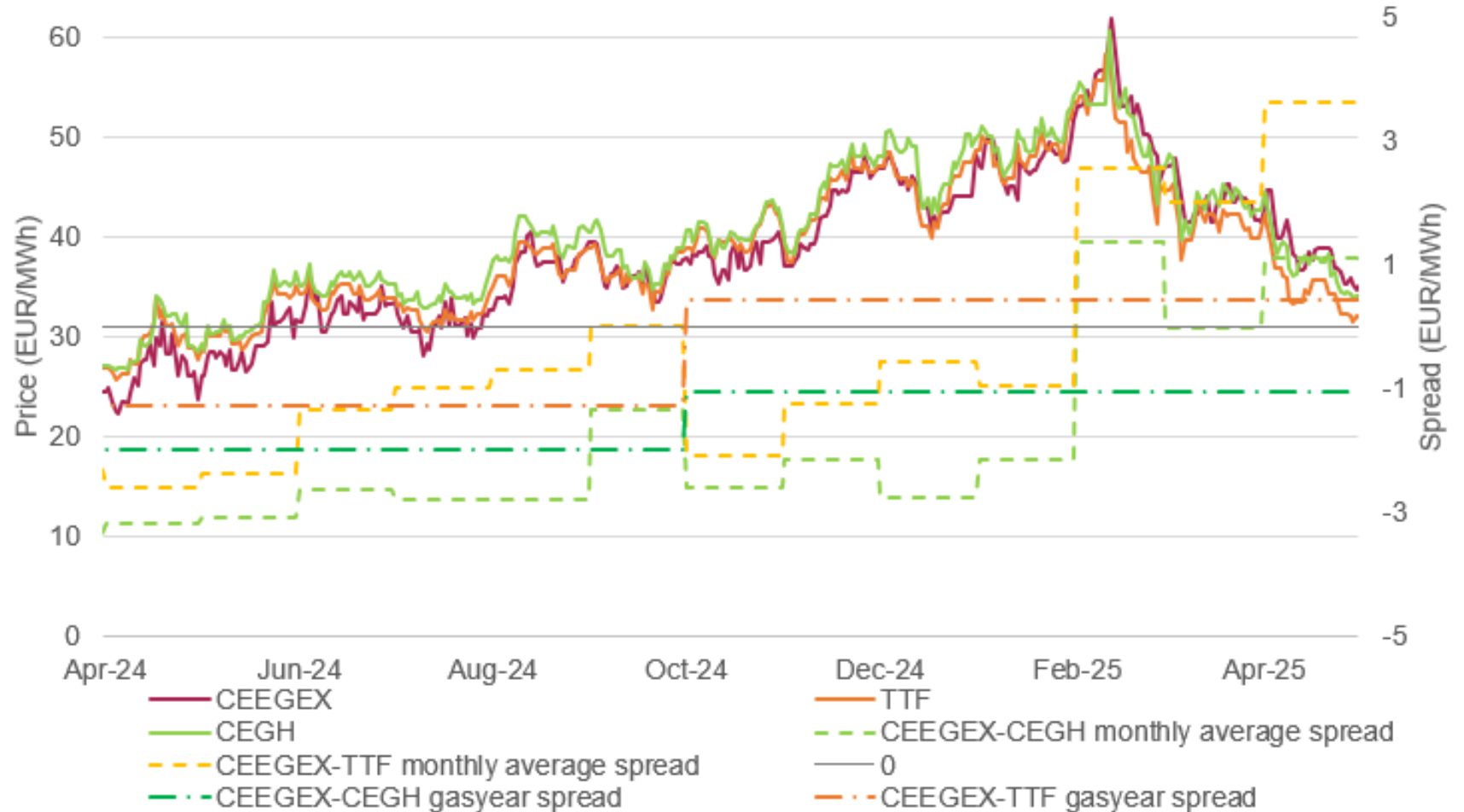
EXPERT OPINION:

- » The traded volume MoM remained similar in April on CEEGEX, similarly on TGE.
- » MoM, the volumes traded on CEGH remained roughly stable as well, while they increased on the Czech VTP by almost 1 TWh.
- » Compared to April 2024, traded volumes decreased on CEEGEX, while TGE and CEGH saw slight increases. On the Czech VTP, the YoY volume growth was more significant.

TTF, CEEGEX PRICES AND SPREADS

EXPERT OPINION:

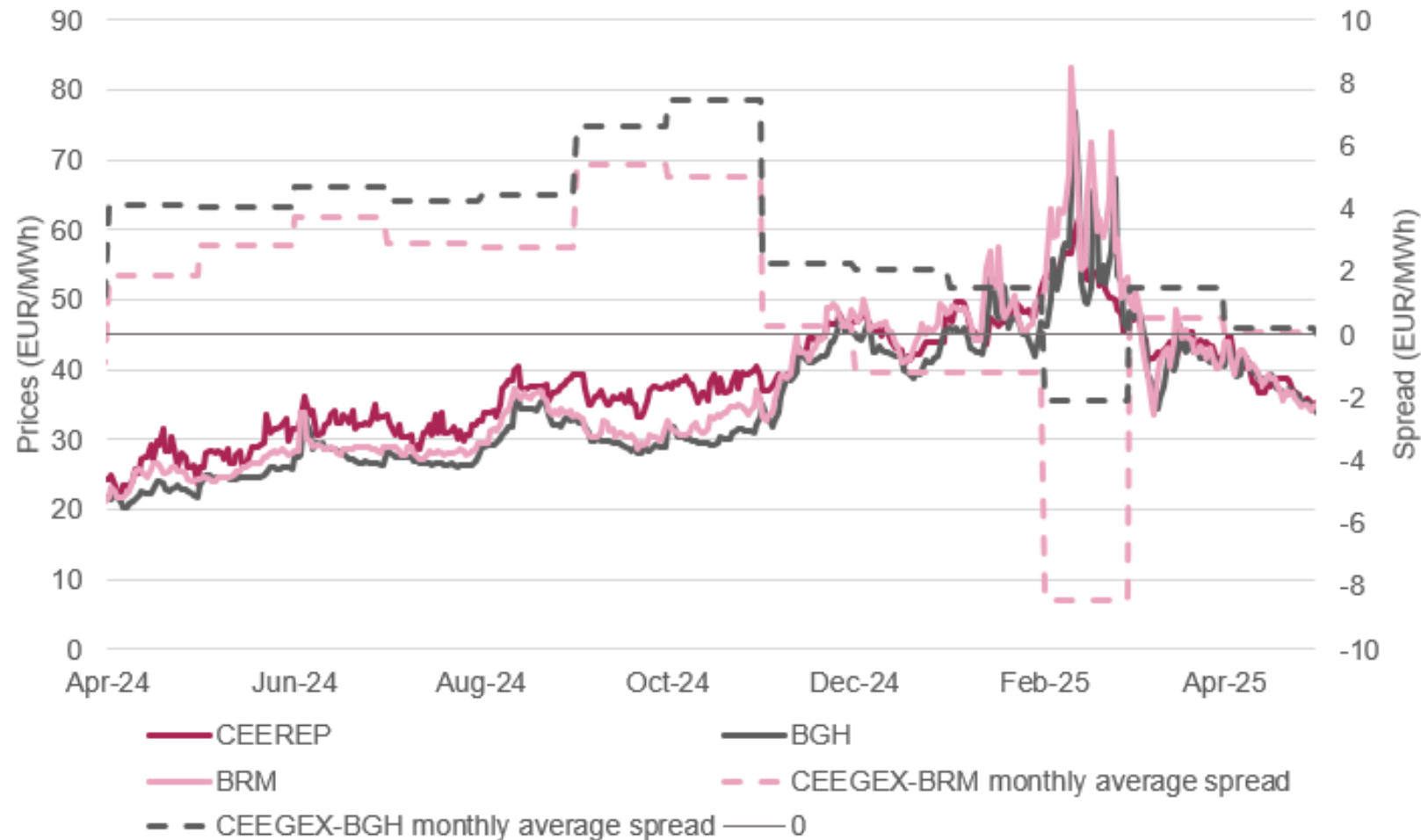
- » Compared to March, the **CEEEX-TTF** spread widened in April, the monthly average **standing at €3.6**.
- » The April value of the CEEEX-CEGH spread is €1.1, although it briefly turned negative in mid-April.
- » **TTF prices** remain **lower than** those on **CEEEX** and **CEGH**.
- » Prices followed a downward trend on all exchanges until 17 April, remained relatively stable between 17 and 20 April, and resumed their decline thereafter, with the **TTF** at the **lowest price of €31.51**.
- » **The decline in prices is also due to the abundant LNG shipments**, which may also be contributing to the widening price difference between CEEEX and the more **western exchanges**, as the latter **may be experiencing a more significant price-reducing effect**.
- » The downward trend was driven by the decreased demand caused by mild weather and continued uncertainty around tariffs.



BRM, BGH PRICES AND SPREADS

EXPERT OPINION:

- » The prices move together across the three exchanges with tight spreads, near zero.
- » At the beginning of the month, the **CEEGEX-BRM** and **CEEGEX-BGH** spreads were negative, but **from the middle of the month onward, they turned positive**.
- » **Prices showed a downward trend in April**, in line with movements on western exchanges. The decline was driven by reduced demand and milder weather conditions.
- » **Prices on both BRM and BGH were higher in April compared to TTF and CEGH**, which can also be attributed to the fact that the significant LNG shipments likely had less of a price-reducing impact on the eastern markets.



JAPANESE CANDLES LAST 3 MONTHS

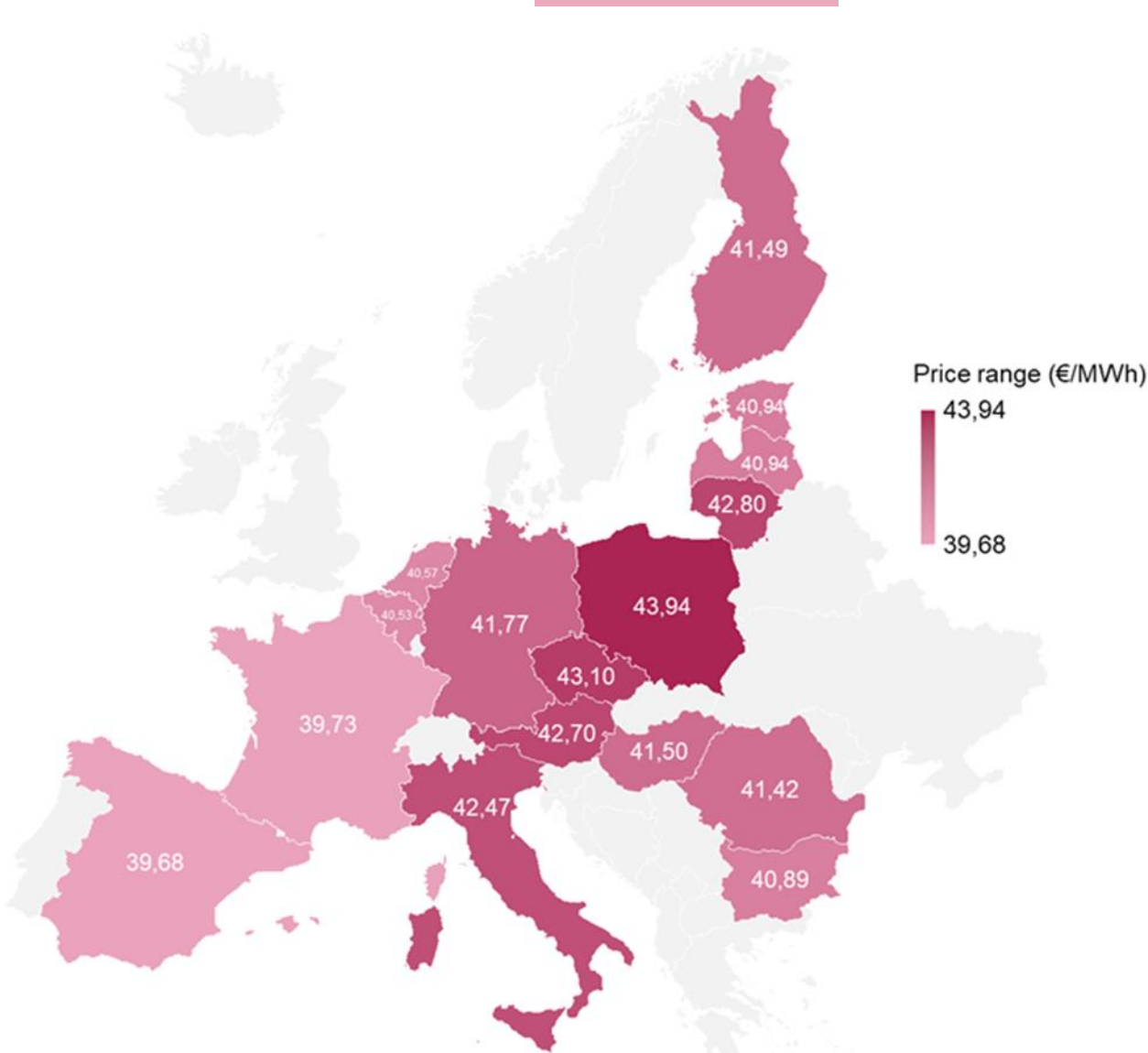


EXPERT OPINION:

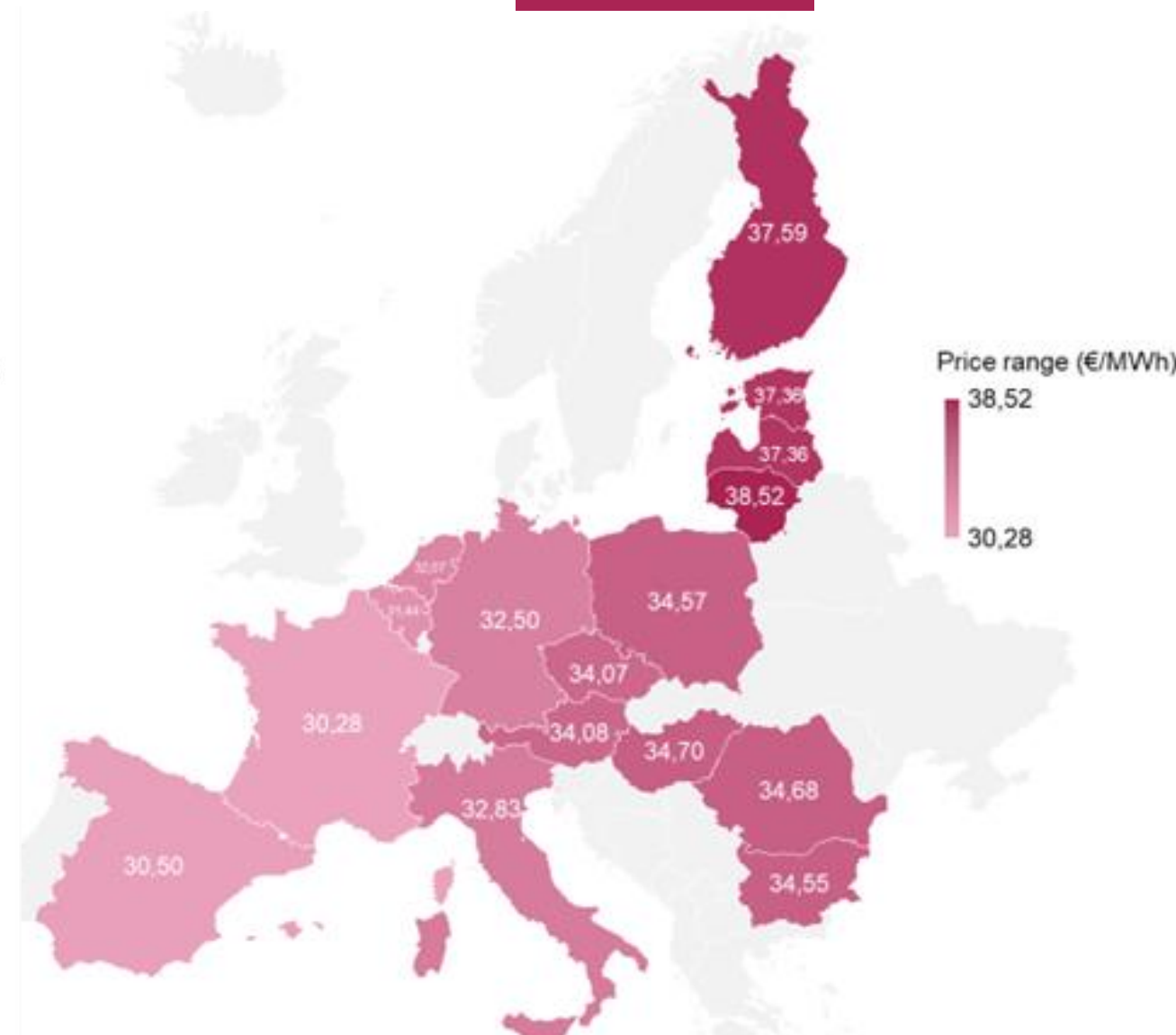
- » The Japanese candle chart shows that **after a price increase in early February, prices are continuously dropping since then, being at around 35 EUR at the end of April.**
- » In April, price **volatility decreased** compared to February and March.
- » In April, **significant intraday price changes were less typical** than in February and March.

NATURAL GAS PRICES SNAPSHOT

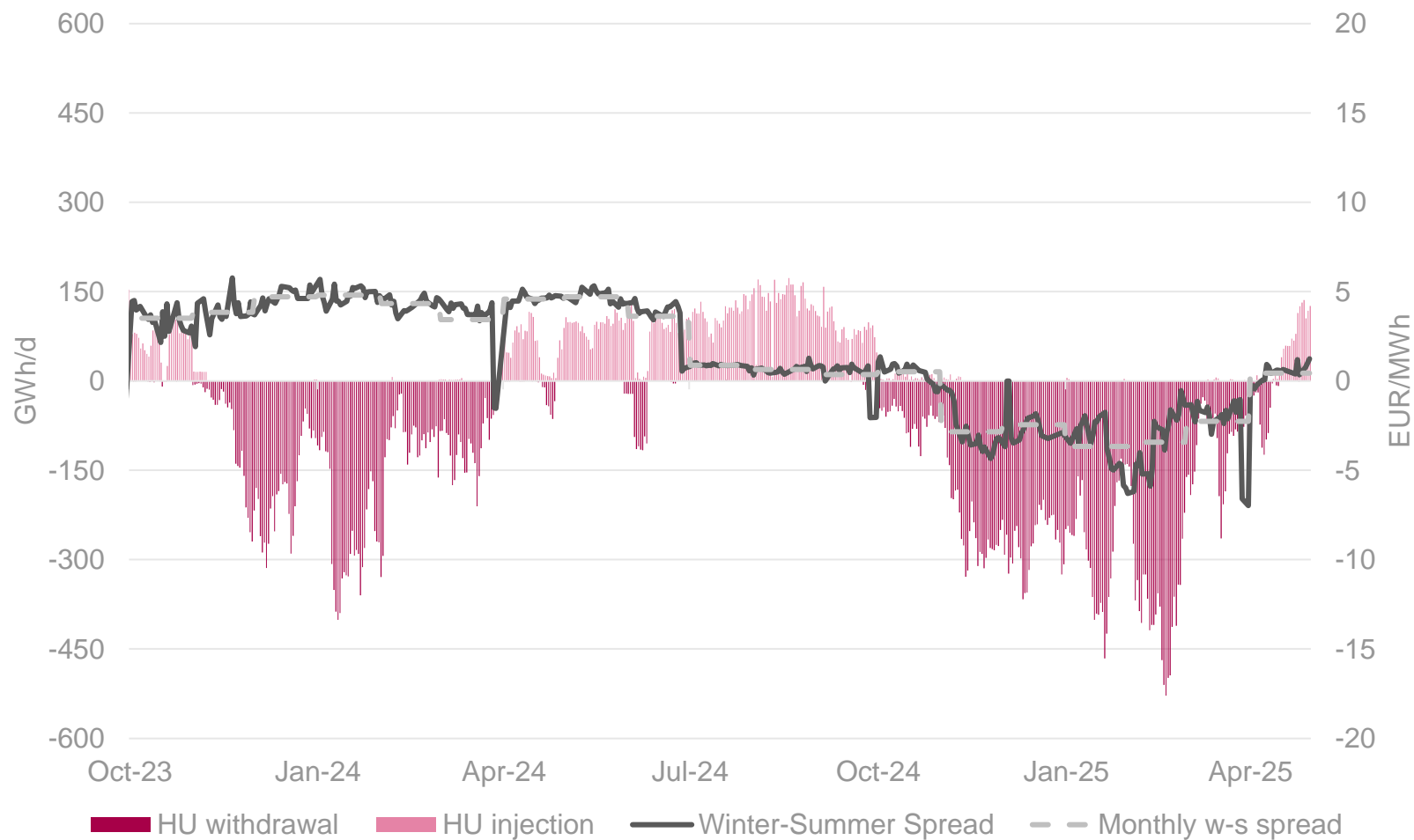
31/03/2025



30/04/2025



WINTER-SUMMER SPREAD



EXPERT OPINION:

- » The winter-summer spread shows the price difference between **winter 2025/26 and summer 2025**.
- » **The monthly average spread in April was 0.43 EUR/MWh, positive for the first time since October.**
- » The less strict storage targets may have also contributed to the spread returning to positive.
- » The spread was quite balanced in the first half of 2024.
- » **Since April 1, summer prices have declined more sharply than winter contracts**, which has led to a positive spread.

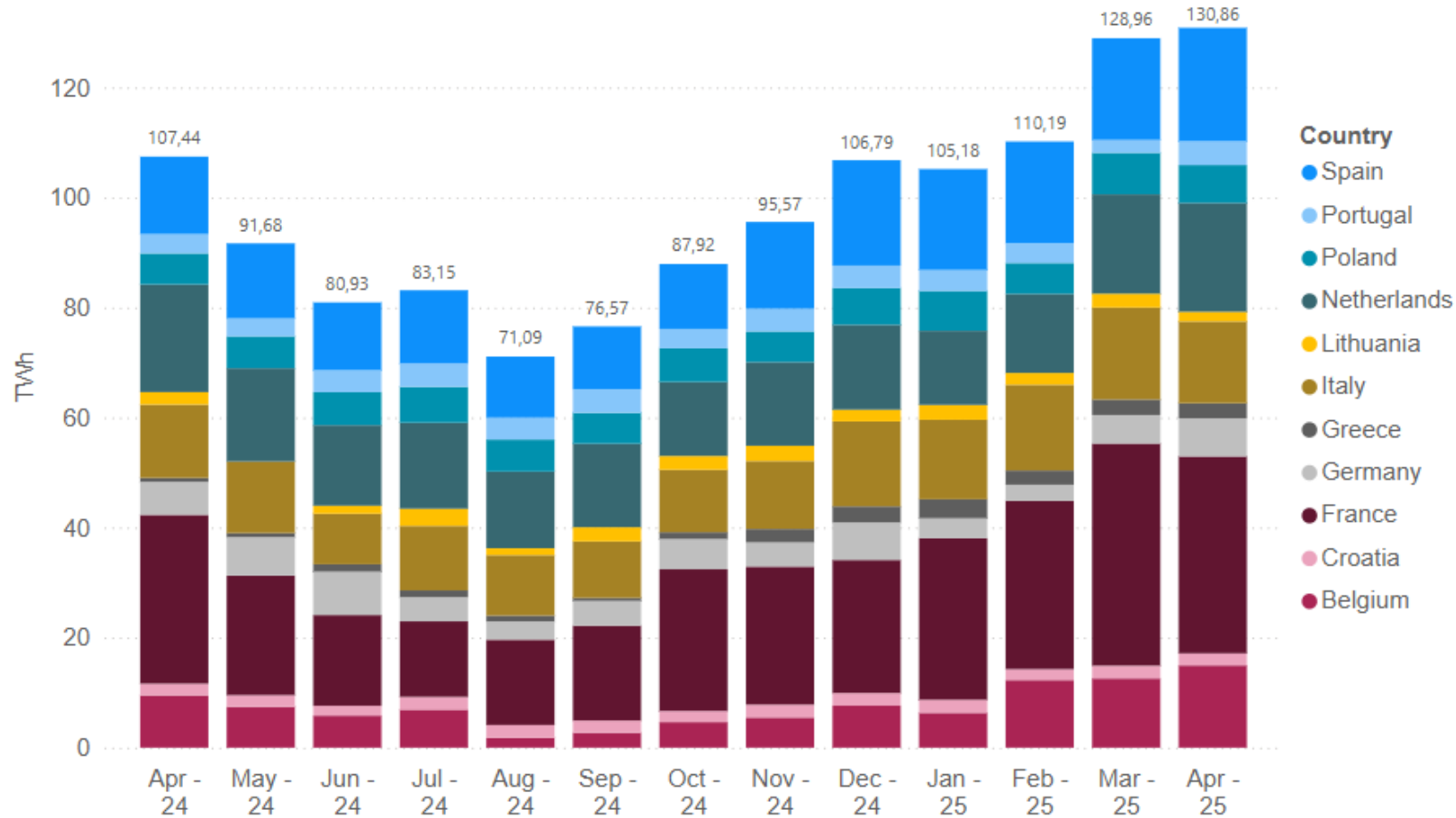
TRADE WAR'S IMPACT ON TTF PRICES



EXPERT OPINION:

- » On the 2nd of April Donald Trump announced new duty measures resulting in a 20% rate for importing products from the EU. This has been withdrawn on the 9th of April, but a general 10% rate remained in action.
- » The EU offered a 0% percent rate for importing American goods into the EU in case if the USA acts the same way. Trump made a counteroffer, stating the only case the USA decreases the rates is if the EU agrees to buy 350 million dollars worth of LNG from the USA.
- » The EU agreed to buy more LNG than before, no agreement has been reached on the details yet.
- » The tariff war had a downward effect on TTF prices. This could have been caused by a decline in industrial consumption and a drop in Chinese LNG imports due to tariffs imposed on U.S. LNG.

LNG SEND-OUTS BY EUROPEAN COUNTRIES*



EXPERT OPINION:

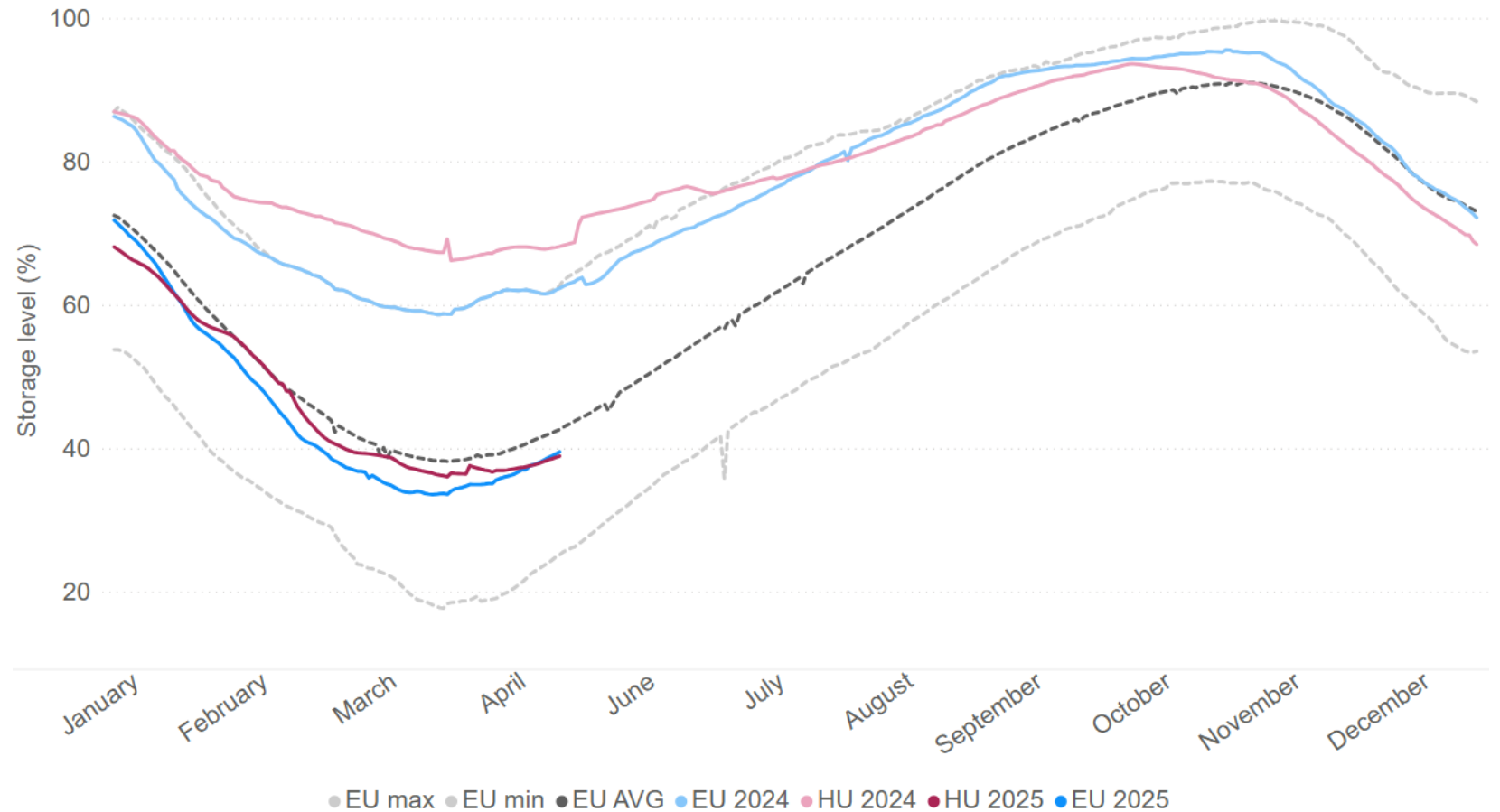
- » European LNG imports increased by 1,4% MoM and by 21,7% YoY.
- » This marked the highest level of European LNG send-out on record, primarily driven by low storage levels across Europe.
- » The largest LNG importers in April were France, Spain, and Netherlands.
- » The still ongoing trade war between the U.S. and China makes LNG less competitive in the Chinese market, due to the high tariffs. Reportedly, the U.S. was offered an increasing demand from South Korea, Japan and India to negotiate trade deals with the administration.

• Excluding UK, Finland (data not available)

GAS STORAGE LEVEL IN EU AND HU

EXPERT OPINION:

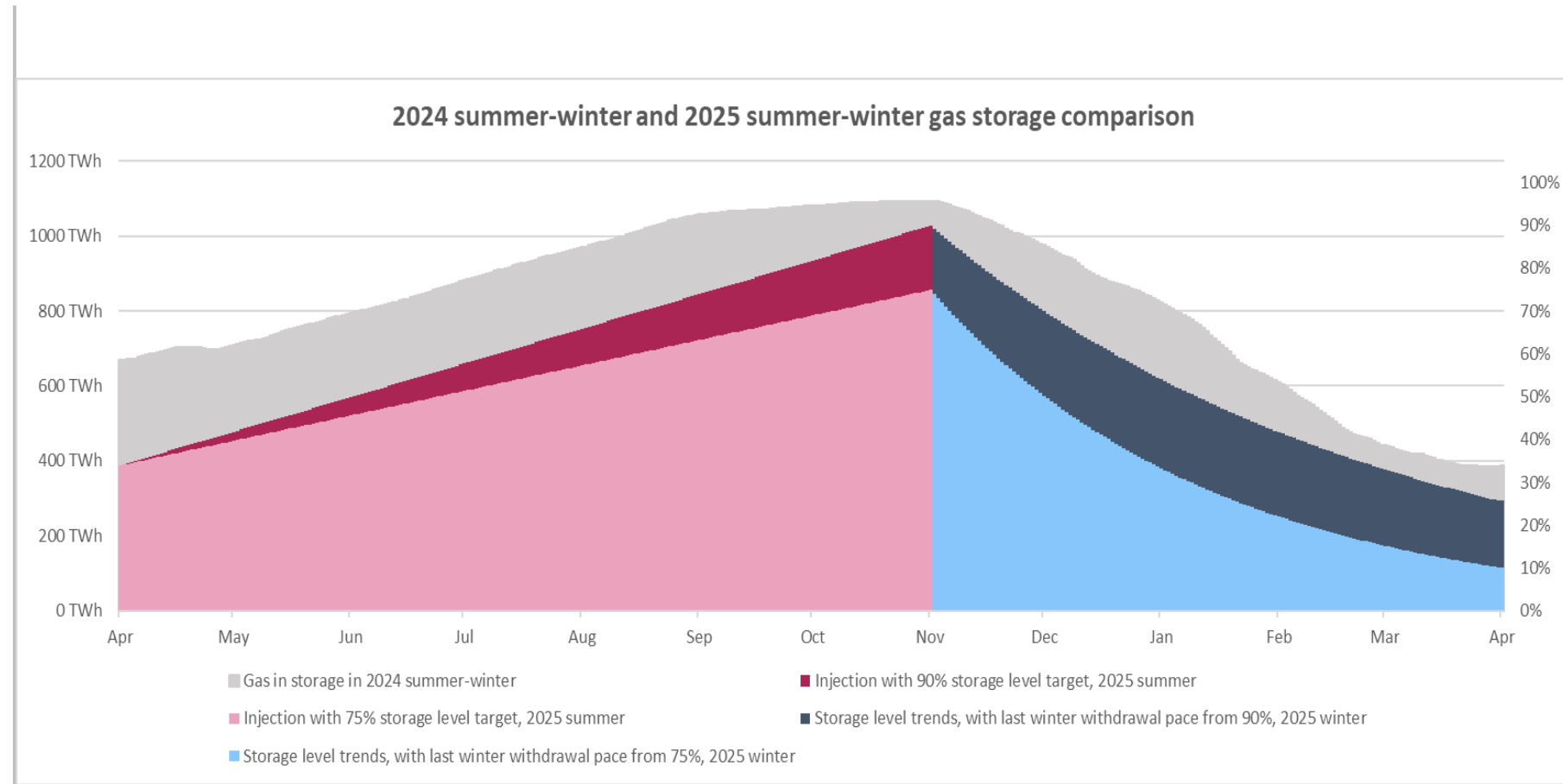
- » At the end of April, the aggregated EU storage facilities stood at 40%, while Hungarian stocks stood at 39%.
- » Both the EU and Hungary's gas storage levels are significantly lower than last year's values.
- » Across the EU, gas storage facilities have been refilling more rapidly since the end of March.
- » In Hungary, gas injection also began in April, gradually increasing storage levels.



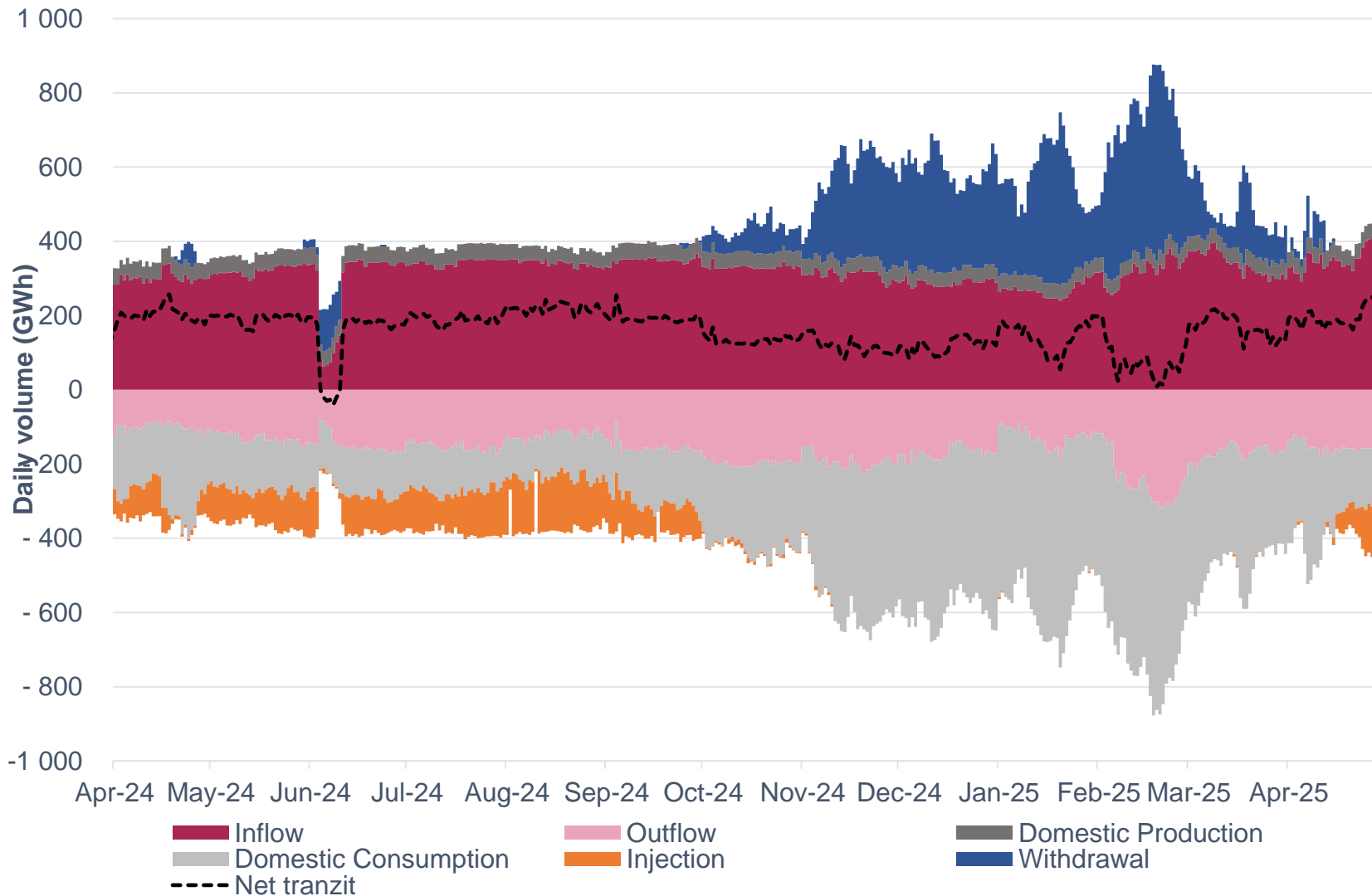
EU GAS STORAGE INJECTIONS

EXPERT OPINION:

- » If storage levels only reach 75%, and the upcoming winter is as cold as the previous one, gas reserves could drop to around 10% by the end of the heating season.
- » At around 10% storage, if the winter extends longer than usual, available reserves may no longer be sufficient to meet demand.
- » Such a scenario could trigger a sharp spike in gas prices due to rising uncertainty and the urgent need for large-scale reinjections—potentially even during the winter season, well before the traditional injection period begins.
- » Filling storage up to 90% this year is expected to cost approximately €26 billion at current gas prices, compared to €16 billion last year, as about 30 bcm more gas is needed this year than in 2024. The cost to fill up to 75% is €21.5 billion.
- » Increased Chinese demand and intensified competition with Asian markets for LNG could further drive up LNG prices.



HUNGARIAN GAS MARKET BALANCE

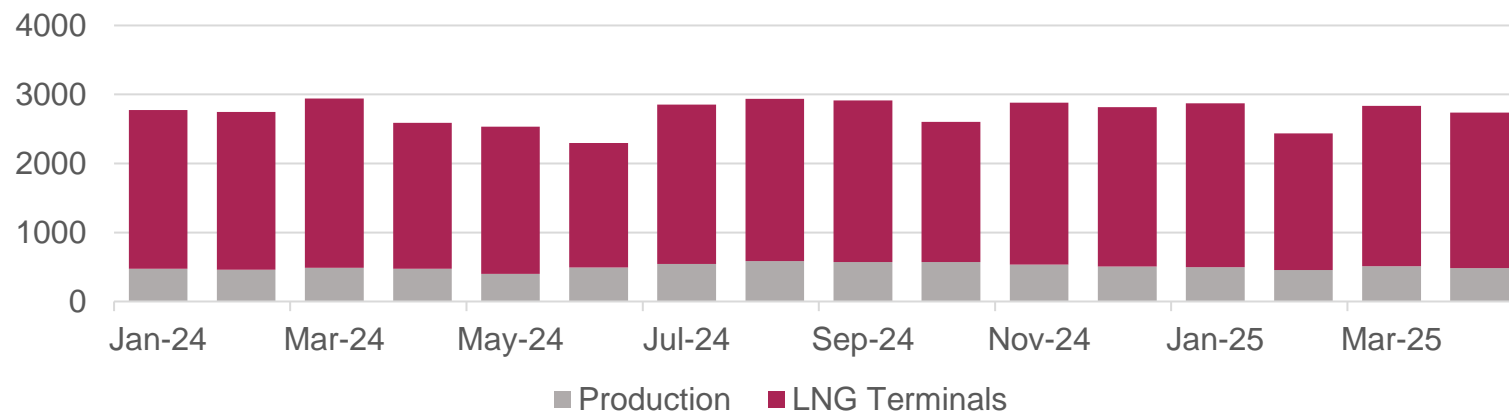


EXPERT OPINION:

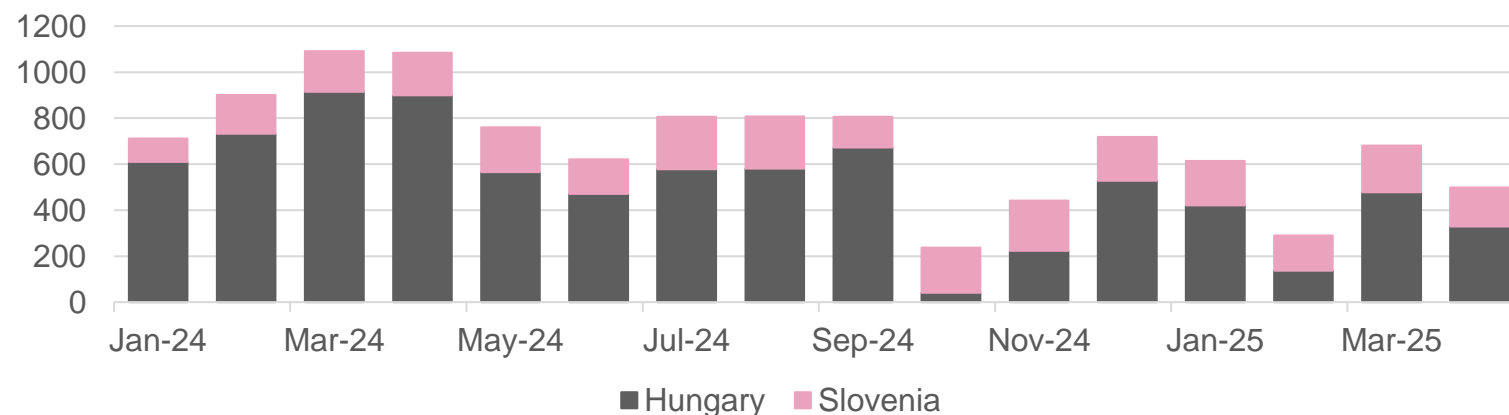
- » In April, imports increased further compared to March, which is more than 10 TWh.
- » Imports from Romania decreased, however, the **import volume from Austria increased greatly** compared to March. This may also be due to the increased price difference observed between CEEGEX and CEGH in April.
- » Exports decreased by more than **15% compared to March**, mainly due to the reduction in exports to Ukraine.
- » Withdrawals decreased mostly in the second part of April to almost zero, and the **injection volume increased**, as we reached the injection period on the 1 April.
- » **Domestic consumption decreased compared to March**, whereas the domestic production roughly remained the same.

KRK LNG TERMINAL EXPANSION

Croatian import and production (GWh)



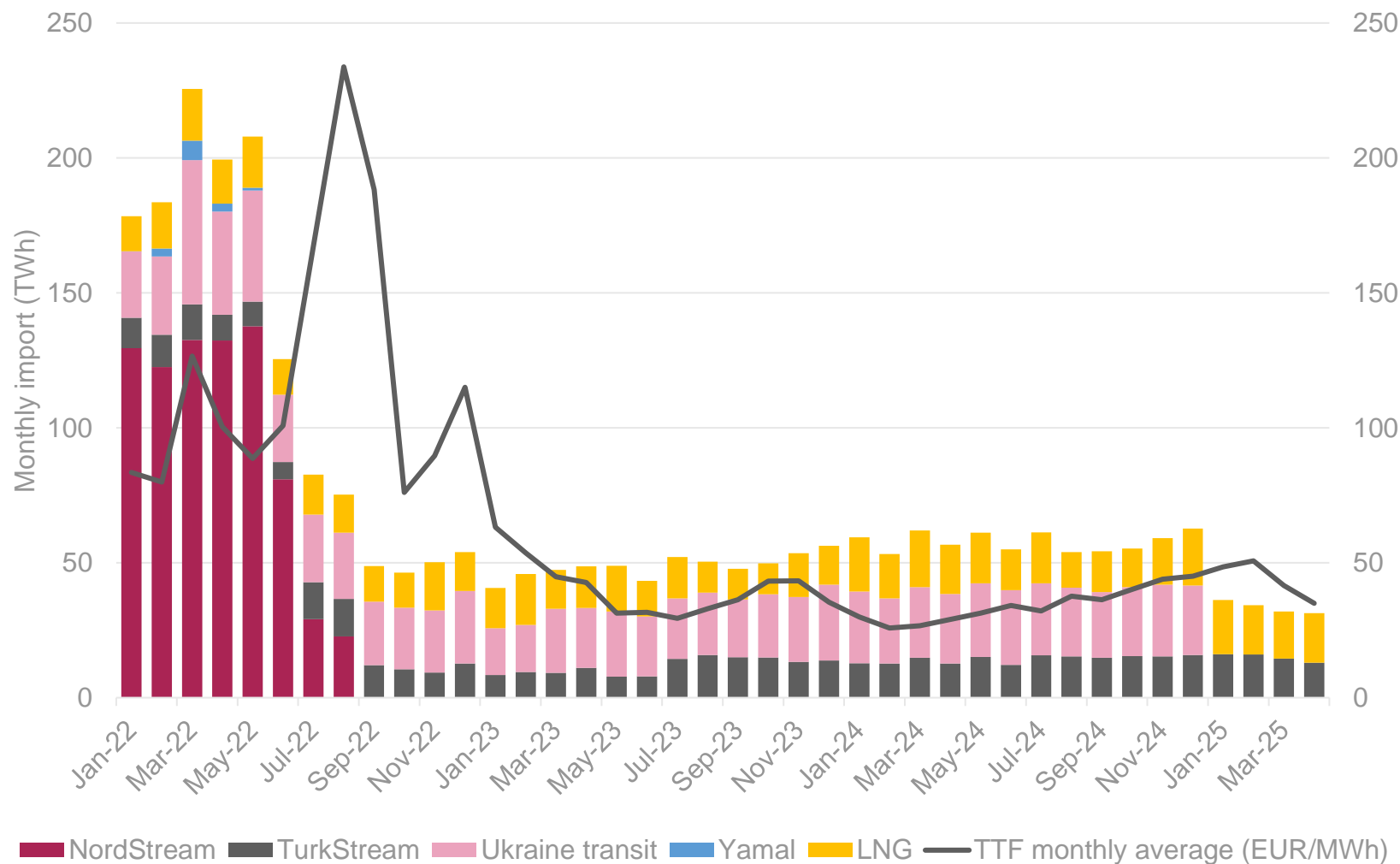
Croatian export (GWh)



EXPERT OPINION:

- » **Expansion:** The Krk LNG terminal's capacity will increase by 0.75 bcm, reaching 3.45 bcm annually from October 2025.
- » Approximately 20% of Croatia's gas input is production, and 80% comes from the LNG terminal.
- » **Impacts:**
 - » Regional Energy Security: Increased gas imports reduce regional dependency.
 - » Export Growth: Expanded capacity allows gas supply to neighboring countries.
 - » Sustainability: Integration with renewable energy sources, such as green hydrogen.
- » This expansion increases diversification of supply in the region.

RUSSIAN GAS FLOWS TO THE EU



EXPERT OPINION:

- » In June, the European Commission will propose legal measures to **completely end the EU's imports of Russian gas by the end of 2027, and to ban spot contracts with Russia by the end of this year.**
- » Hungary and Slovakia, both of which continue to receive Russian gas through the TurkStream pipeline, have voiced their opposition to the European Commission's proposed phase-out.
- » For both countries, importing gas from alternative sources can be more expensive.
- » **Gas prices surged after Russian volumes through the Nord Stream ceased.** Additionally, prices increased at the end of last year due to market uncertainty caused by the end of the transit through Ukraine.