

# Global & Regional Market Analysis

NATURAL GAS, 2025 March

16/04/2025

# STORIES OF THE MONTH

## MARCH 2025



Russia's 30-day halt on attacks targeting Ukraine's energy infrastructure did not have a significant impact on European gas markets.



Naftogaz and Orlen have agreed on a deal allowing Ukraine to import LNG through the Klaipėda terminal in Lithuania.



- » **EU ports have banned the transshipment of Russian LNG starting March 26, 2025**, under sanctions introduced in June 2024.
- » The European Parliament's energy committee is scheduled to **vote on April 24 to extend the EU's emergency gas storage targets through 2027**.



Plaquemines LNG is increasing its LNG exports, largely driving the global LNG supply growth in Q1 2025.



**The outage of the Alexandroupolis LNG terminal has been extended until May 15.** The terminal has been offline since late January.



Plinacro, Croatia's gas transmission system operator, has completed the Zlobin-Bosiljevo pipeline, a key milestone in optimizing the Krk LNG terminal's full send-out capacity.



**The United States has extended the sanctions waiver for Turkey**, allowing it to continue purchasing Russian natural gas, **while also prolonging Hungary's and Slovakia's exemption from sanctions on Russia's Gazprombank until May**, ensuring uninterrupted gas supply via the TurkStream pipeline.

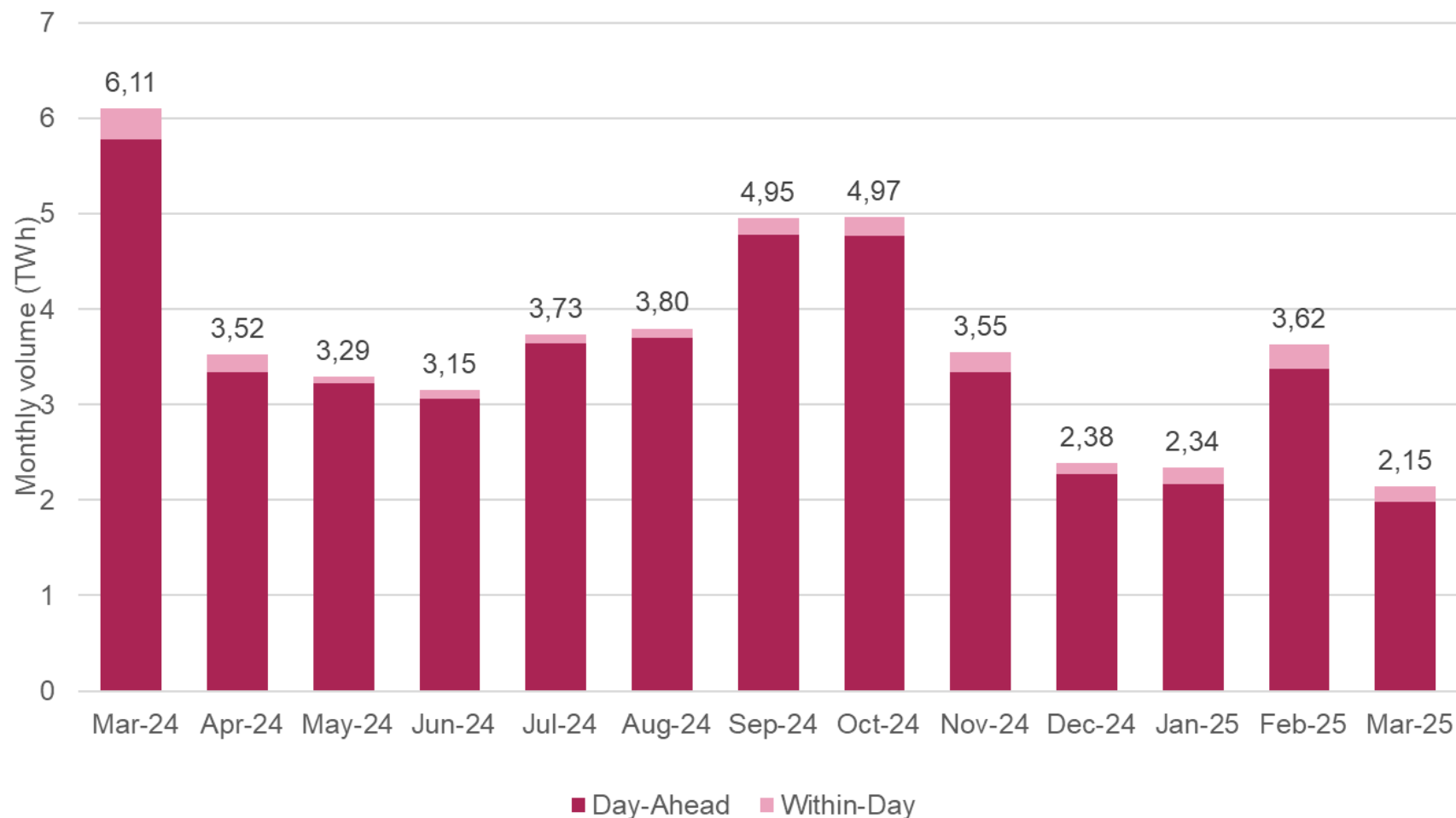


- » The European Commission revealed the results of the second mid-term round of joint gas purchasing under AggregateEU.
- » Where companies requested 29 bcm of gas, suppliers offered nearly 31 bcm, and almost 20 bcm was successfully matched.

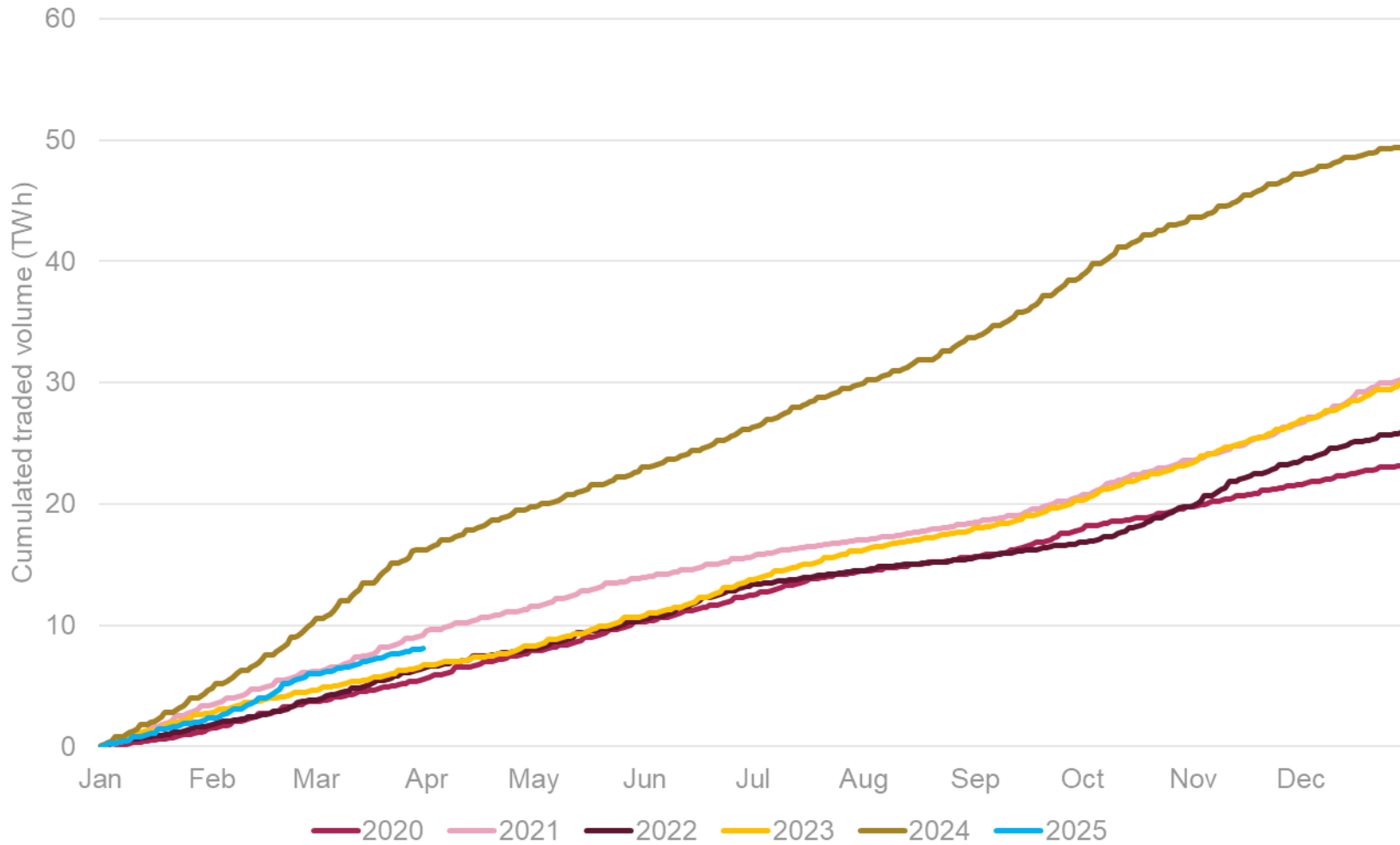
# TRADED VOLUMES

## EXPERT OPINION:

- » In March, traded volumes MoM decreased around 40%.
- » From January to February, the turn to the positive in the Ceegeex-CEGH spread and the wider Ceegeex-BRM spread may have encouraged trading.
- » From February to March, the CEEGEX-CEGH spread narrowed to around zero, and the CEEGEX-BRM spread also decreased significantly. These factors were unlikely to have had a stimulating effect on trading. Furthermore, domestic gas consumption has also decreased.
- » YoY, the volumes traded were down significantly from last year's record March. Although the decline is significant compared to March of last year, it is less pronounced compared to the average of March figures from previous years.



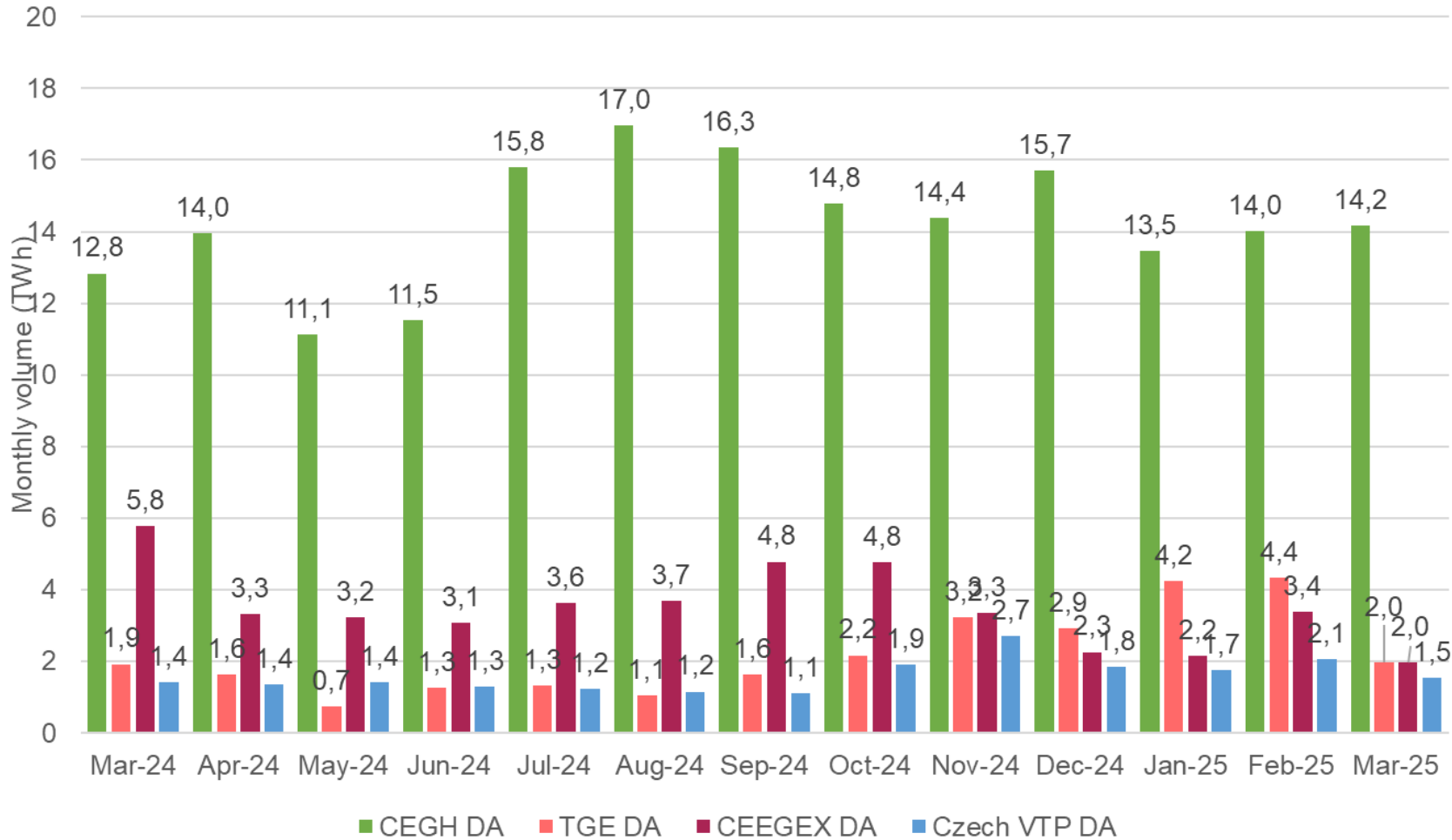
# TRADED VOLUMES YEARLY COMPARISON



## EXPERT OPINION:

- » On the cumulative annual volumes graph we can observe a decline following the more favorable volumes in February.
- » The volume traded in March last year was not approached even by the March 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



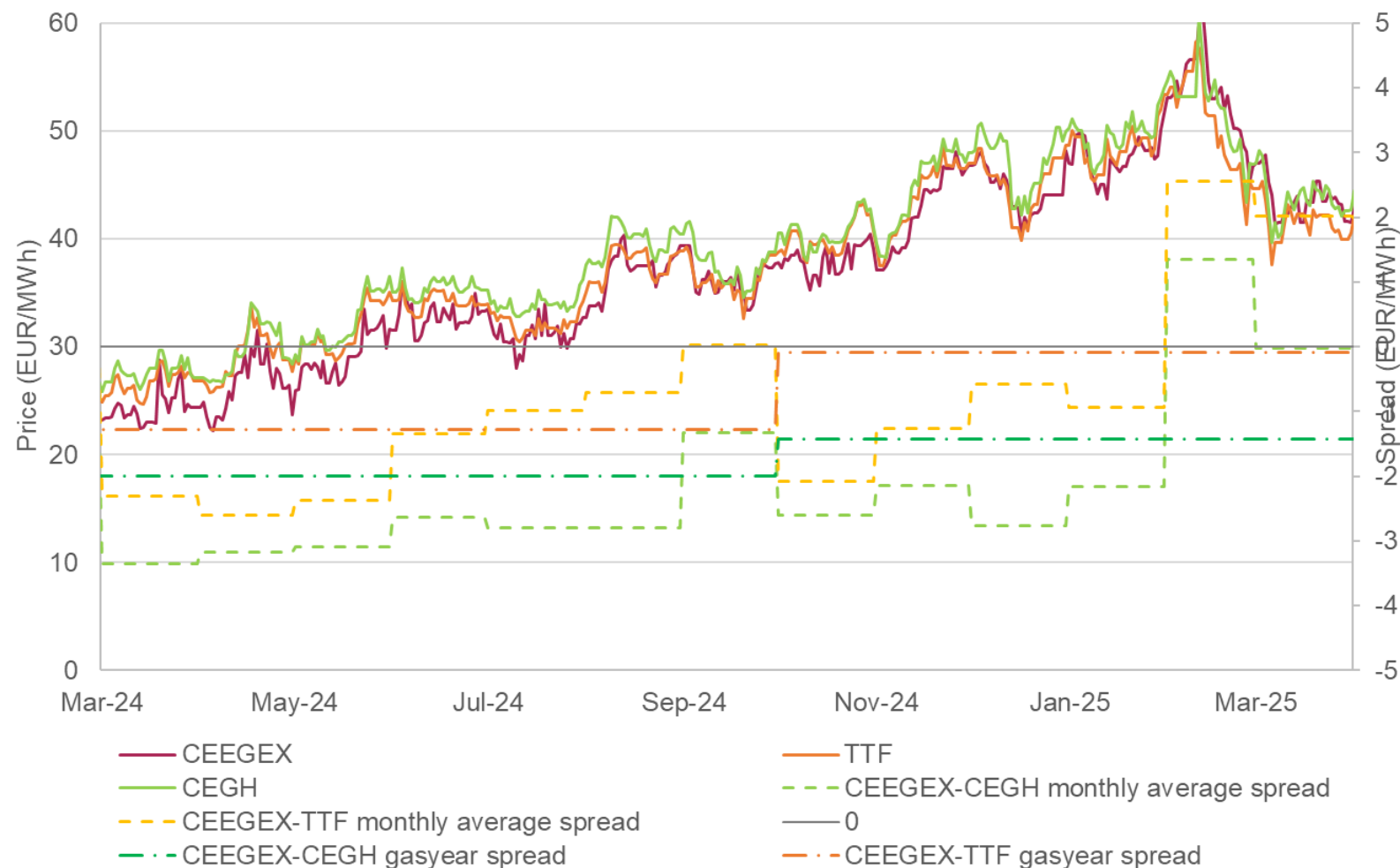
## EXPERT OPINION:

- » The traded volume MoM decreased in March on CEEGEX, similarly on Czech VTP and TGE. The decrease was the more significant on TGE.
- » MoM, the volumes traded on CEGH remained roughly stable.
- » Compared to March 2024, the traded volume on CEEGEX is lower, however, on TGE and Czech VTP there is a slight increase. On CEGH, the increase in volume compared to the same period in last year is more significant.
- » The Ukrainian transit stoppage, which accounted for the bulk of Austrian imports (replaced by German sources), did not bring any significant change in the spot DA volumes traded on the CEGH in 2025 Q1.

# TTF, CEGH PRICES AND SPREADS

## EXPERT OPINION:

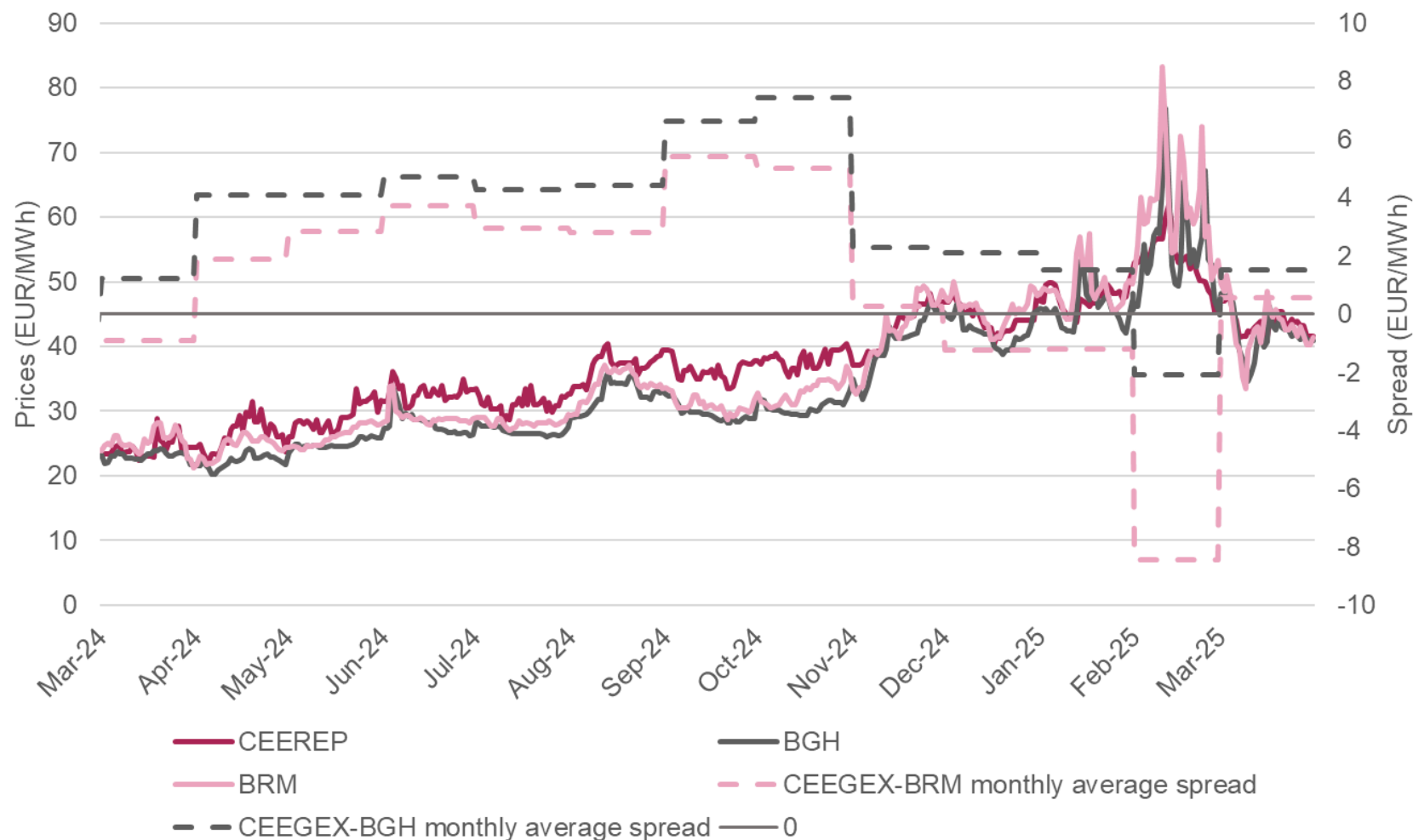
- » Compared to February, the **CEEGEX-TTF** spread narrowed in March, currently standing at **€2**.
- » The **CEEGEX-CEGH** spread has also **resumed a downward trend**; prices on both exchanges are now aligned.
- » **TTF prices** remain **lower than** those on **CEEGEX** and **CEGH**, with a different pace of price movement compared to the other two exchanges.
- » **Prices** were on a **downward trend** on all **exchanges** until 6 March, with the **TTF** at the **lowest price of €37**.
- » The **reasons for the price decrease** at the beginning of March could be **lower European consumption and abundant LNG imports**, which led to a significant reduction in withdrawals.



# BRM, BGH PRICES AND SPREADS

## EXPERT OPINION:

- » We also observed a **significant price decrease on the Romanian and Bulgarian exchanges** at the beginning of March. In addition to the factors affecting all of Europe mentioned on the previous slide, in Romania, the significant reduction in imports may have also played a role, allowing for a greater reliance on domestic production in March.
- » The **CEEGEX-BRM and CEEGEX-BGH spreads have turned positive** again, as was characteristic for much of last year.
- » **The change in the CEEGEX-BRM spread was more significant**, thanks to the moderation of the record-high Romanian prices in February. These prices decreased after the high consumption and increased exports to Moldova, which were driven by the record cold weather in February.



# JAPANESE CANDLES LAST 3 MONTHS



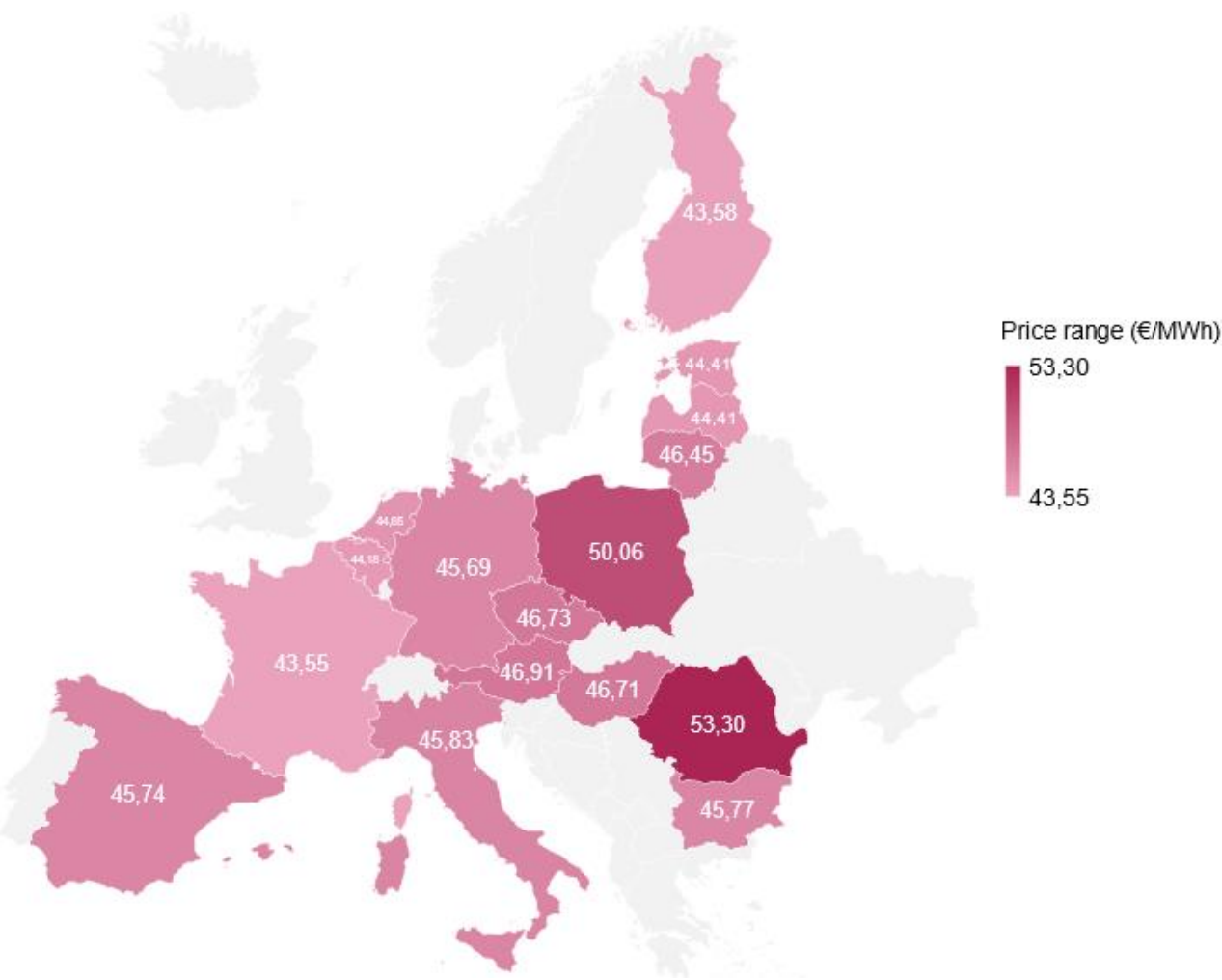
## EXPERT OPINION:

- » The Japanese candle chart shows that **after a price increase in early February, prices dropped until the beginning of March then it started to stagnate around 45 EUR in the remaining of March.**
- » In March, price **volatility decreased** compared to January and February.
- » In March, **significant intraday price changes were less typical than in January and February.**

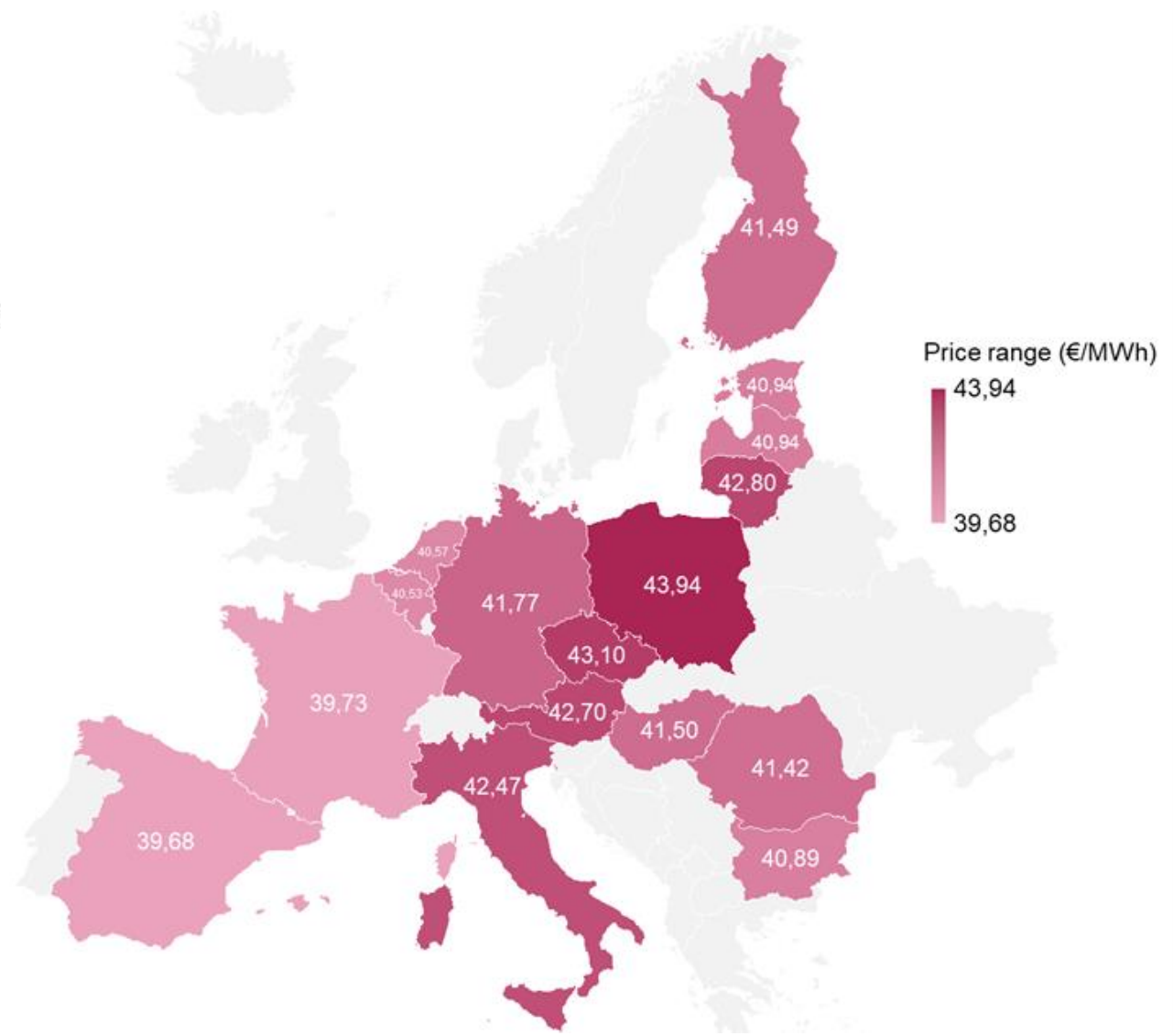


# NATURAL GAS PRICES SNAPSHOT

28/02/2025



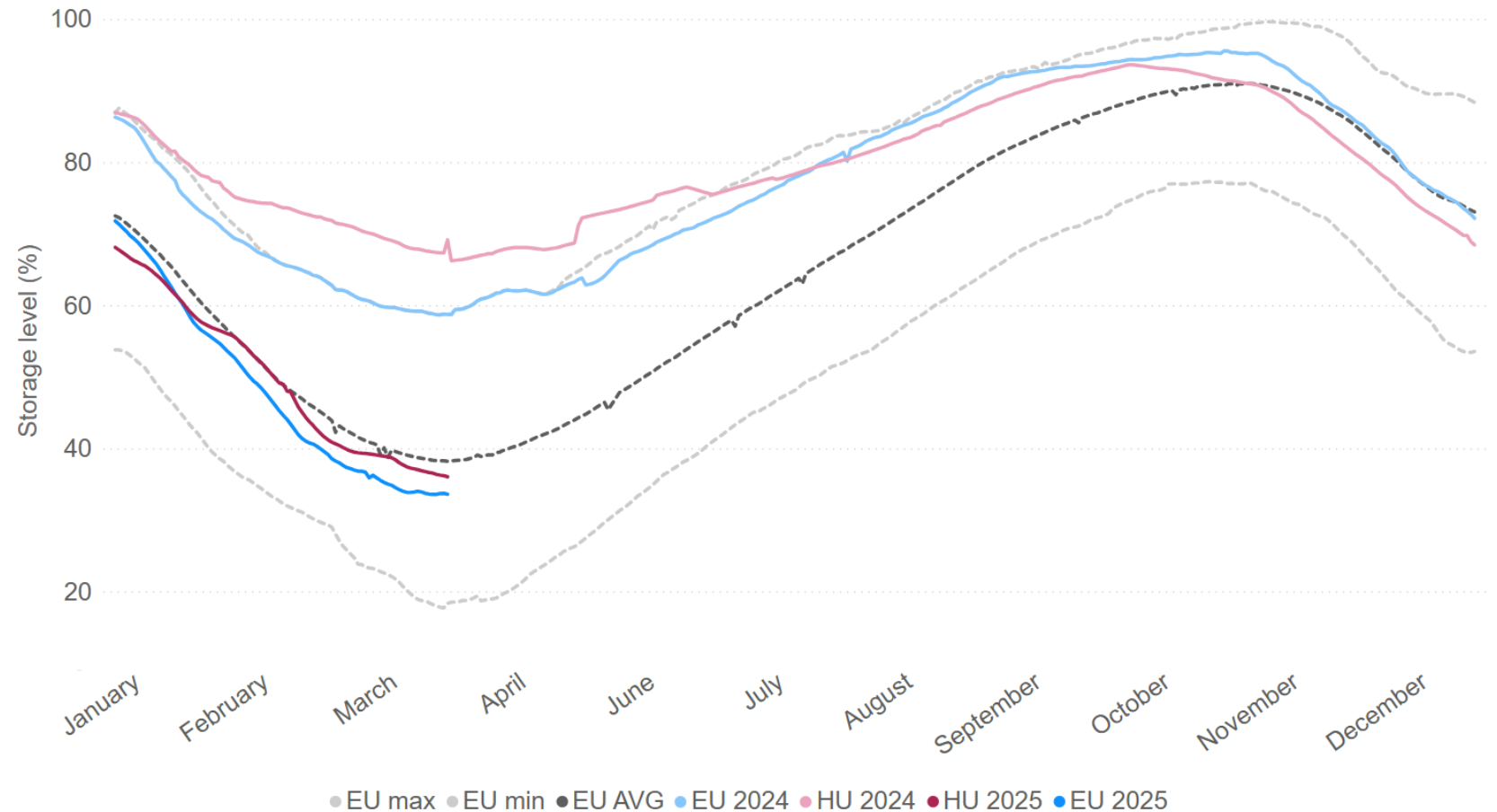
31/03/2025



# GAS STORAGE LEVEL IN EU AND HU

## EXPERT OPINION:

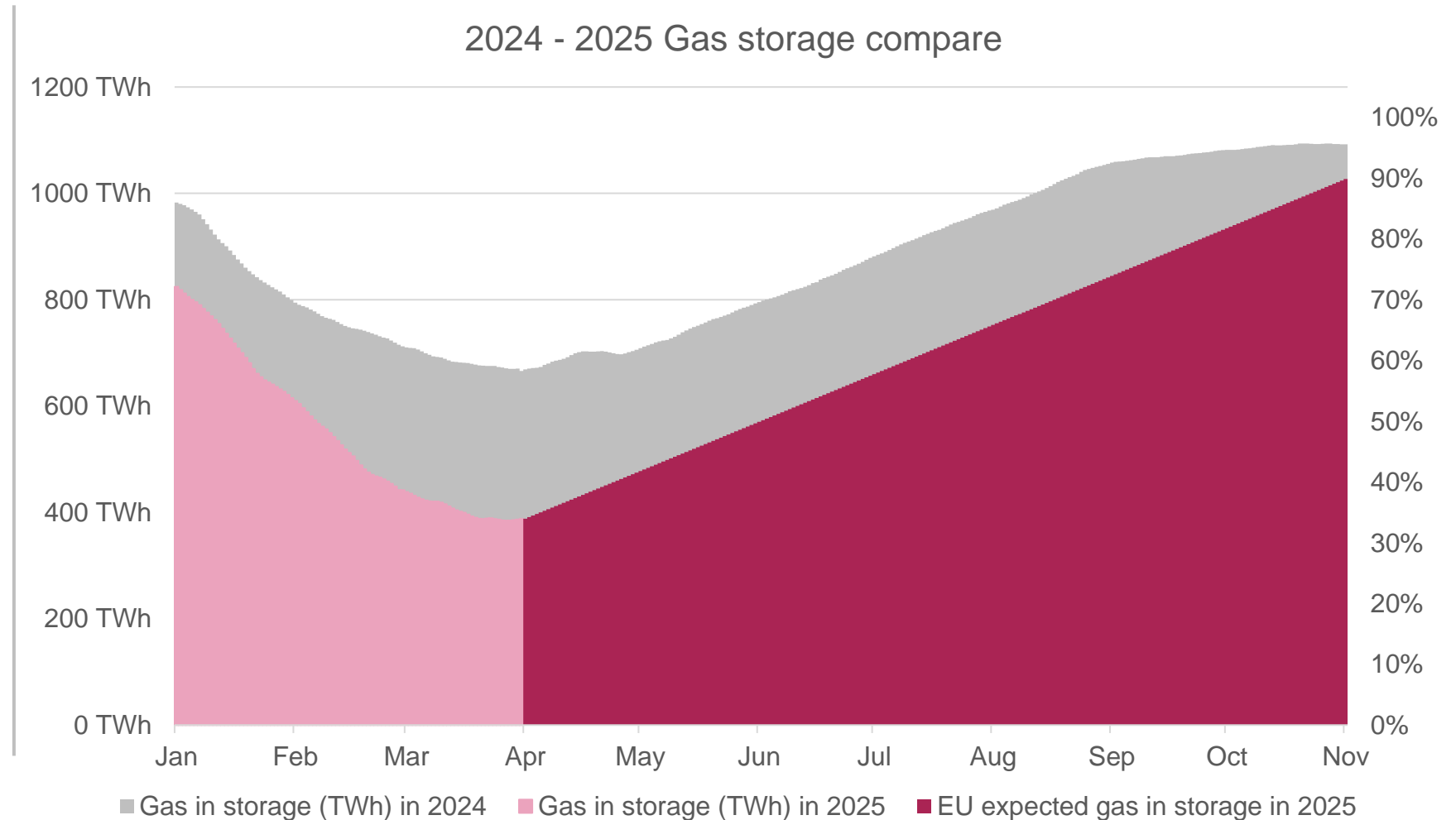
- » At the end of March, the aggregated EU storage facilities stood at 34%, while Hungarian stocks stood at 36%.
- » Both the EU and Hungary's gas storage levels are significantly lower than last year's values, with the EU experiencing a sharper decline.
- » During this winter period, there was a significant withdrawal from storage.
- » As the cold weather comes to an end, the focus in the coming period will shift towards refilling the storages.
- » Due to the lower levels, **more intensive storage injections may be necessary** compared to last year, which could also have a price-increasing effect.



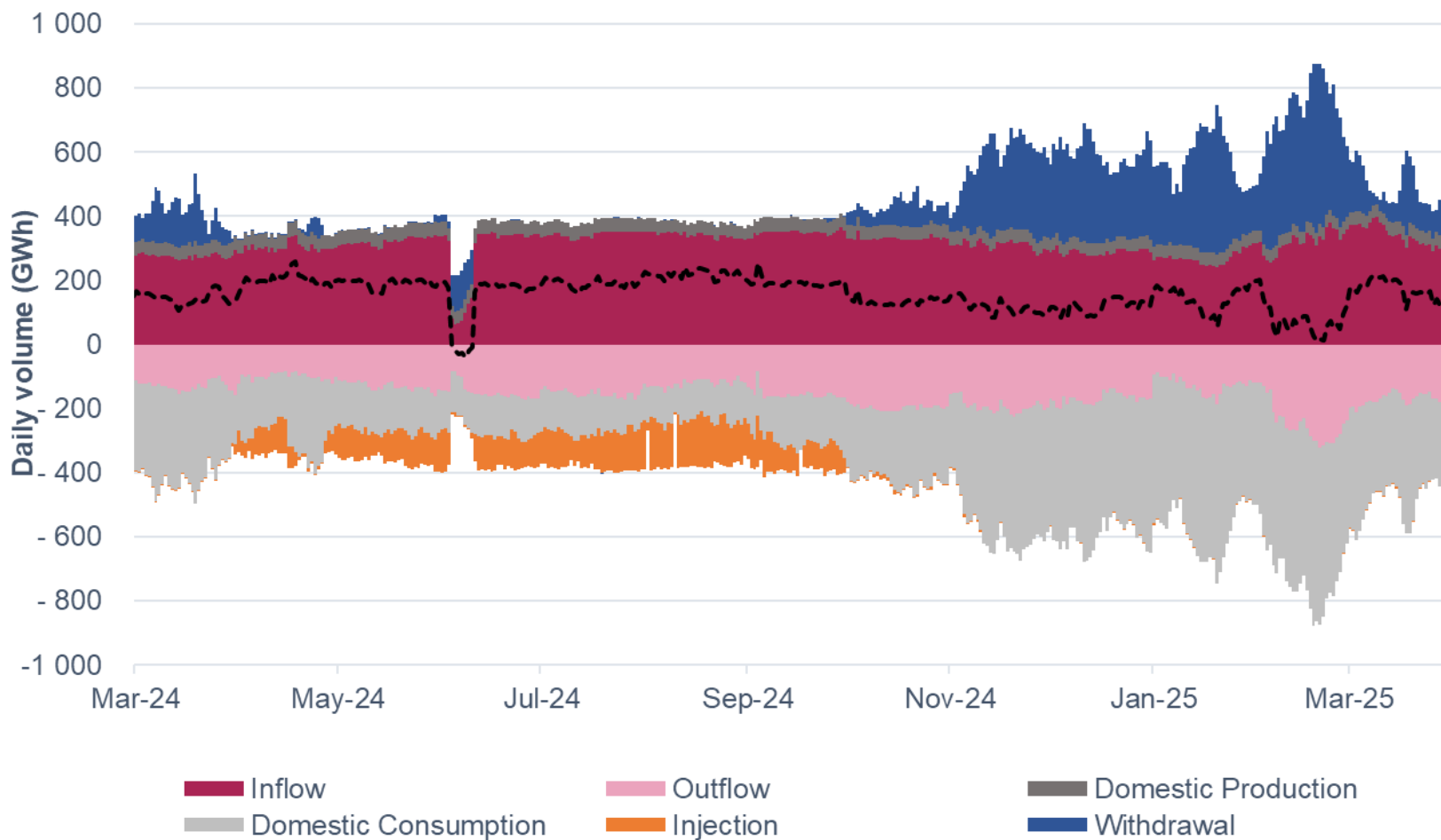
# EU INJECTIONS IN LIGHT OF THE 90% LIMIT AS OF NOVEMBER 1ST.

## EXPERT OPINION:

- » At the start of the injection season, EU gas storage facilities **stood around 30% capacity** — a significantly lower level compared to **over 60% at the same point in 2024**.
- » In total, approximately **650 TWh of gas needs to be injected** by November 1st. However, gas **prices have increased** over the past year, posing additional challenges to the refill process.
- » According to EU targets, the trajectory required to reach the mandated 90% storage level by November follows the same pace as the actual injection curve observed in 2024, up until September. Nevertheless, in 2025, it remains uncertain whether the 90% threshold will be reached by early September.



# HUNGARIAN GAS MARKET BALANCE

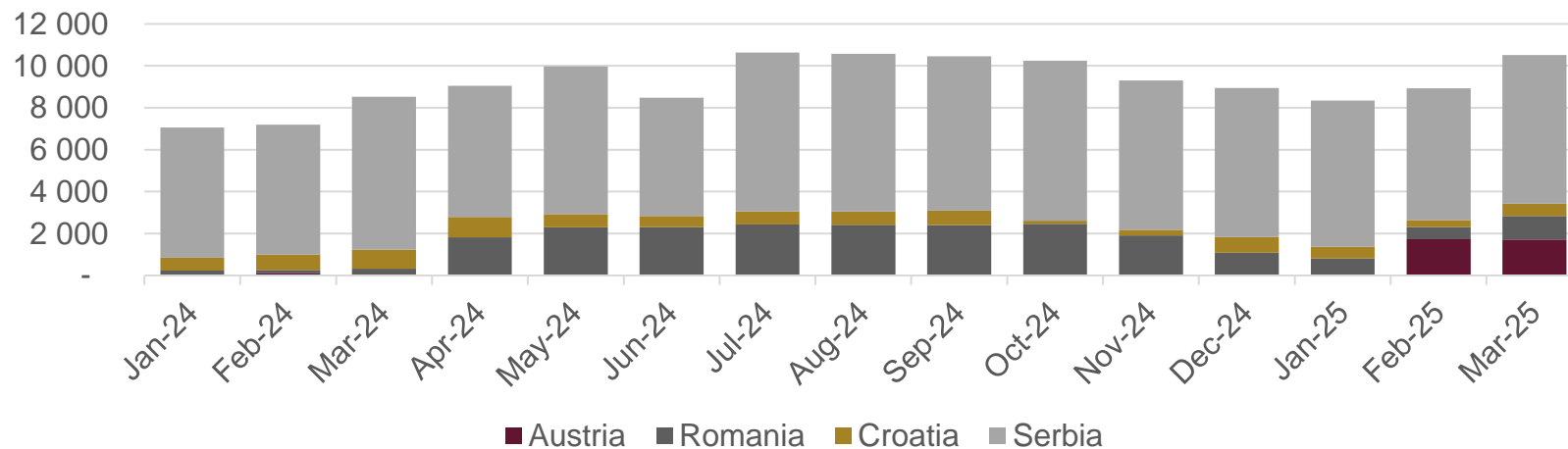


## EXPERT OPINION:

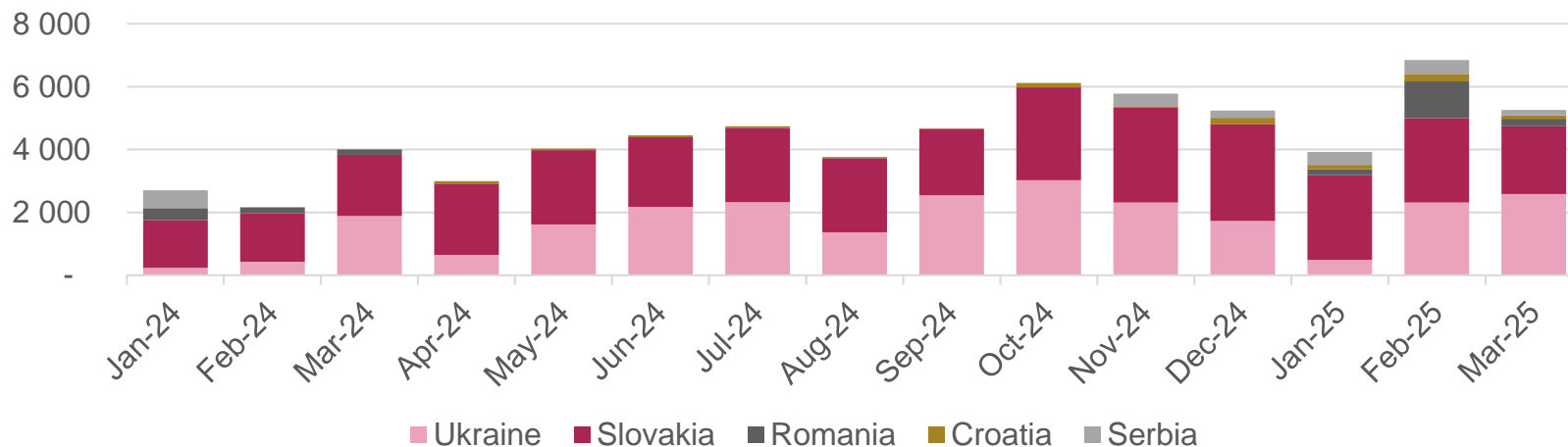
- » In March, imports increased further compared to February, reaching more than 10 TWh.
- » Imports from Romania greatly increased in March.
- » Exports decreased by more than 20% compared to February, mainly due to a reduction in exports to Romania, which is likely due to the reversal of the spread.
- » Withdrawals have started to moderate, moving around last year's level.
- » Domestic consumption decreased compared to February, the domestic production roughly remained the same.

# HUNGARIAN GAS FLOWS

Import (GWh)



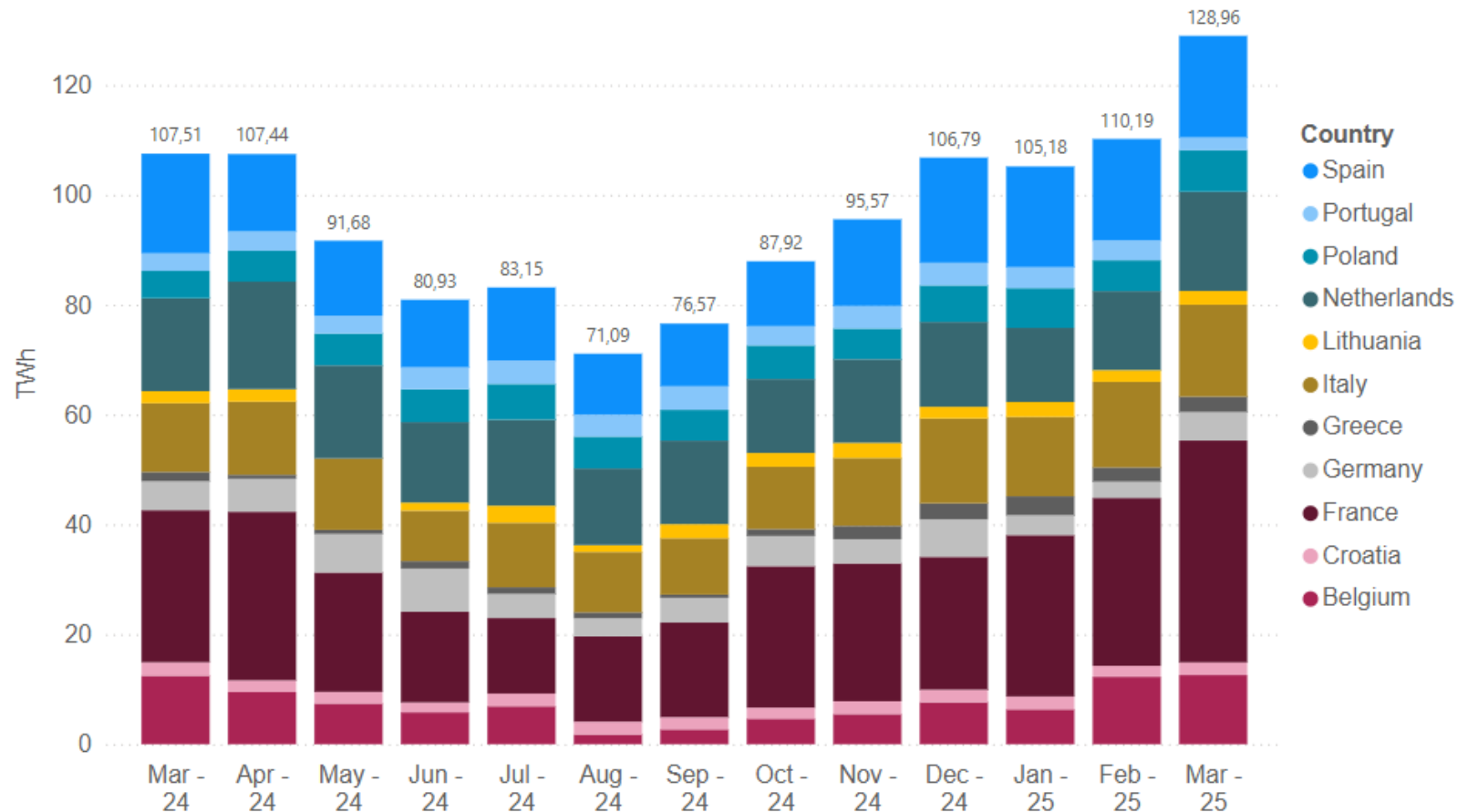
Export (GWh)



## EXPERT OPINION:

- » Although **gas imports from Austria have arrived** this month, the **amount is approximately the same as in the previous month**.
- » Compared to the previous month, Romanian exports have decreased significantly; on the other hand, Ukrainian exports continued to increase.
- » The **reason for the decrease in Romanian exports could be the reversal of the spread**, as gas is cheaper there again.
- » The simultaneous increase in Austrian imports and exports to Ukraine suggests that gas from Austria may have passed through Hungary to reach Ukraine.
- » **Exports to Slovakia showed a decline in March**, likely due to lower Slovak consumption.
- » Compared to last month, it can be observed that the import volume has increased, while the export volume has decreased, which is also due to the fact that the withdrawals decreased too.

# LNG SEND-OUTS BY EUROPEAN COUNTRIES\*



## EXPERT OPINION:

- » European LNG imports increased by almost 20% MoM and by 17% YoY.
- » This marked the highest level of European LNG send-out on record, primarily driven by low storage levels across Europe.
- » The largest increase was observed in France, with a 10 TWh MoM rise.
- » **Weak Asian demand**—particularly in China—was driven by unusually mild weather and higher inventory levels. In addition, Chinese LNG buyers have been reselling U.S. cargoes, as the **15% tariff on U.S. LNG imports** has made them more expensive.
- » In March, TTF and JKM prices followed a similar trend and moved within a narrow spread.

• Excluding UK, Finland (data not available)

# ROMANIA'S NEPTUN DEEP INFRASTRUCTURE LIMITS

Capacities/average usage in March, GWh/d

## EXPERT OPINION:

- » The Neptun Deep offshore gas project in the Black Sea is moving forward, with drilling operations set to begin soon and the first gas expected by 2027. Jointly owned by Romgaz and OMV Petrom, the field is estimated to hold 100 bcm of gas. OMV Petrom already contracted a part of the future production to the German Uniper. The current production of Romania is around 9 bcm/year.
- » This will enable Romania to produce 8–10 bcm/year. The government aims export surplus production in the future.
- » Hungarian gas companies are already negotiating contracts.
- » In March the infrastructure capacity from the direction of Romania towards Germany was not very much utilized. This could be caused by the end of the Ukrainian transit.
- » Currently, the RO→HU, HU→UA and the HU→SK border capacities are frequently utilized to a high level, while the other border capacities are not. This means, that the technical border capacities have to grow in the Eastern countries we examined, so that the newly produced gas could flow towards Germany.

