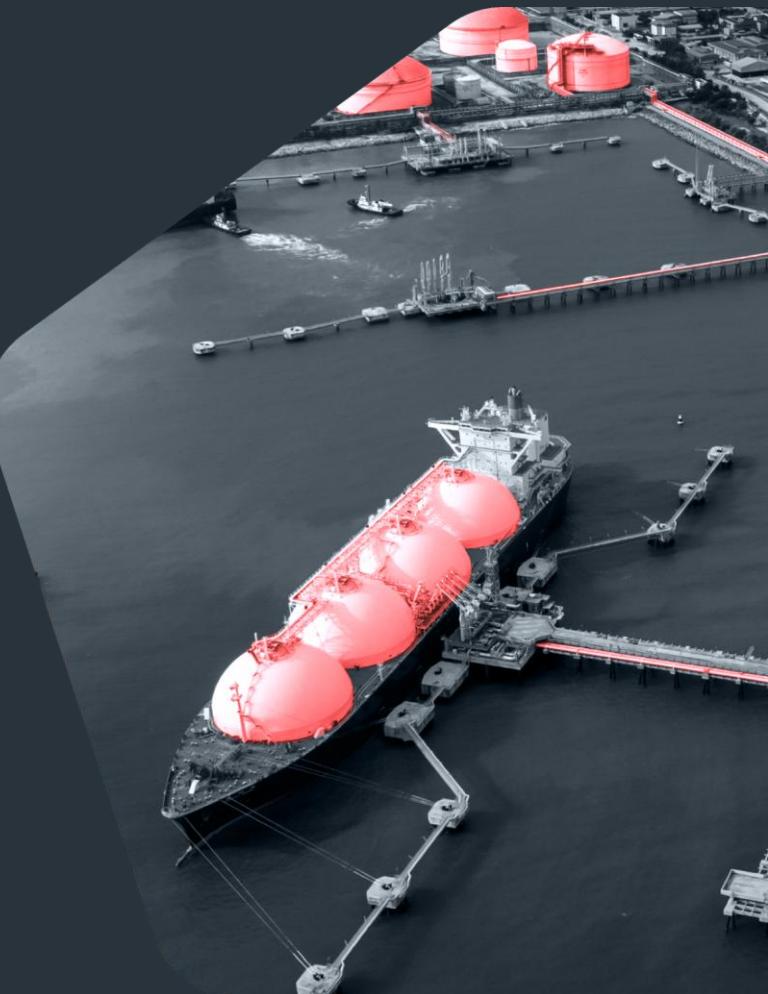




Global LNG & Natural Gas Summer 2025 Outlook

Kpler Insight webinar

15 April 2025



Powering into summer: forecasts, risks & opportunities in EU energy markets



8 Fenchurch Place, London, UK
April 29, 2025, from 7.00am to 9am



Scan the QR code to sign up for exclusive insights into this summer's European energy trends - limited spots available !



Agenda for today

Look back on winter 2024-25

Summer 2025: Base case LNG supply forecasts

Summer 2025: Base case LNG demand forecasts

Summer 2025: Base case European gas forecasts

Risks to the market balance

Q&A



Look back on winter 2024-25

Europe faced the brunt of the cold

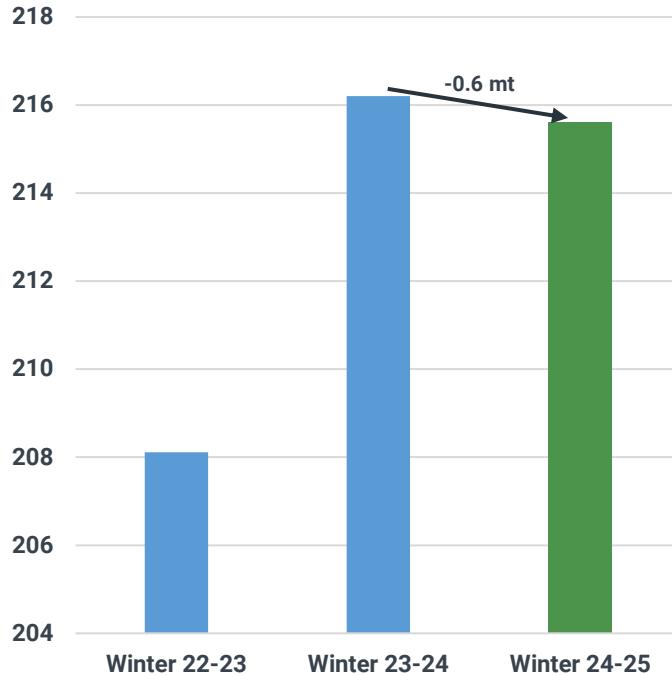


Global LNG exports fell by 0.6 mt last winter to 215.6 mt

Higher supply from US and Qatar was more than offset by lower exports from Australia, Algeria and Egypt

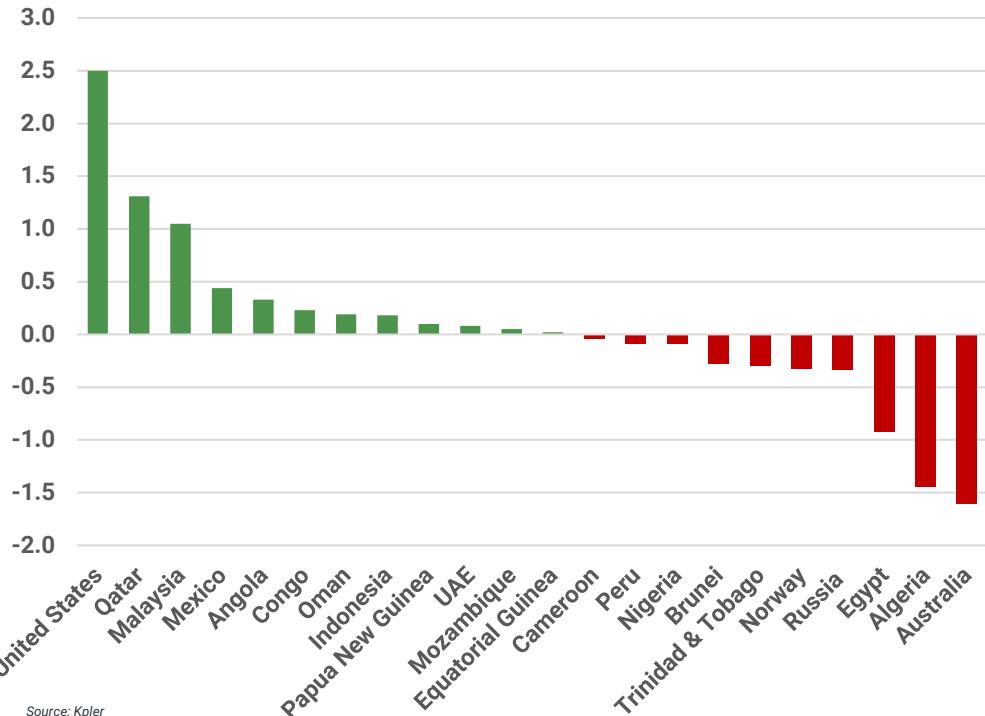
5

Global LNG supply over October-March (mt)



Source: Kpler

Winter 2024-25 y/y LNG supply change by country (mt)



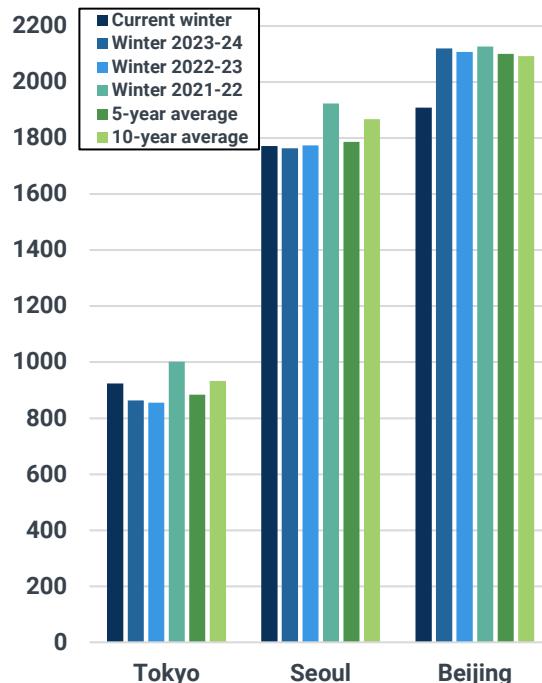
Source: Kpler

Beijing witnessed its mildest winter on record, weighing on gas demand

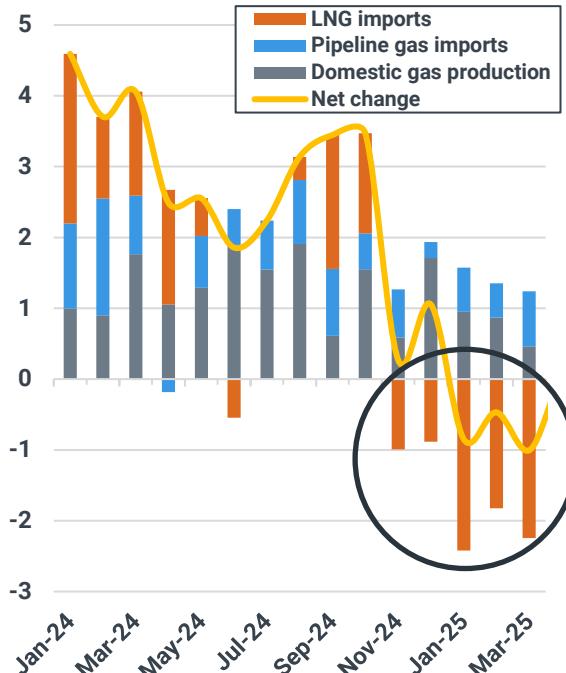
High nuclear generation Japan and Korea also kept a lid on gas for power demand

6

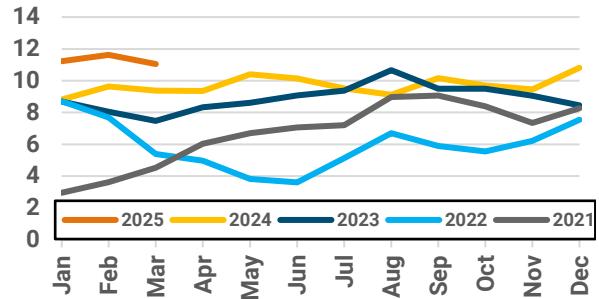
HDDs for major cities in Asia



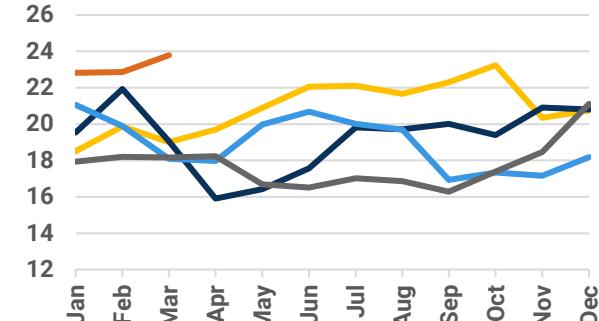
y/y change in sources of China's gas supply (bcm)



Japan nuclear availability (GW)



South Korea nuclear availability (GW)



Source: Kpler Insight. Data represents HDDs at 15°C threshold for the period 1 October-31 March.

Source: China Customs, Kpler Insight

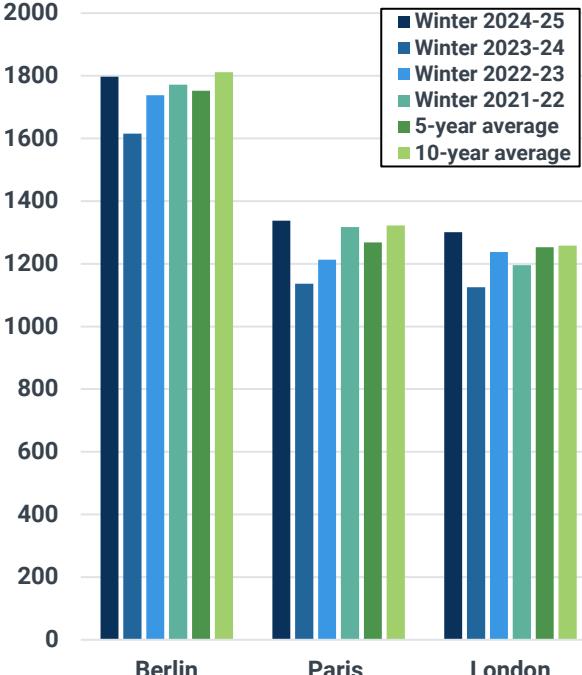
Source: METI, Kesis, Kpler Insight

EU-27 gas demand rose by 8% winter-on-winter

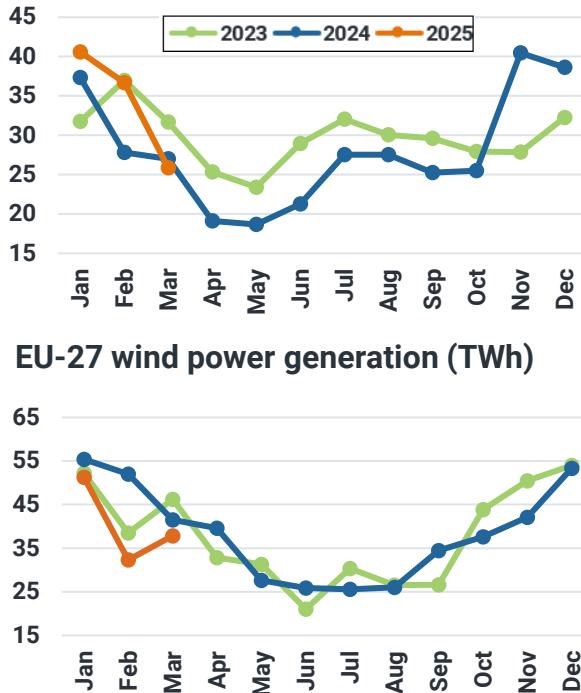
Low temperatures and underperforming wind generation played a role at a time when Russian supply took another hit

7

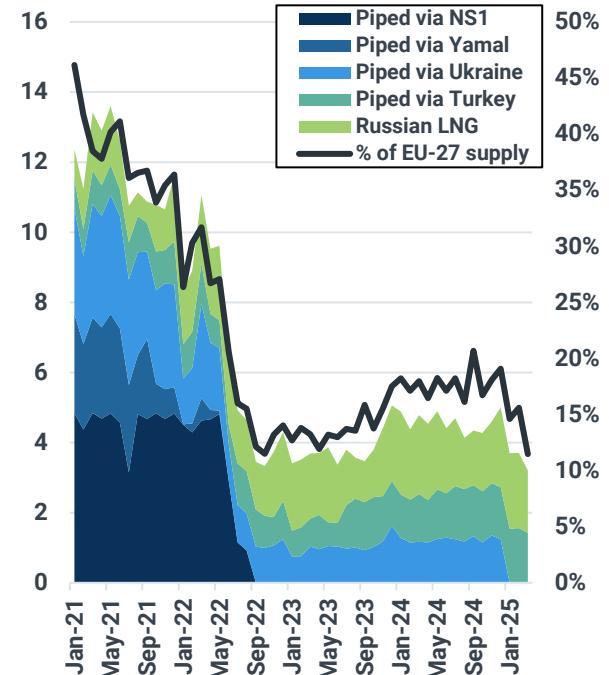
HDDs for major cities in Europe



EU-27 gas-fired power generation (TWh)



Russian gas deliveries to EU-27 (bcm)



Source: degreedays.net, Kpler Insight. Data represents HDDs at 15°C threshold for the period 1 October-31 March.

Source: Kpler Power

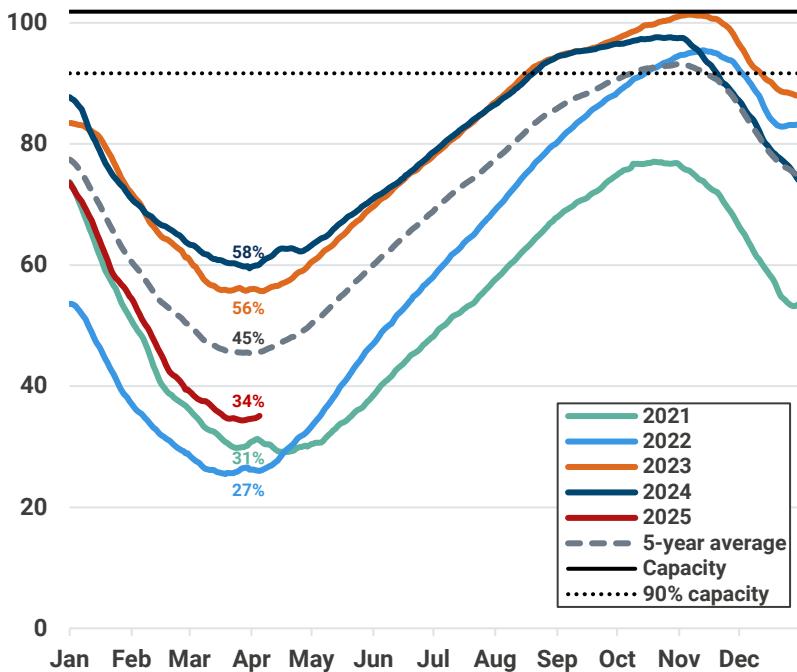
Source: ENTSOG, Kpler

EU-27 underground gas stocks ended winter 11% below the 5-year average

The race is now on to rebuild Europe's inventories in time for next winter

8

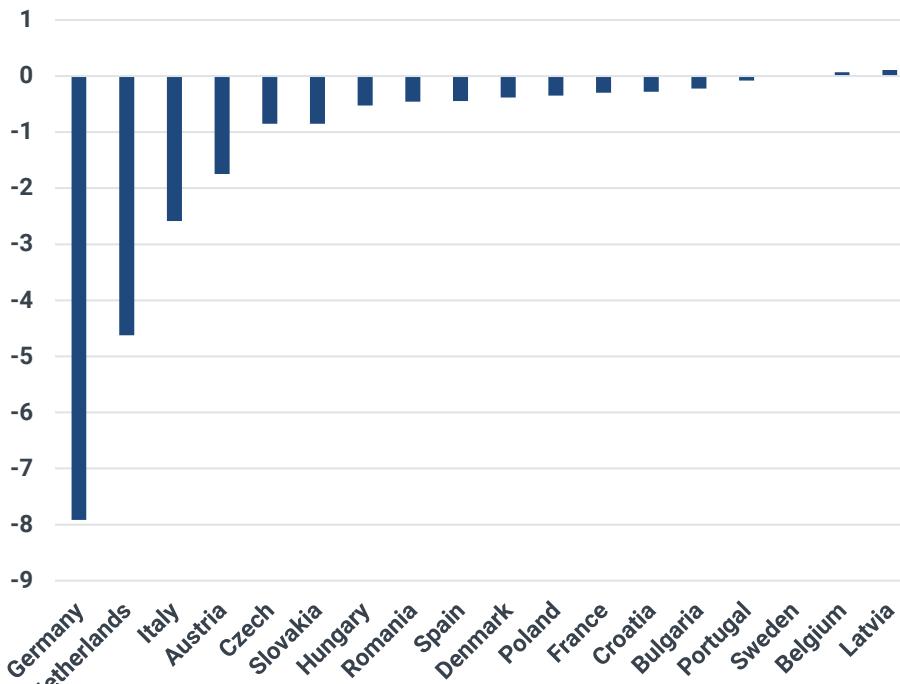
EU-27 underground natural gas inventories (bcm)



Source: GIE

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31 March 2025 fill rates by country vs 5-year average (bcm)

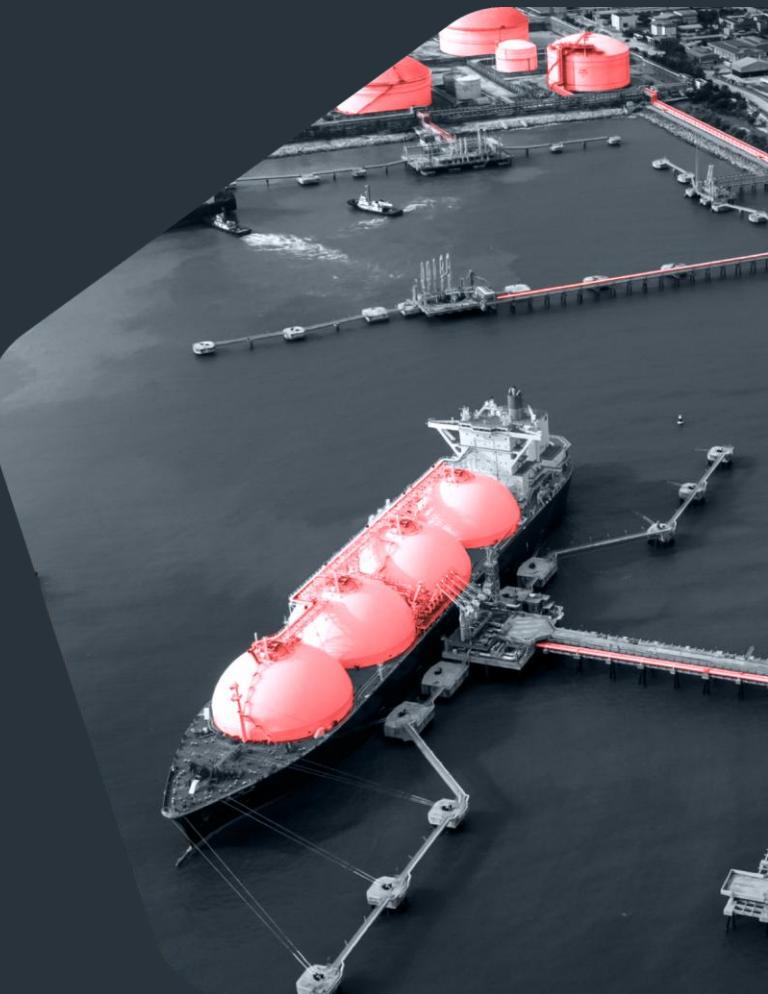


Source: GIE



Summer 2025: LNG supply

North America unleashes new supply pool

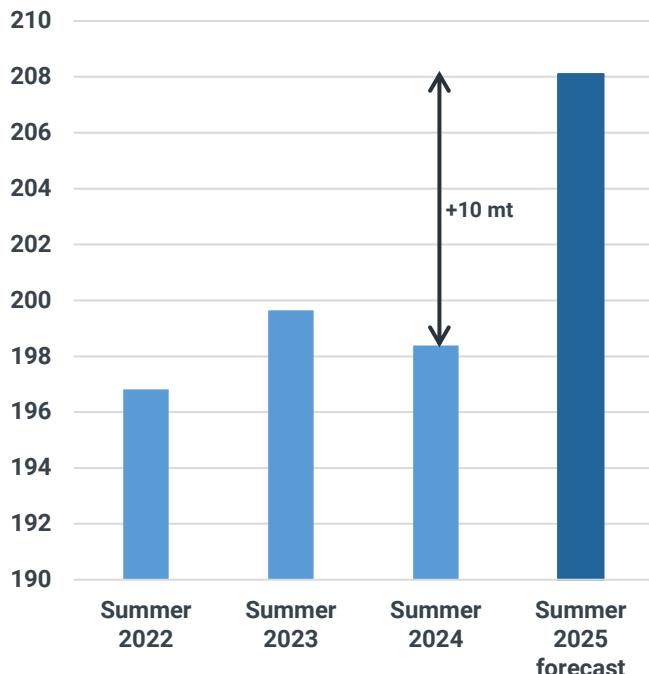


Global LNG supply to increase by nearly 10 mt y/y to 208 mt this summer

10

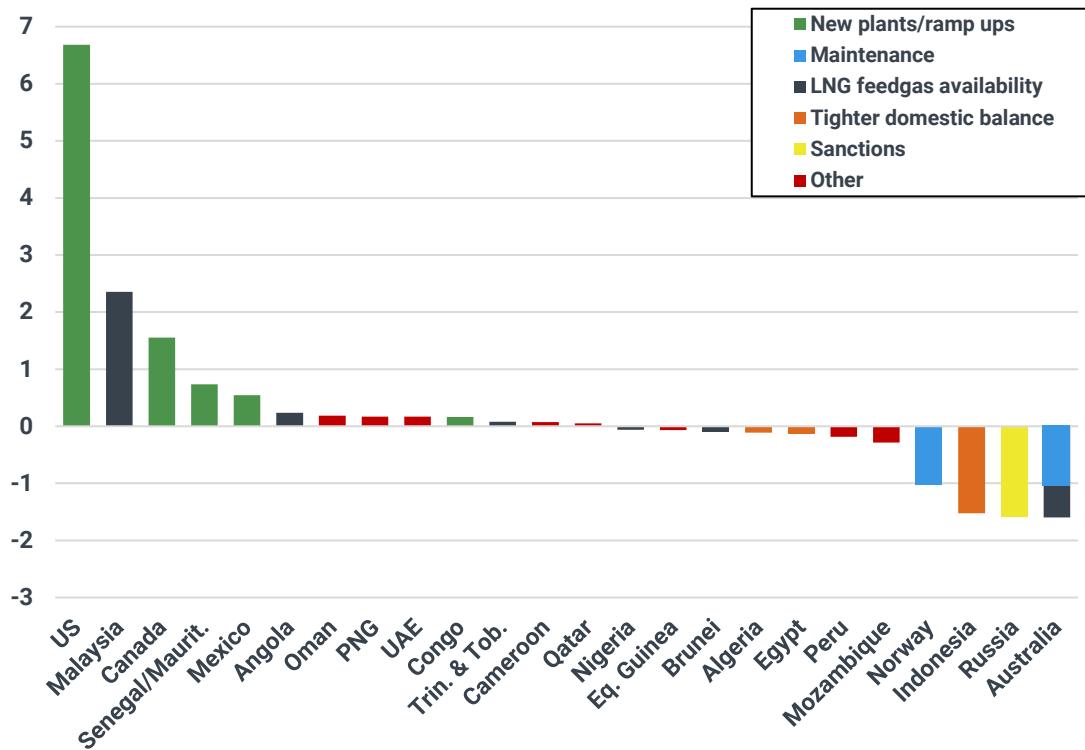
LNG output set to materially increase amid liquefaction project start-ups

Global LNG exports over April-September (mt)



Source: Kpler, Kpler Insight

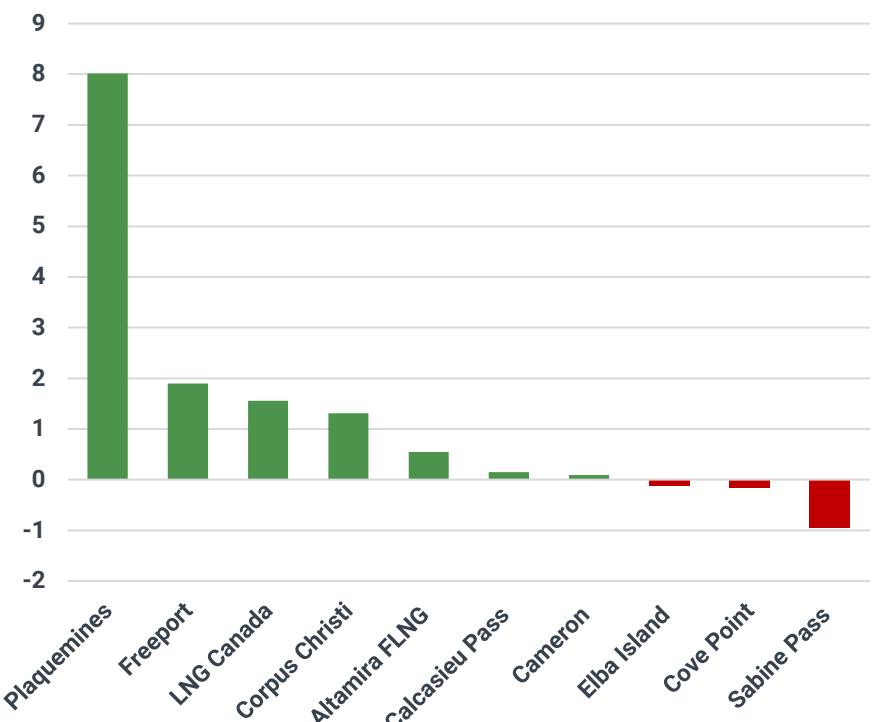
Summer y/y LNG supply change by country and key drivers (mt)



North America to drive LNG supply growth as new projects ramp up

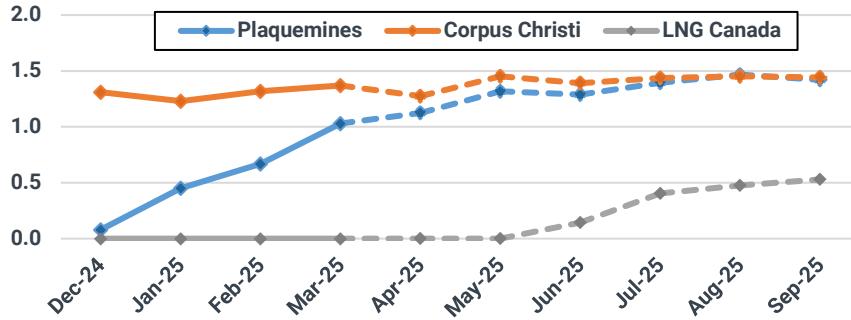
Plaquemines phase 1, Corpus Christi phase 3 and LNG Canada T1 support summer supply growth

North America y/y LNG supply change this summer (mt)

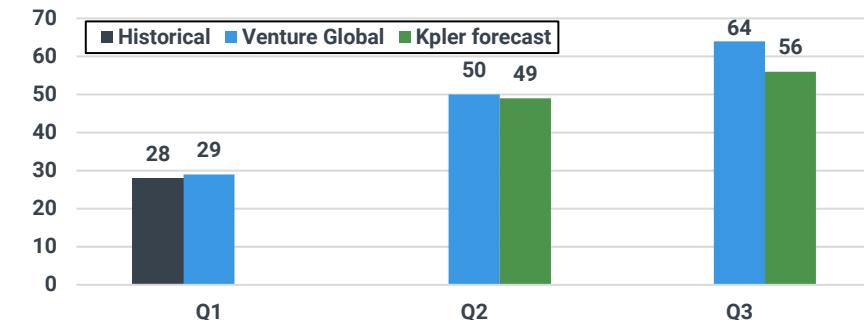


Source: Kpler Insight

Supply profile for new liquefaction plants (mt)



Plaquemines LNG output forecast (number of cargoes)



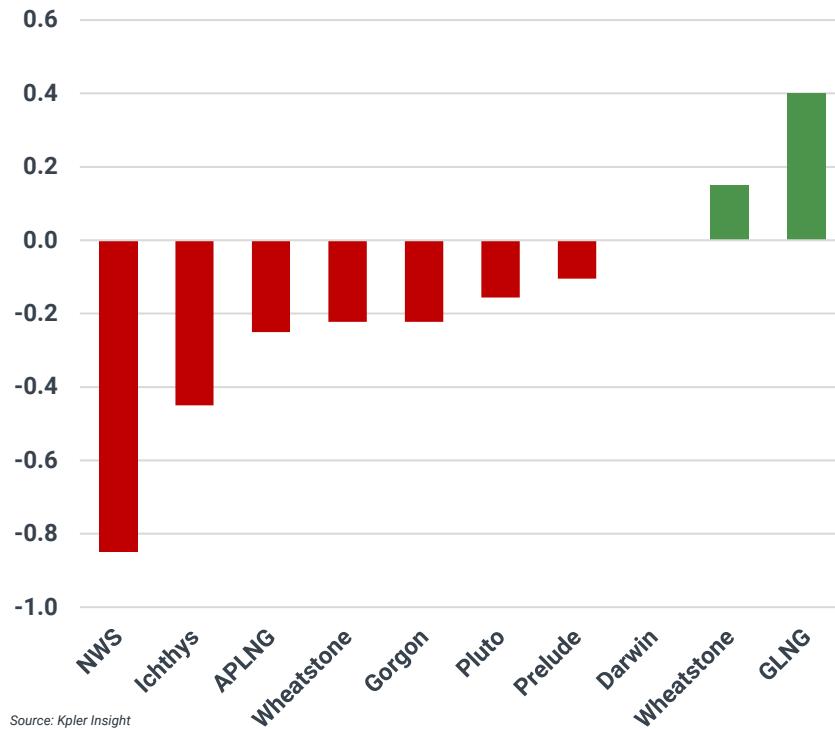
Source: Kpler Insight, Venture Global

Australia and Russia to witness the steepest declines this summer

12

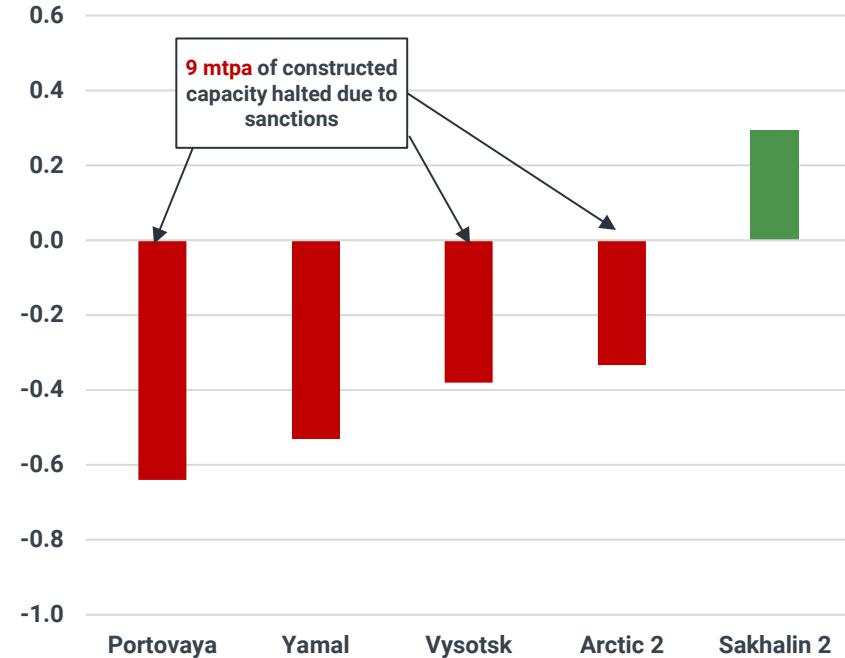
Feedgas declines and maintenance affect Australia supply; sanctions and maintenance knock Russian exports

Australia y/y LNG supply change this summer (mt)



Source: Kpler Insight

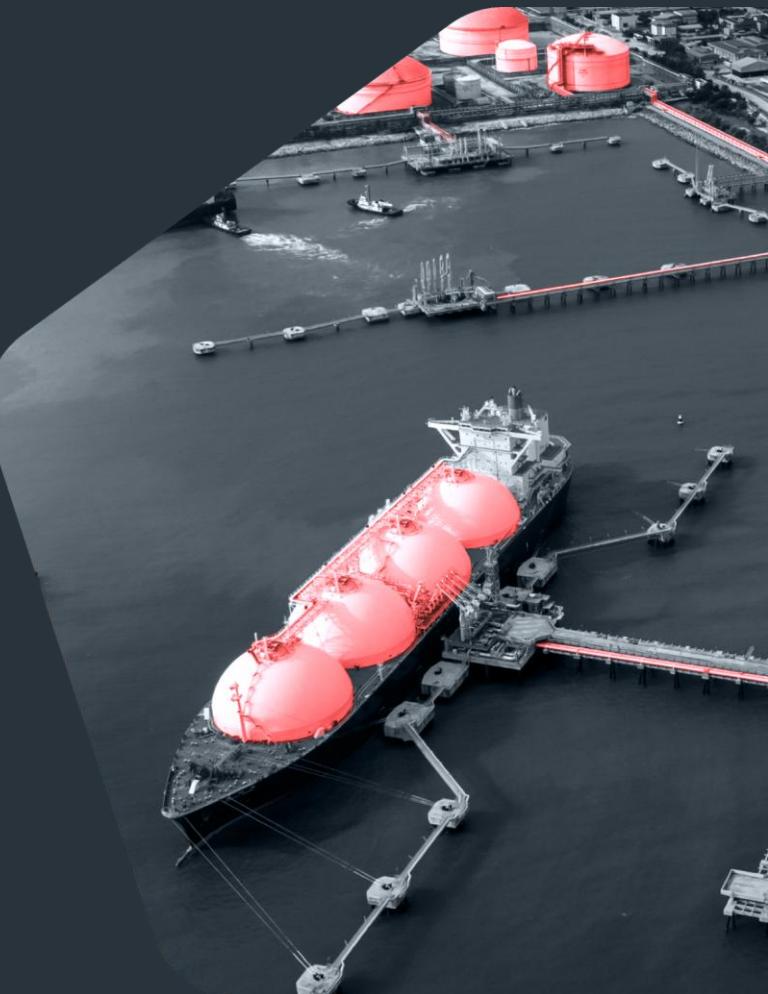
Russia y/y LNG supply change this summer (mt)



Source: Kpler Insight

Summer 2025: LNG demand

Europe drives summer LNG demand growth

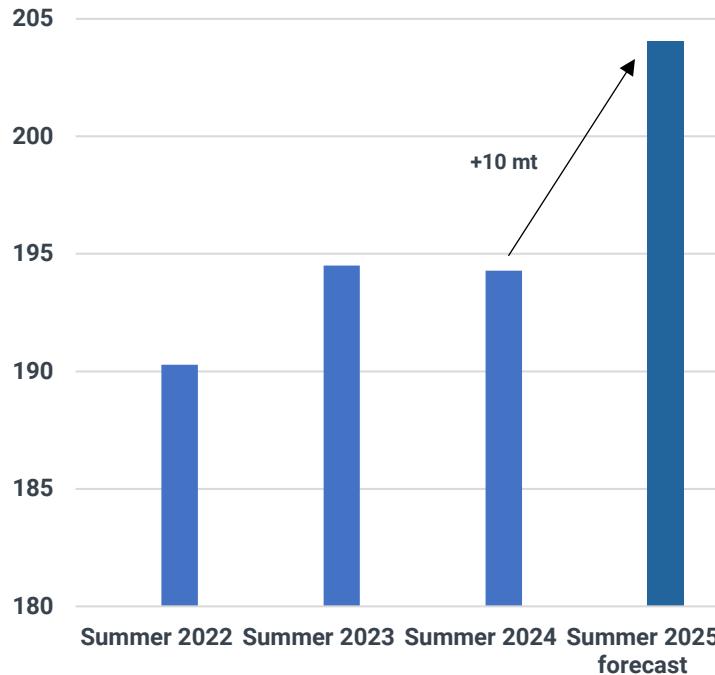


Global LNG demand to increase by 10 mt this summer

Europe drives summer demand growth with 9.6 Mt y/y increase driven by high injection requirements

14

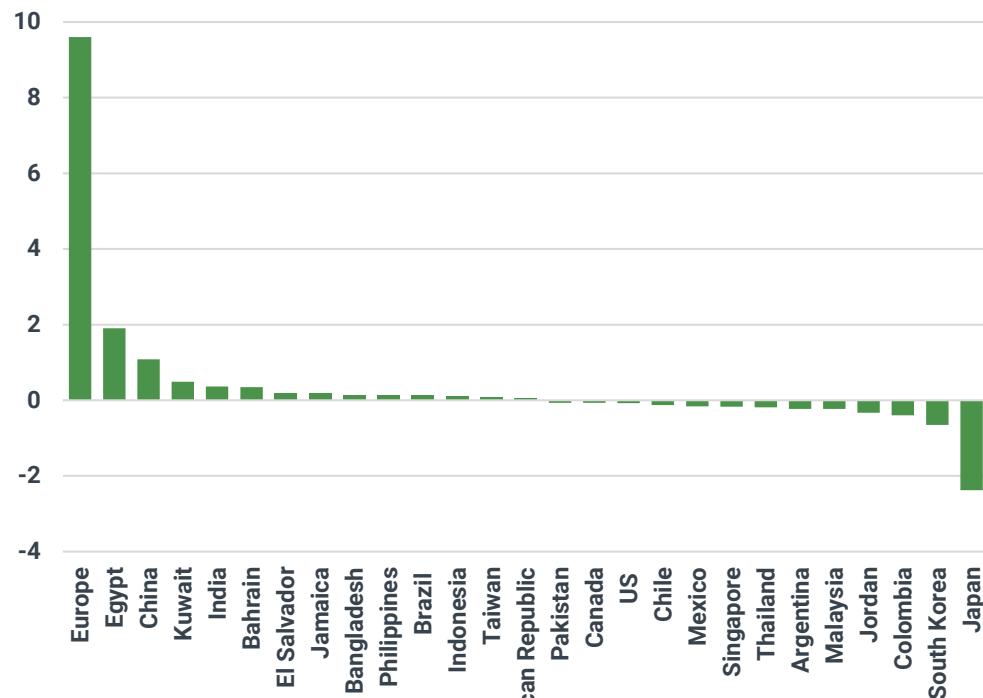
Global LNG demand over April to September (mt)



Source: Kpler Insight

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Summer 2025 y/y LNG demand change by country (mt)



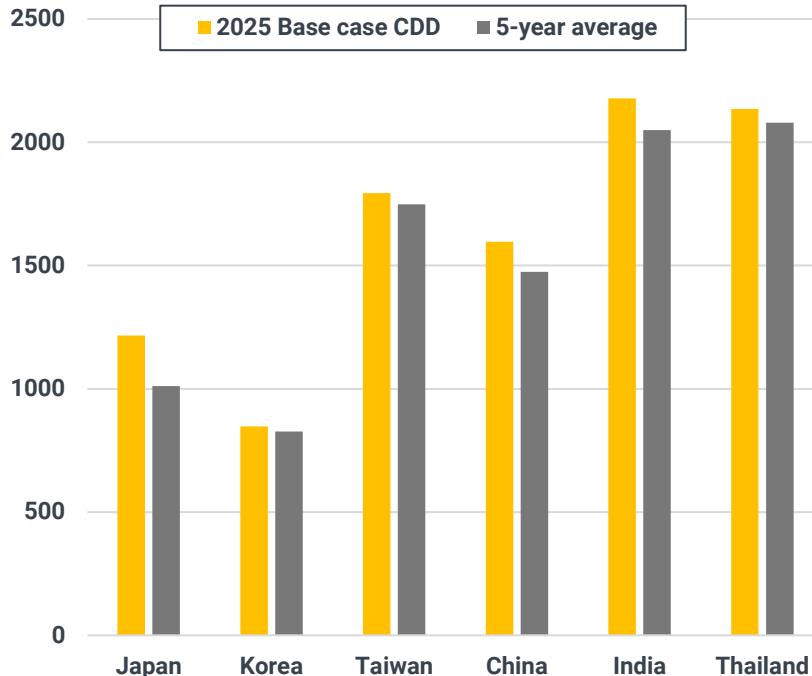
Source: Kpler Insight

Asia is expected to experience a warmer-than-average summer

2025 base case CDDs exceed 5-year average across major markets, with China remaining the top summer importer

15

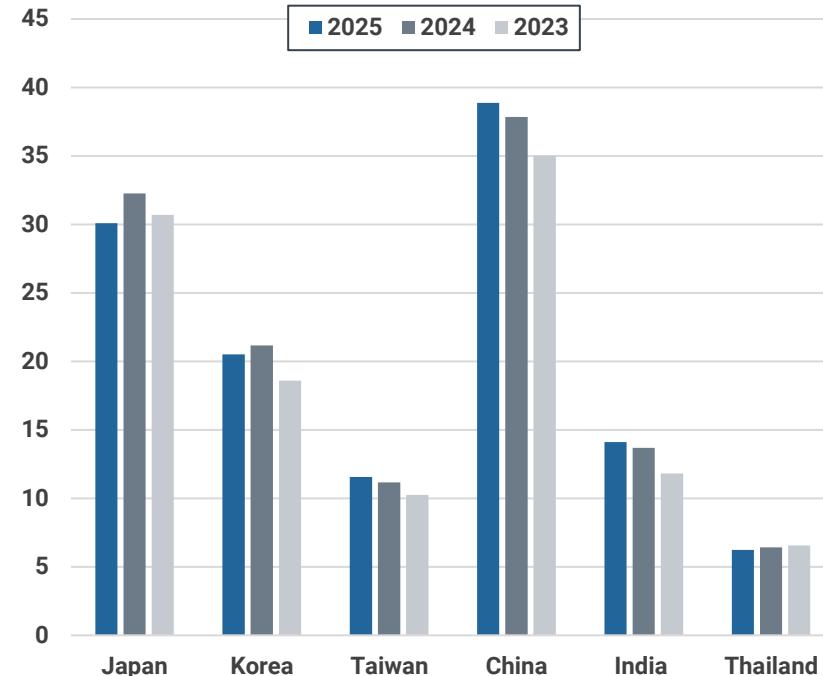
2025 summer base case CDD vs 5-year average summer CDD by country



Source: Kpler Insight

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Summer LNG demand by country (mt)



Source: Kpler Insight

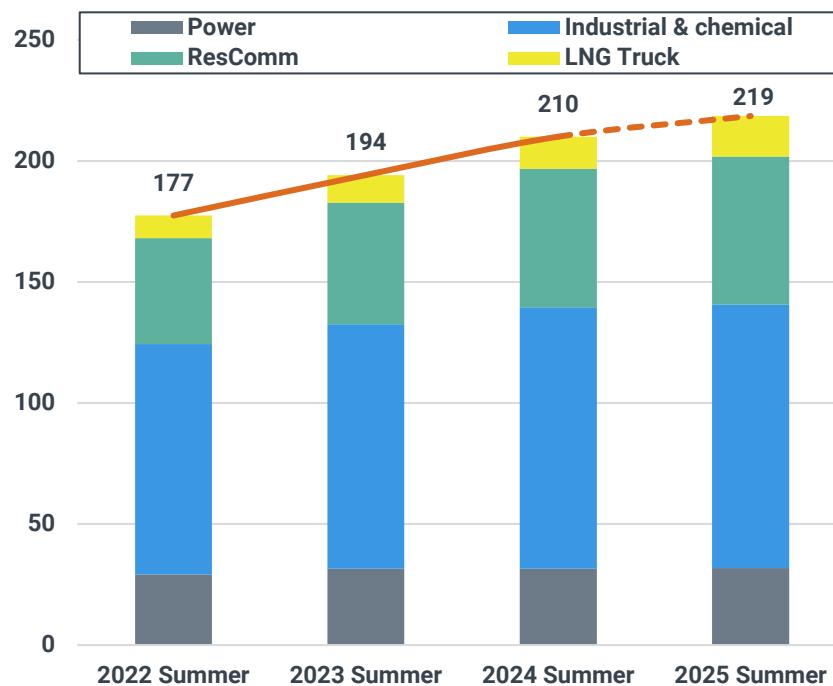
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China gas demand expected to grow by 9 bcm this summer to 219 bcm

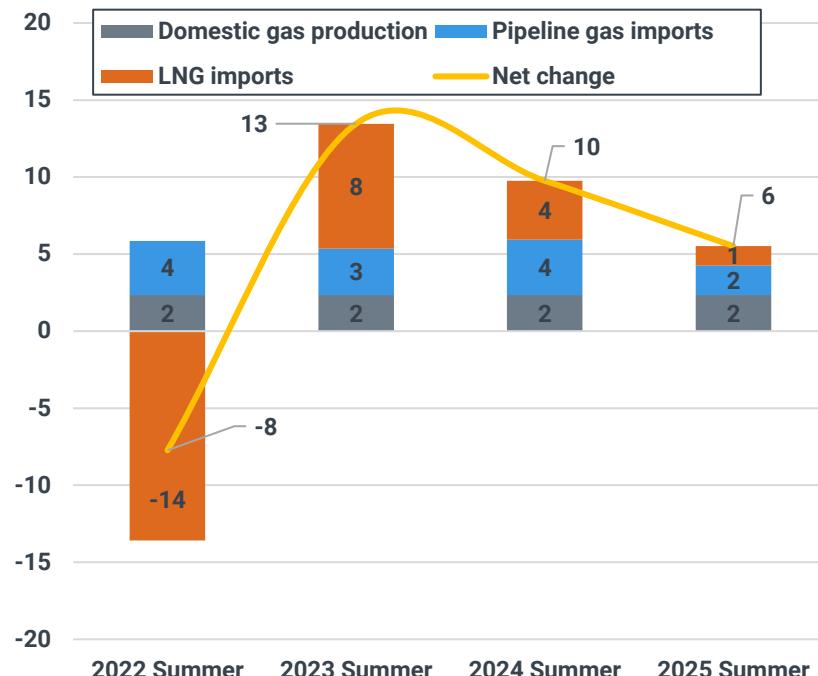
Gas demand growth is expected to slow this summer due to tepid industrial & chemical demand

16

China gas demand by sector change over summer (bcm)



China gas supply change over summer (bcm)



Source: NDRC, NBS, CEC, NEA, CVWorld, Kpler Insight

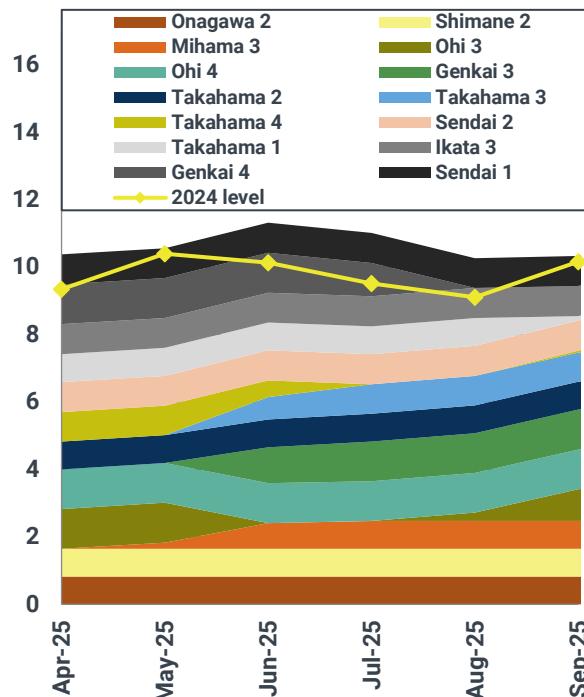
Note: Gas demand growth doesn't balance with gas supply change due to balancing factors in our model

JKT summer demand expected to be lower by around 3 mt y/y

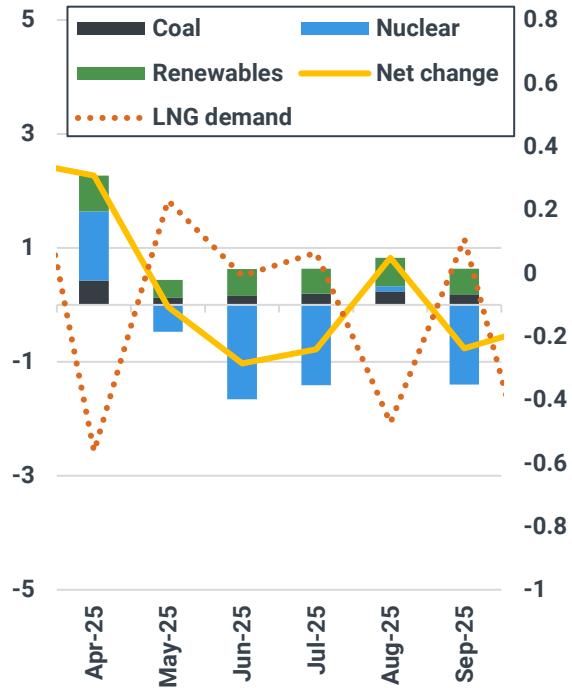
Driven lower by higher nuclear availability in Japan, coal and renewable generation in Korea and some upside in Taiwan

17

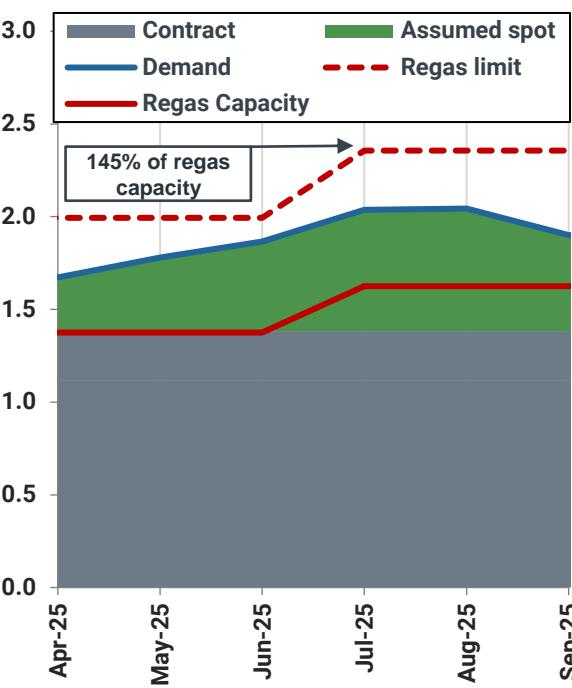
Japan summer nuclear availability (GW)



Korea summer coal / renewable generation growth (TWh, mt)



Taiwan summer regasification capacity vs. LNG demand (mt)



Source: JJKS, Kpler Insight

Source: KESIS, EPSIS, Kpler Insight

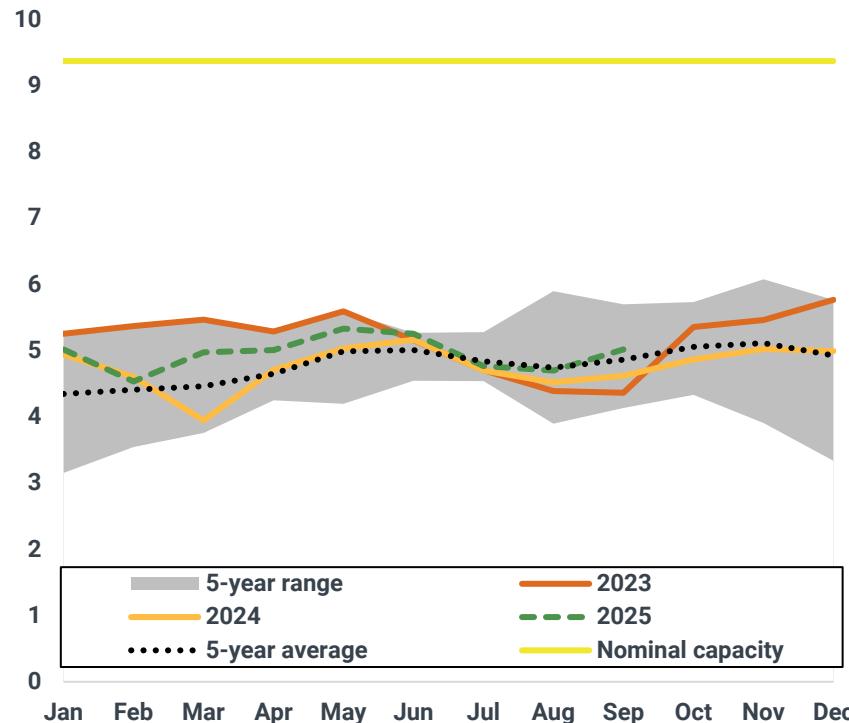
Source: MOEA, Kpler Insight

Restocking in Japan and Korea expected to continue into May-June

Japan maintains stable restocking via mostly term contracts; South Korea follows Asian spot price trends.

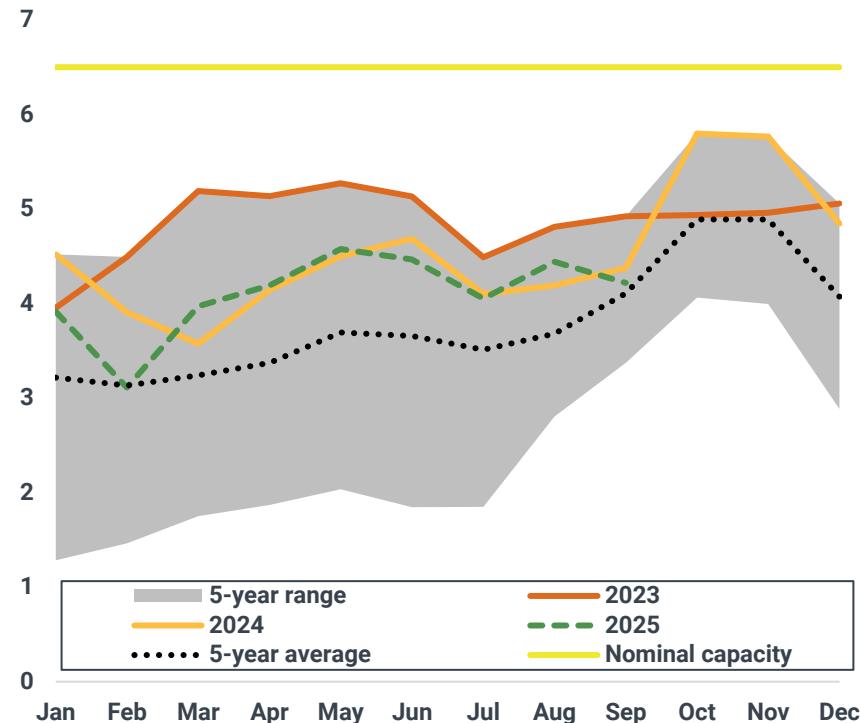
18

Implied Japan LNG inventory forecast (mt)



Source: METI, Kpler Insight

Implied South Korea LNG inventory forecast (mt)



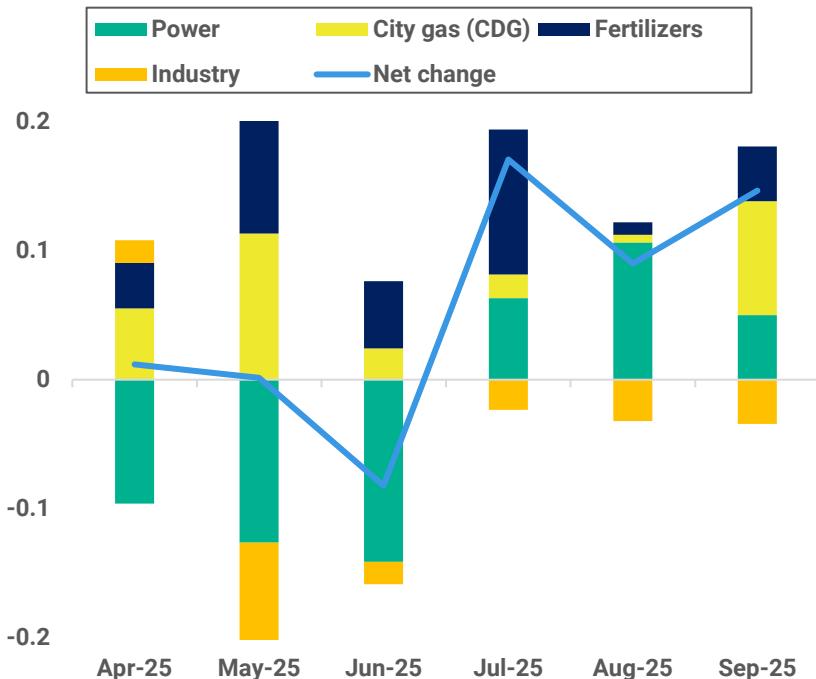
Source: Kesis, Kpler Insight

India lifts LNG imports by 0.3 mt this summer y/y, Thailand slips

19

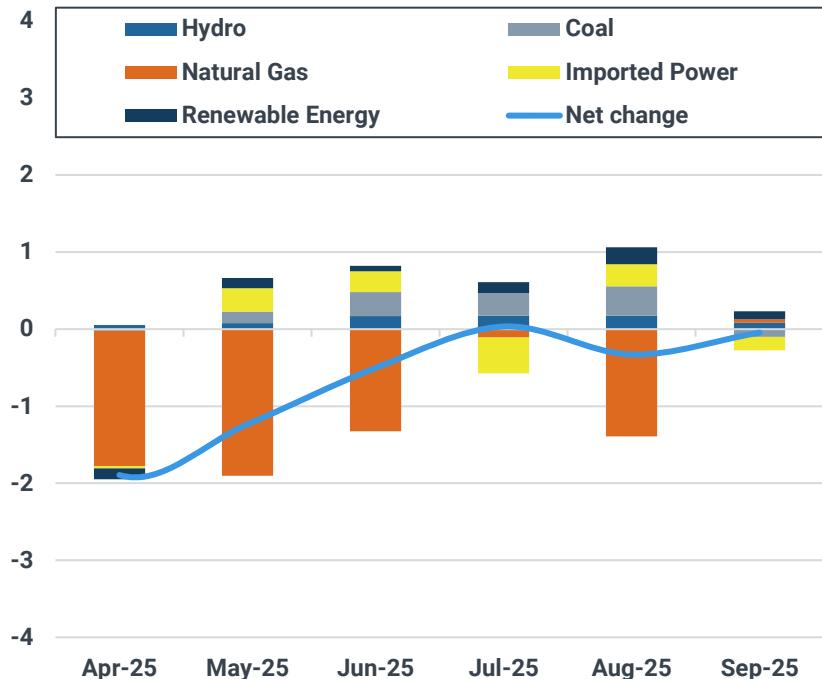
Higher temperature expectations in India and lower expectations in Thailand

India summer sectoral LNG demand y/y (mt)



Source: PPAC, Kpler Insight

Thailand summer power generation y/y (TWh)



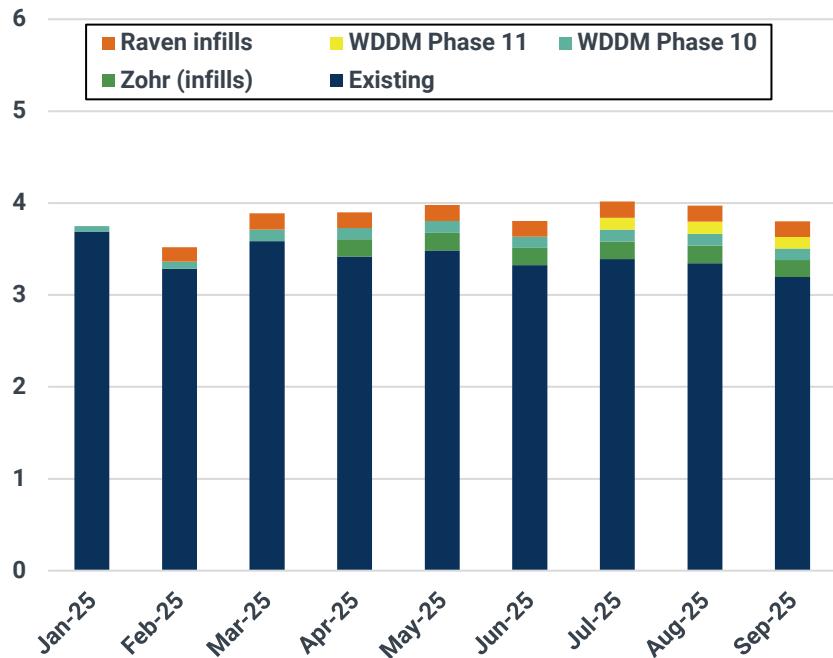
Source: EPPO, Kpler Insight

Egypt adding additional regasification capacity to ensure adequate supply

20

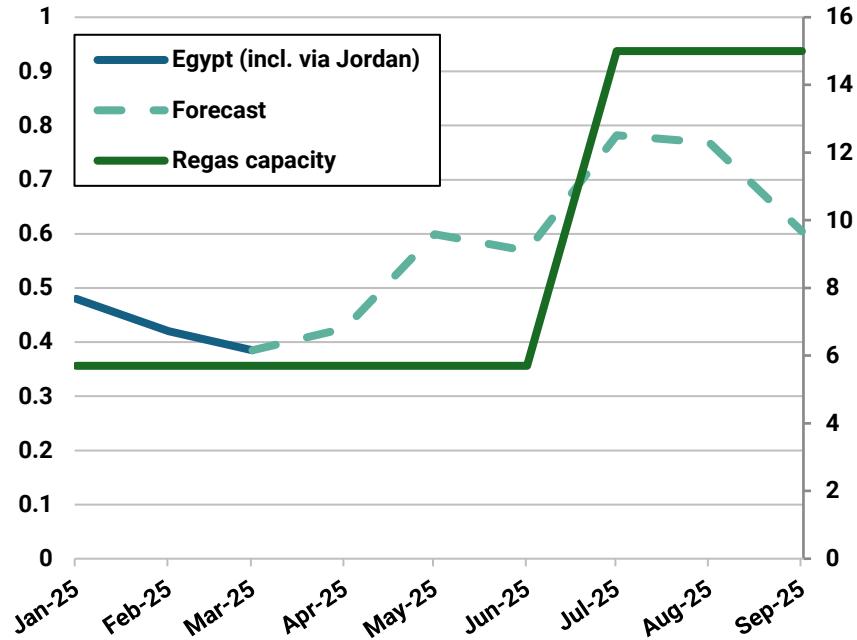
New drilling activities will help stability production, but Egypt is still expected to import 3.8 mt of LNG this summer

Egyptian production forecast (bcf/d)



Source: Kpler Insight

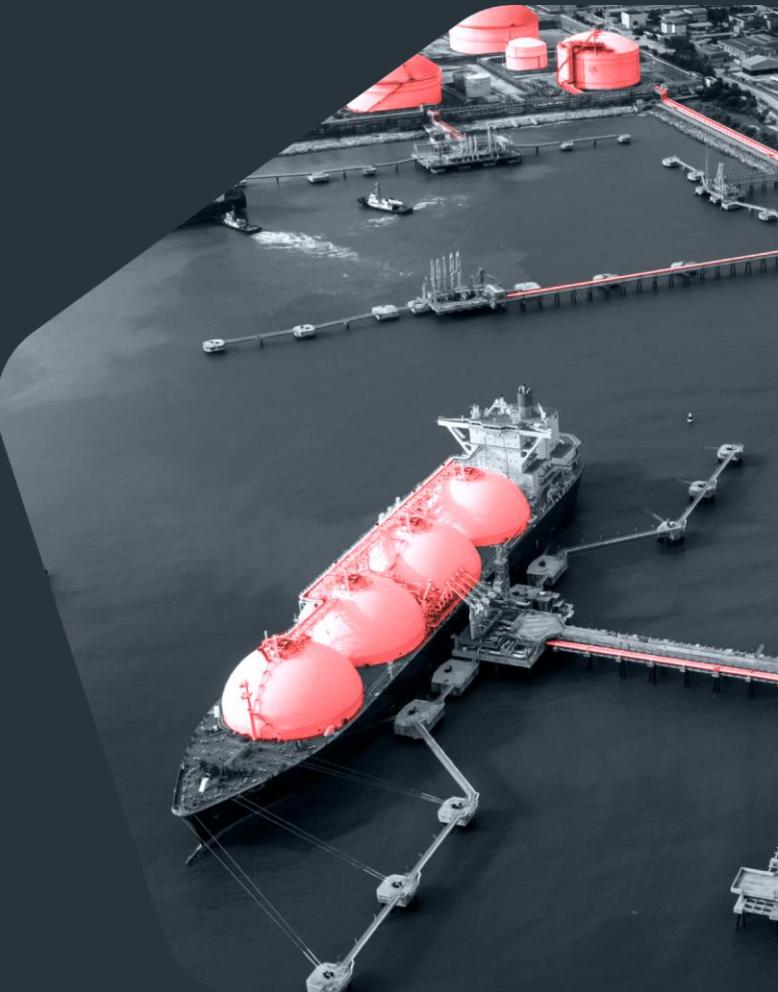
LNG demand forecast (left, mt) vs regas capacity (right, mtpa)



Source: Kpler Insight

Summer 2025: European gas

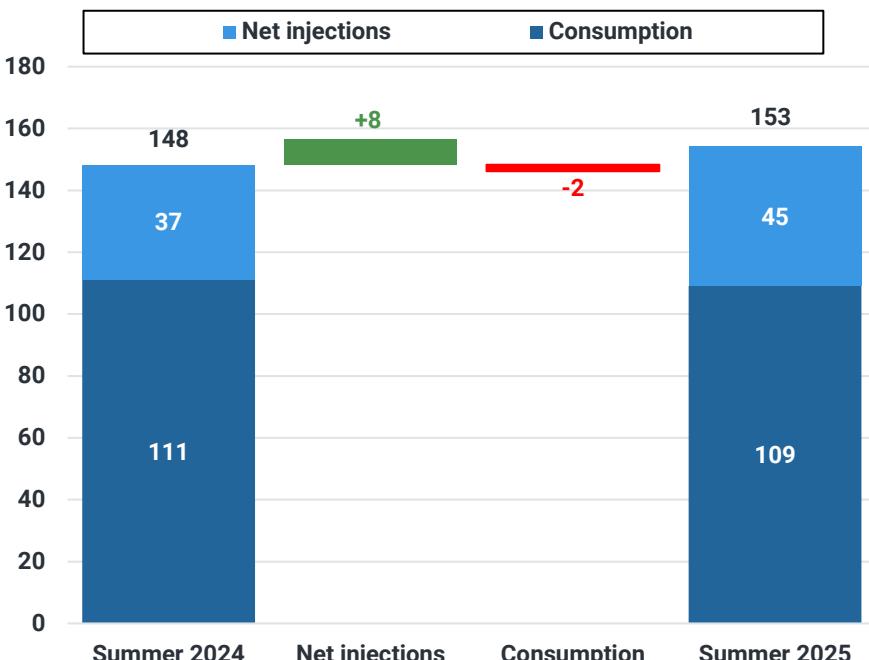
Tighter balance despite additional LNG supply and increased flexibility



EU LNG imports will play a pivotal role during summer

They will help offset the loss of pipeline supply and higher injection needs

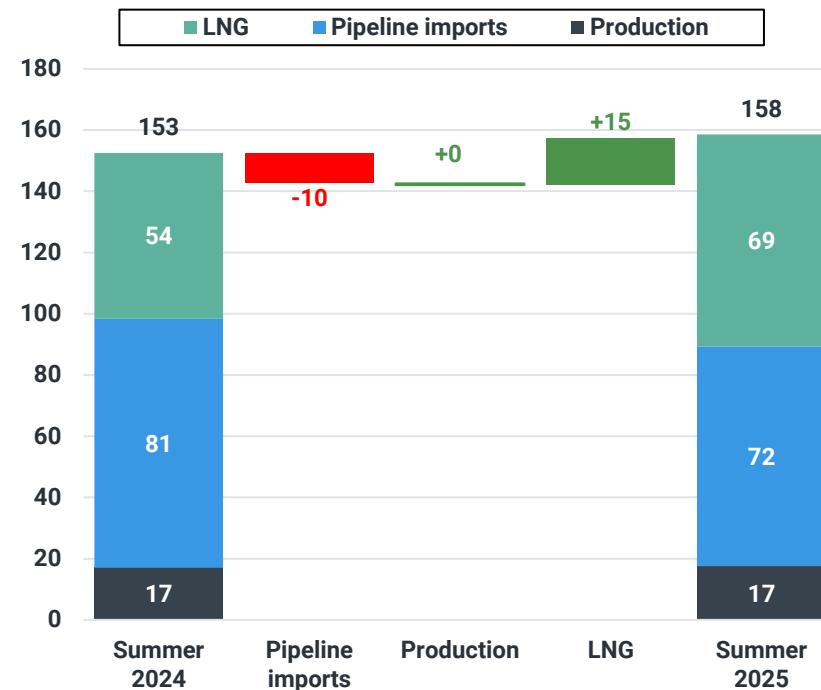
Y/y change in EU aggregate demand* this summer (bcm)



Source: Kpler Insight.

*Differences between aggregate supply & demand are accounted for through a balancing factor

Y/y change in EU aggregate supply* this summer (bcm)

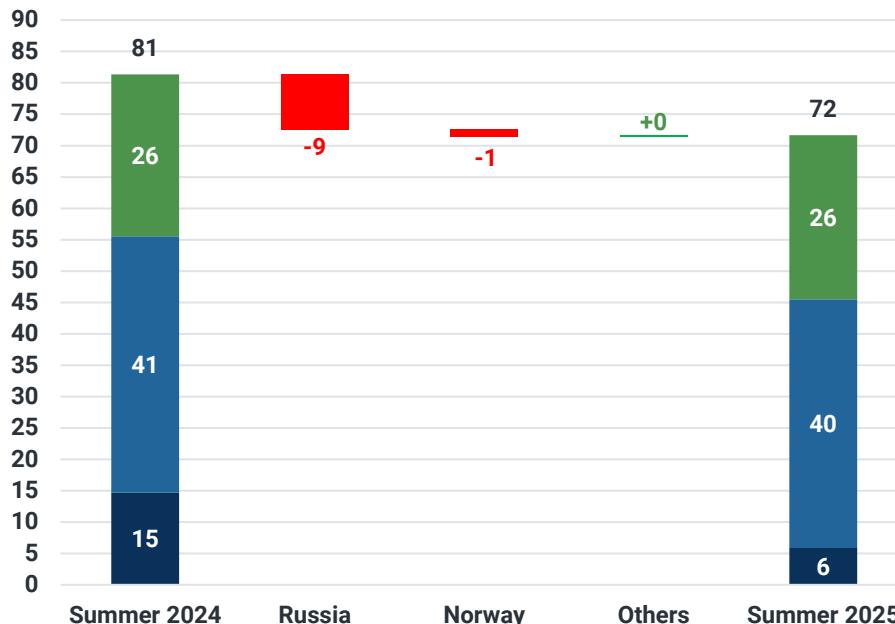


Source: Kpler Insight.

EU net pipeline imports are lower y/y

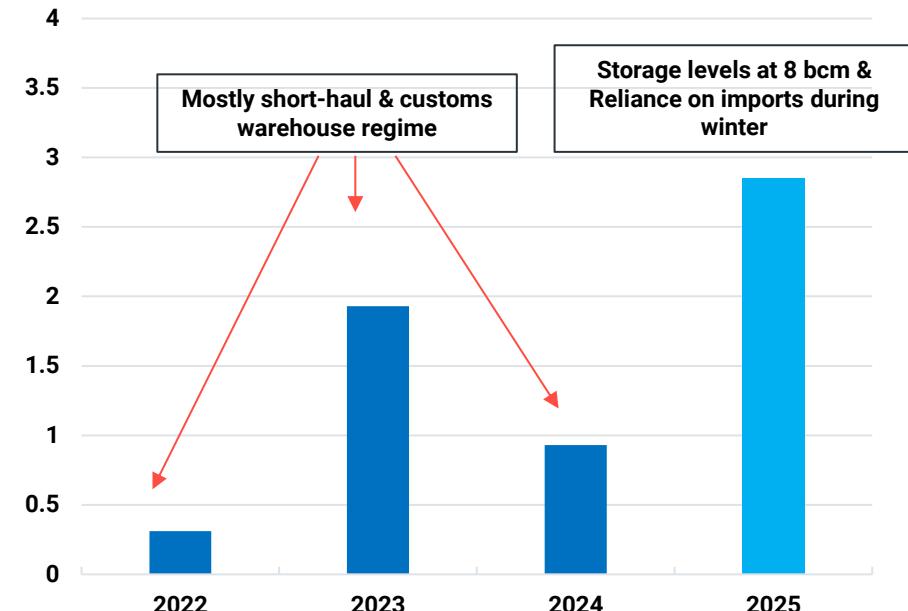
The loss of Russian gas supply via Ukraine is only part of the story

Y/y change in EU net pipeline supply this summer (bcm)



Source: ENTSOG, Kpler Insight

EU pipeline exports to Ukraine this summer (bcm)

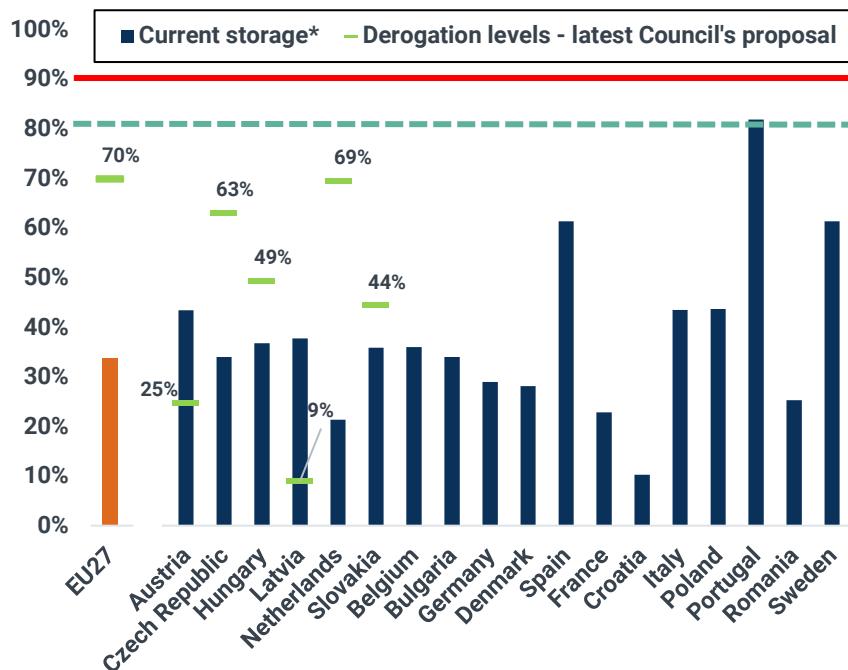


Source: ENTSOG, Kpler Insight

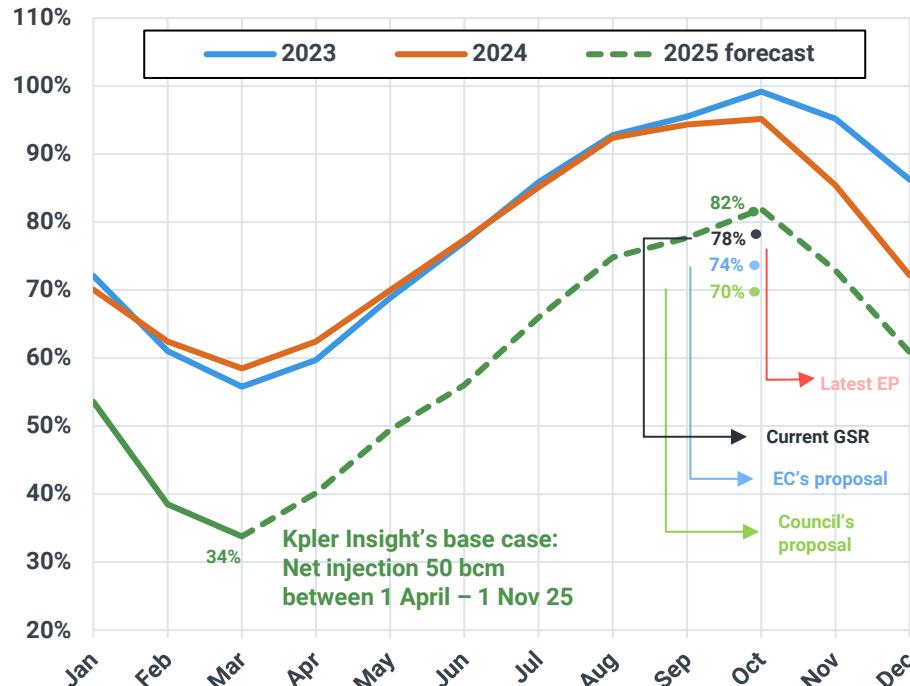
Increased flexibility around filling targets will drive injections

EU-level refilling targets could reach as low as 70% by 1 Nov in the event of unfavourable market conditions

Council's proposal on EU gas storage targets (%)



EU-27 underground gas storage levels, including forecast (%)



Source: GIE, Council of the European Union, Kpler Insight

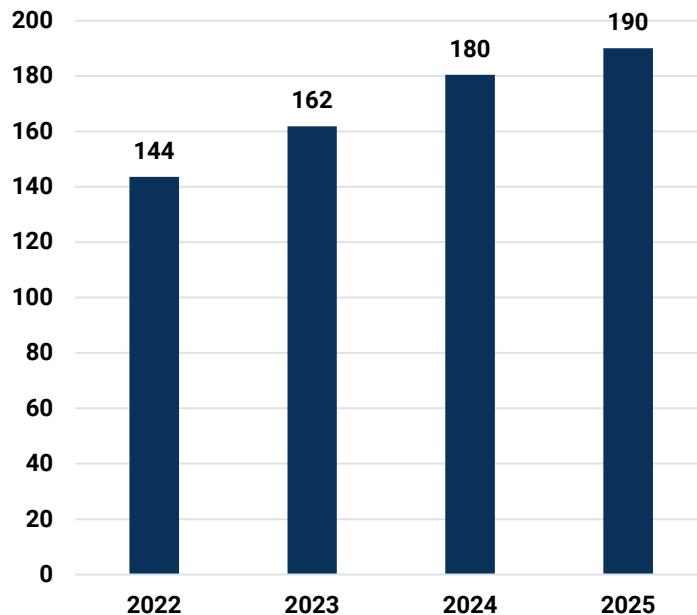
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Despite higher LNG imports, risks of bottlenecking remain limited

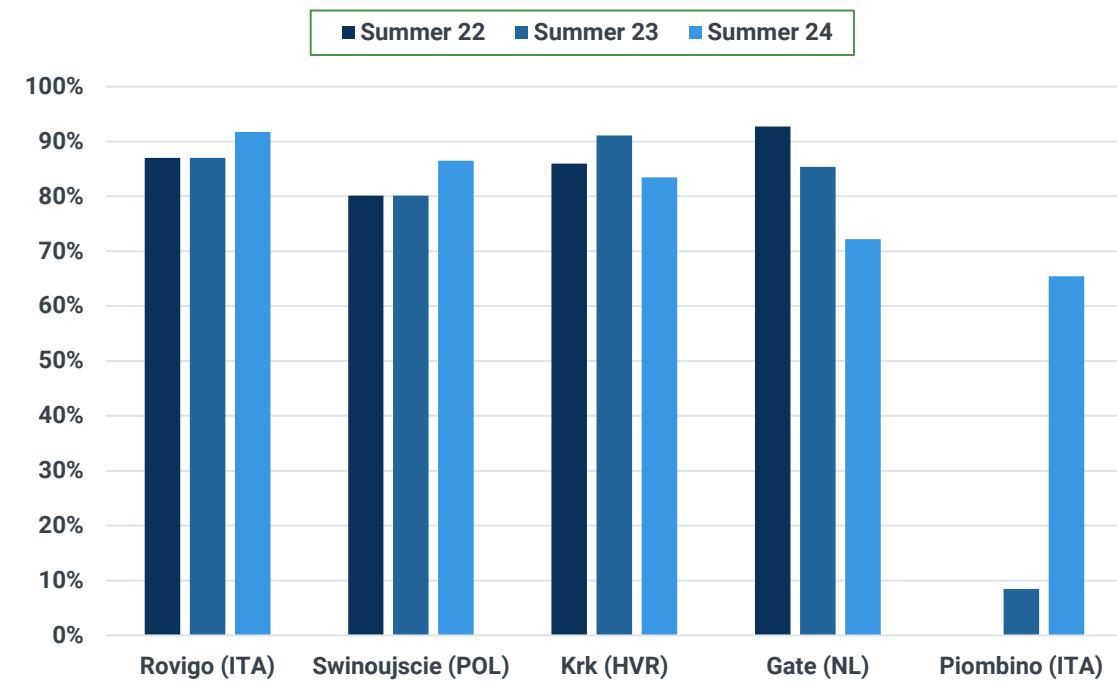
Terminal expansions and new regasification capacity have provided the EU with increased flexibility

25

EU LNG regasification capacity* (mtpa)



Average utilization rate in selected EU regasification terminals (%)

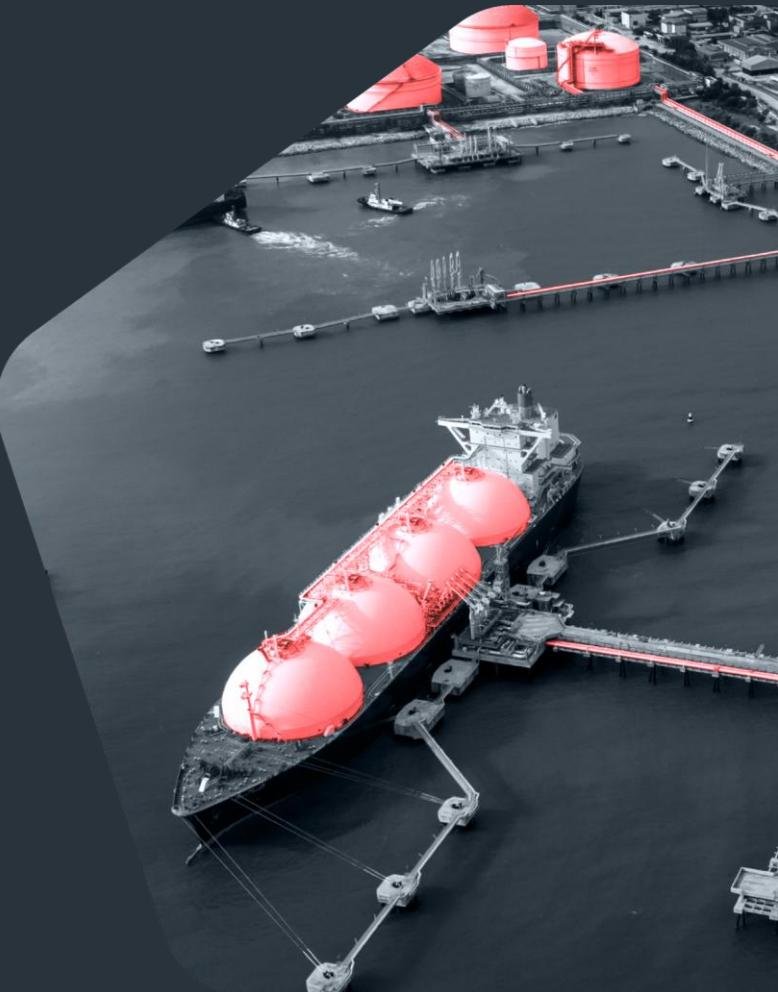


* Includes active, in construction, and planned capacity for 2025. Cyprus is omitted. Source: Kpler

Source: ENTSOG, GIE, Kpler

Summer 2025: Risks

Tariffs, geopolitics and weather pose major risks to the market balance



Key risks to the base case market balance

Tariffs, geopolitics and weather pose major risks to the market balance

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Key **bearish** ▼ risks to the market balance

Russian pipeline gas/LNG comeback

Pipeline gas supply: +6 bcm
LNG supply: +5 mt

Tariffs and downgrades to global gas demand

Asian LNG demand decrease: -3.6 mt

Faster ramp up at US' Plaquemines

+0.7 mt of LNG supply

Key **bullish** ▲ risks to the market balance

Higher Ukraine import needs

Pipeline gas supply: -3 bcm

Unplanned outages/LNG Canada delay

3-month LNG Canada delay:
-1.4 mt of LNG supply

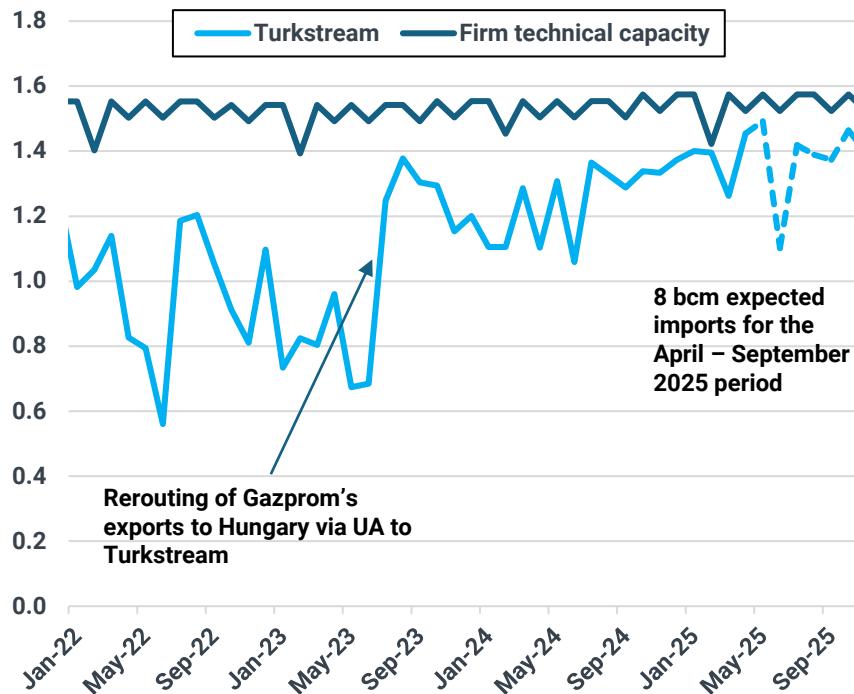
Hottest summer on record

Asian LNG demand increase: +0.7 mt

A comeback of Russian gas supply via Ukraine is unlikely in the short-term

But if it happened, it could provide relief to the CEE region

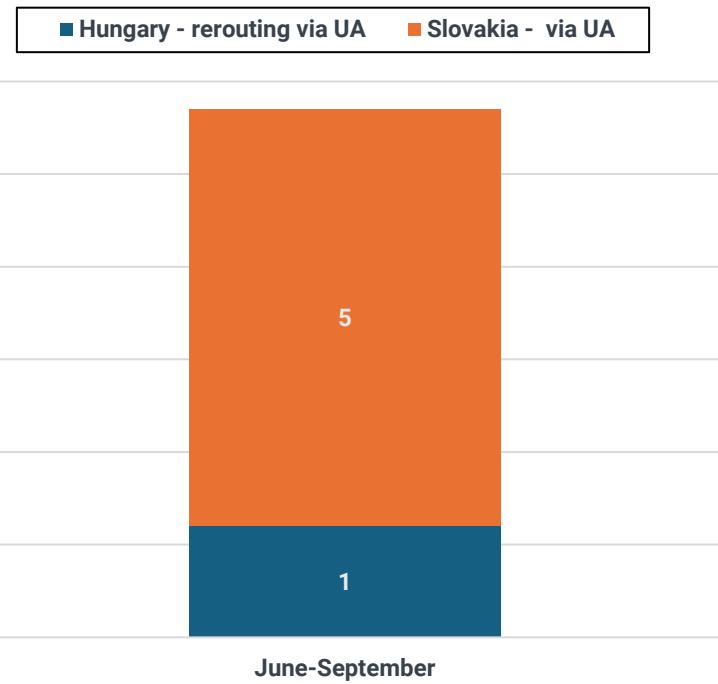
Monthly Turkstream flows to the EU - base case (bcm)



Source: Kpler Insight, ENTSOG

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Potential supply gains via Ukraine this summer (bcm)

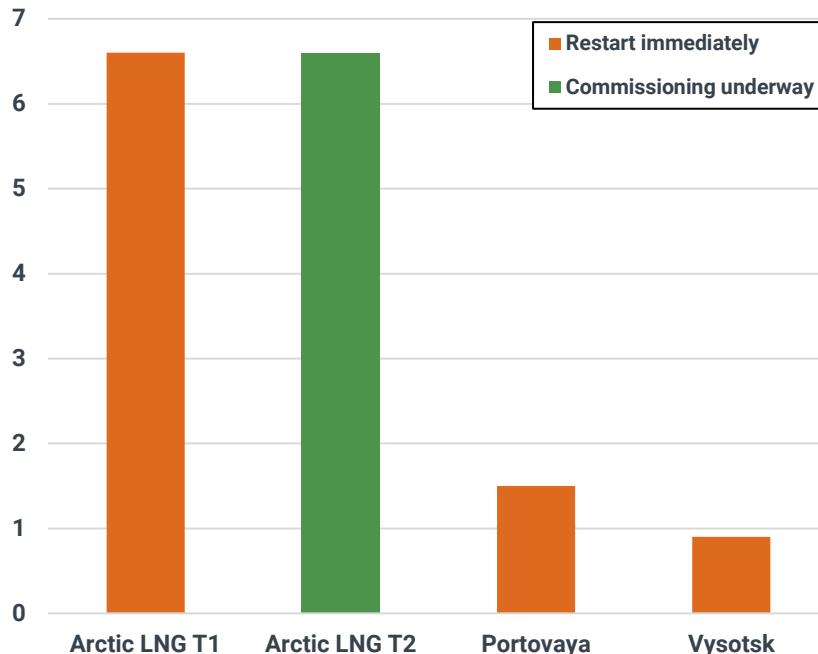


Source: ENTSOG, Kpler Insight

An easing of US sanctions would revive idled Russian LNG plants

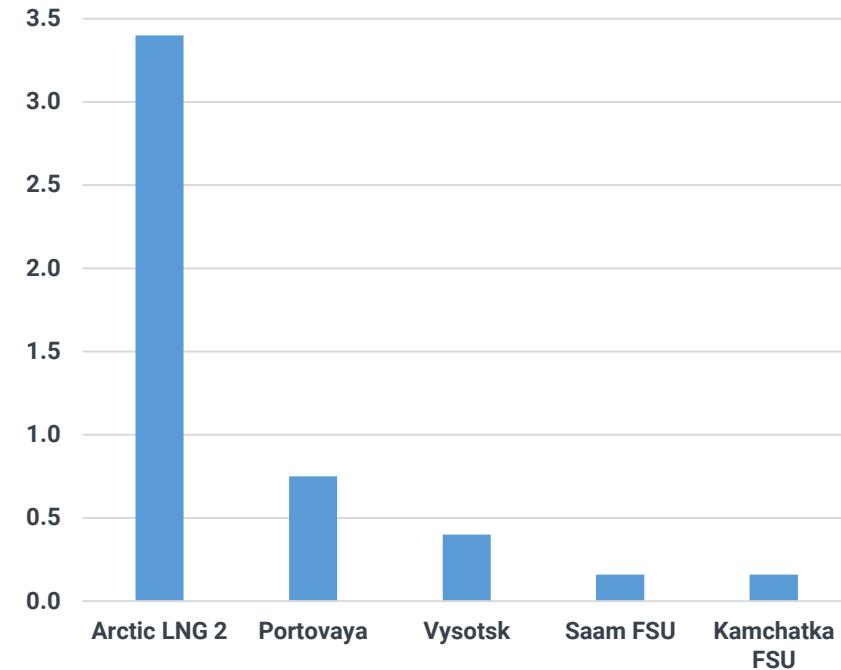
Arctic LNG 2, Portovaya, Vysotsk and Novatek's 2 FSU could supply up to 5 mt more LNG if sanctions are dropped soon

Sanctioned plant restart candidates by capacity (mtpa)



Source: Kpler Insight

Upside scenario for Russian LNG supply this summer (mt)



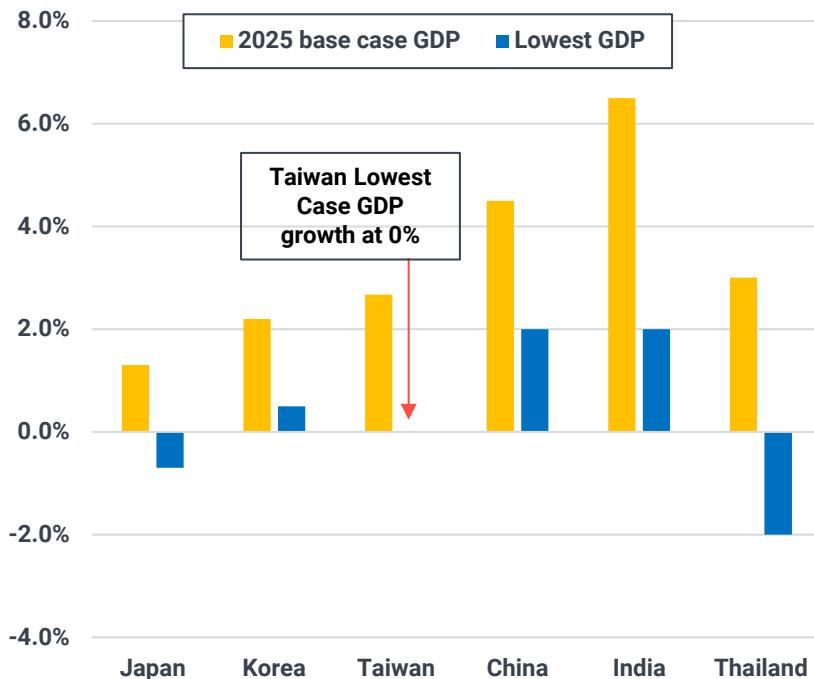
Source: Kpler Insight. Upside scenario assumes sanctions are dropped imminently. Assumes Arctic LNG 2 commissioned by Q3 2025.

Tariffs and weak GDP may cut ~4 mt from base summer Asian LNG demand

~50% of the total LNG demand reduction stems from China, with the non-power sector absorbing most of the impact

30

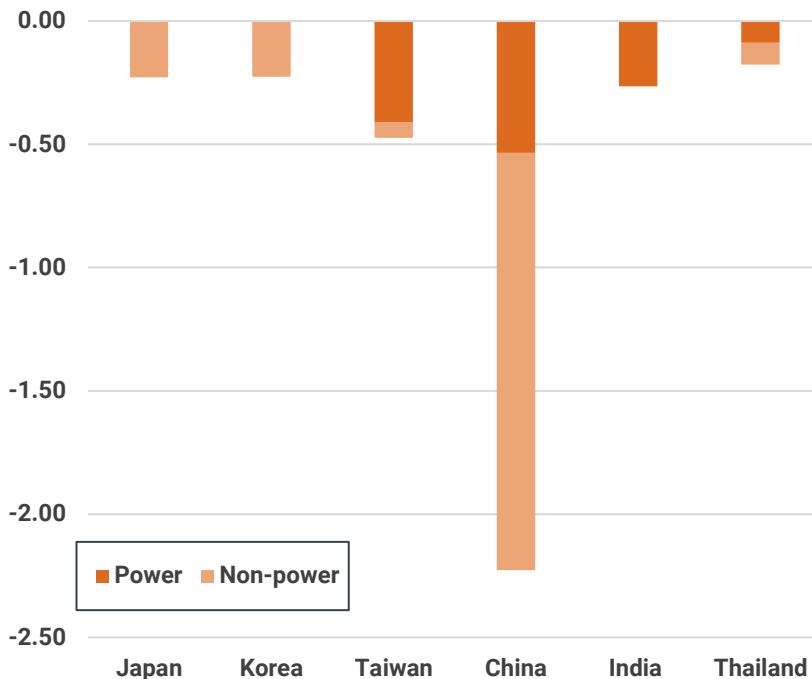
GDP inputs scenarios – Base Case vs Lowest Case (%)



Source: Kpler Insight

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Lowest GDP case LNG demand change by sector (mt)



Source: Kpler Insight

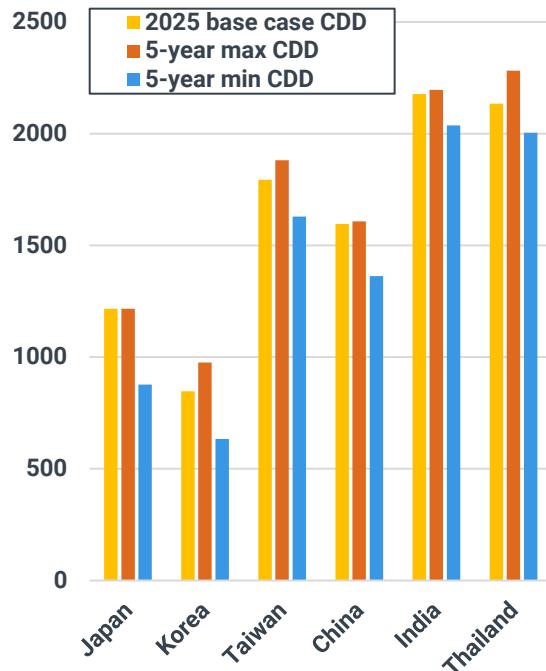
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Hottest summer adds ~1 mt to Asian demand, mild summer reduces by ~4 mt

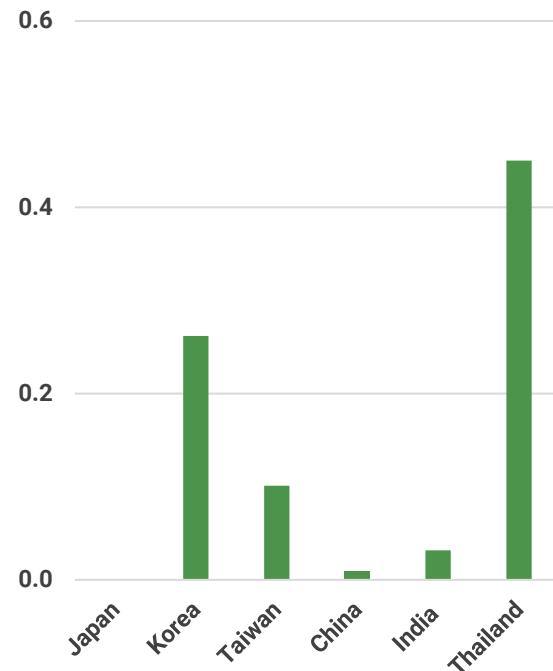
Japan & China limited weather driven upside as we already assume hottest summers in our base case

31

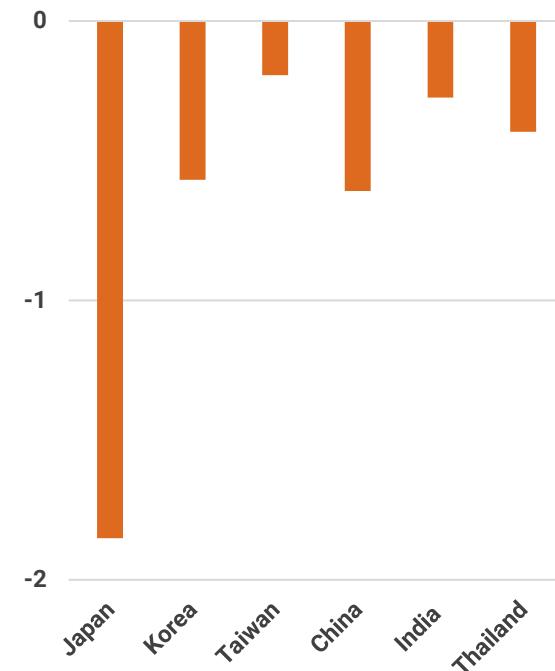
CDD assumptions for summer cumulative (days)



Hottest summer case with historical 5-year max CDD - change vs base case (mt)



Mildest summer case with historical 5-year min CDD - impact on base case LNG demand (mt)



Source: Kpler Insight

Source: Kpler Insight

Source: Kpler Insight

Lowest GDP & mild summer case: Asian LNG demand loss of -8 mt

Lowest GDP & hot summer leads to -3 mt demand loss in Asia, freeing up spot LNG to Europe

Hottest Summer (+0.7 mt):

Limited upside due to already high CDD assumption in base case

Coolest Summer (-3.9 mt):

Strong weather sensitivity in gas-for-power sectors reliant on LNG for cooling

Lowest GDP (-3.6 mt):

Reflects industrial demand weakness; GDP shocks weigh heavily on non-power LNG use

Worst Case: GDP + Cool Summer (-7.5 mt):

Significant downside risk if economic and weather shocks coincide

Implications for Europe:

Weaker Asian demand could direct more spot LNG to Europe, easing refill pressure and stabilizing prices

Scenario cases vs base case LNG demand change (mt)



Source: Kpler Insight

Summary

Global LNG supply will grow by nearly 10 mt y/y this summer, led by new North American projects.

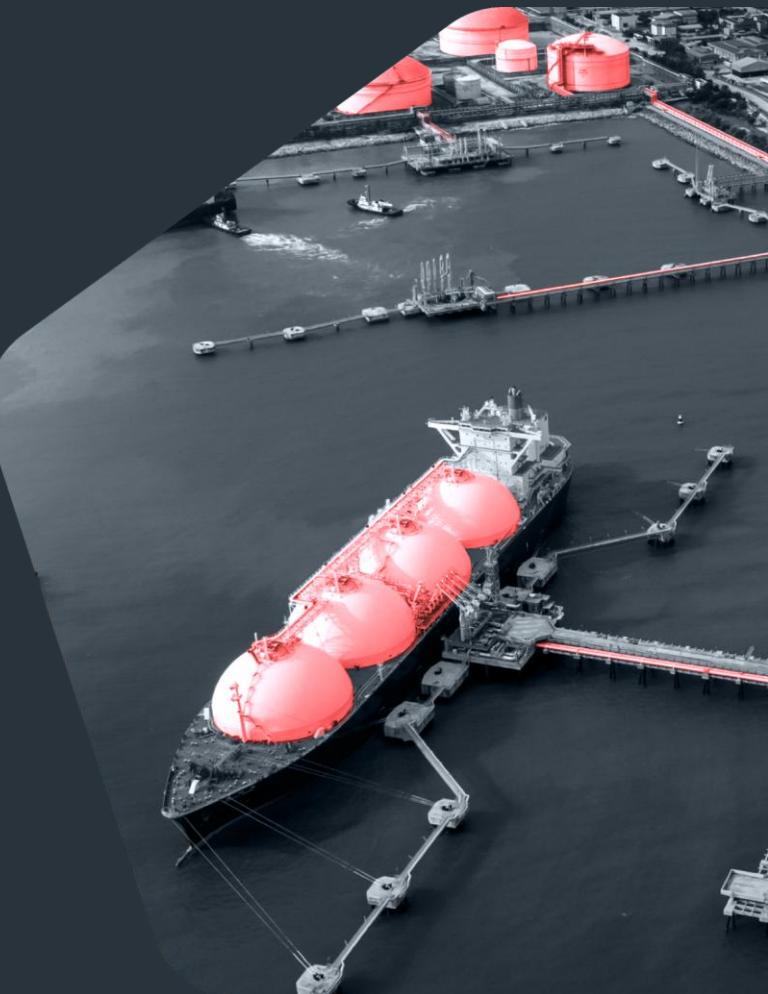
Europe will drive LNG demand growth, boosted by restocking efforts after a Russian supply hit and cold winter.

Tariffs, geopolitics and weather pose major risks to the base case market balance



Q&A

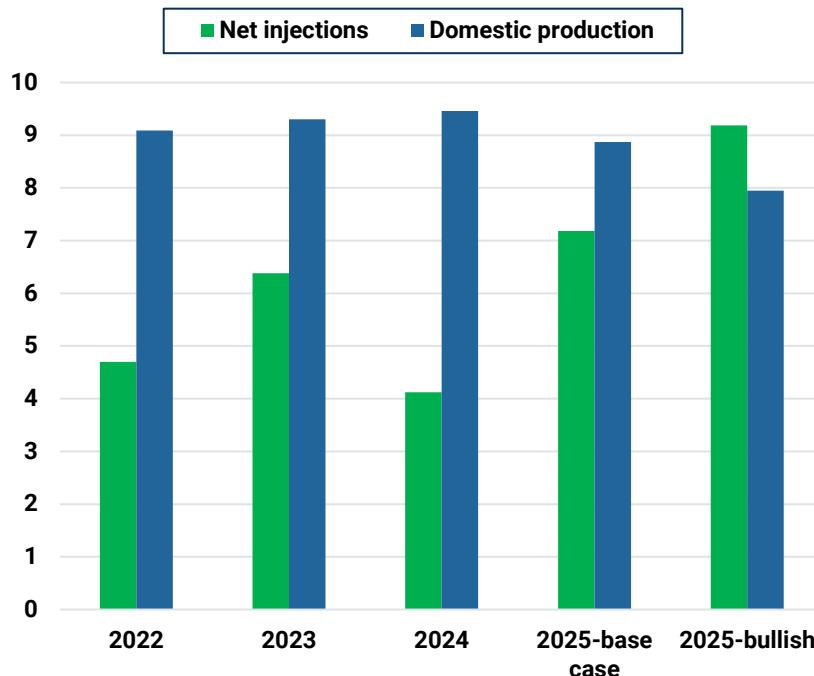
To reach out to Kpler's LNG and natural gas Insight team,
please email insights@kpler.com



Ukraine's pipeline imports will tighten the CEE market

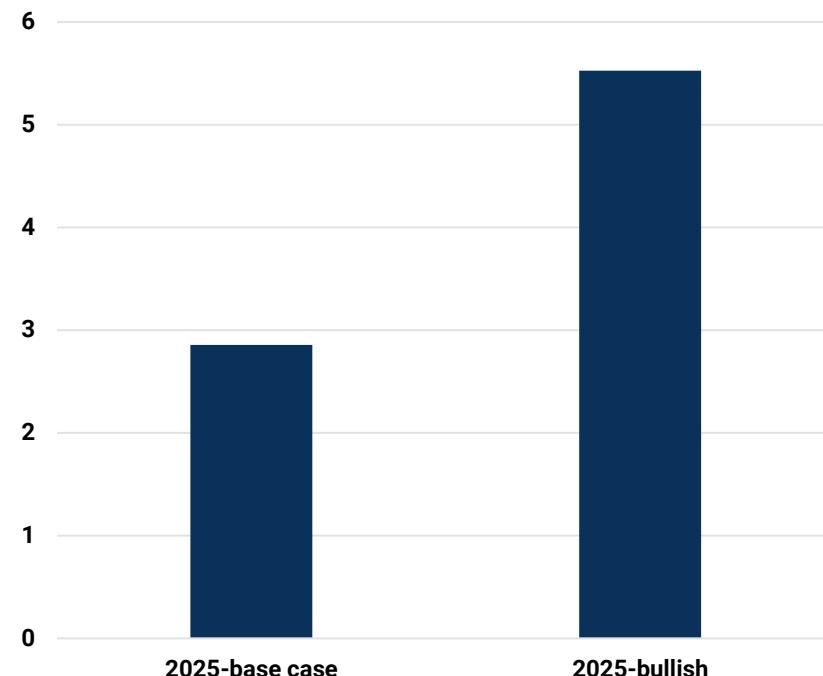
The ability to restore domestic output will be the primary driver of uncertainty

Ukraine's net injection & production this summer (bcm)



Source: AGPU, Naftogaz, Ministry of Energy UA, GIE, Kpler Insight

Ukraine's pipeline imports from the EU this summer (bcm)

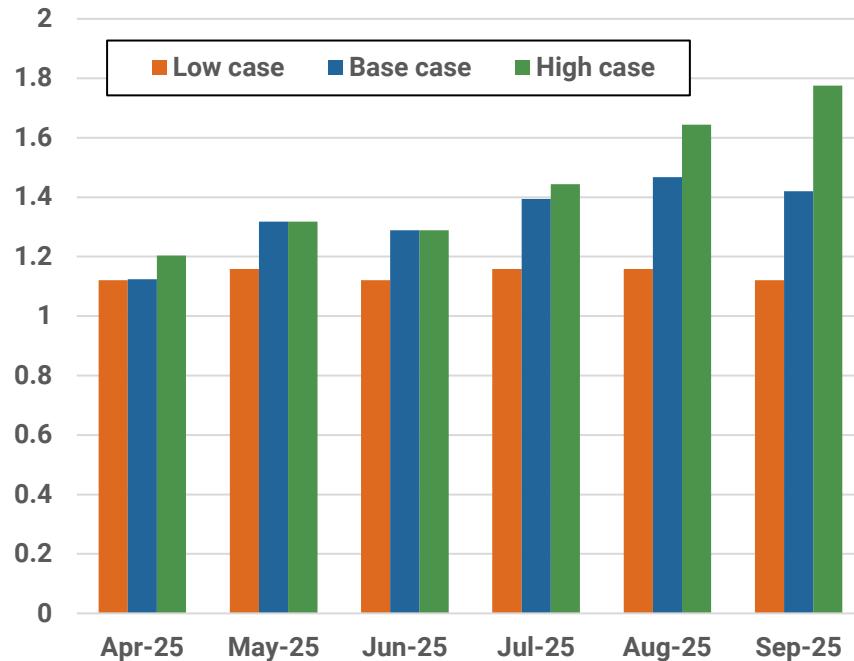


Source: Kpler Insight

Delays or accelerations in LNG project ramp-ups could impact supply

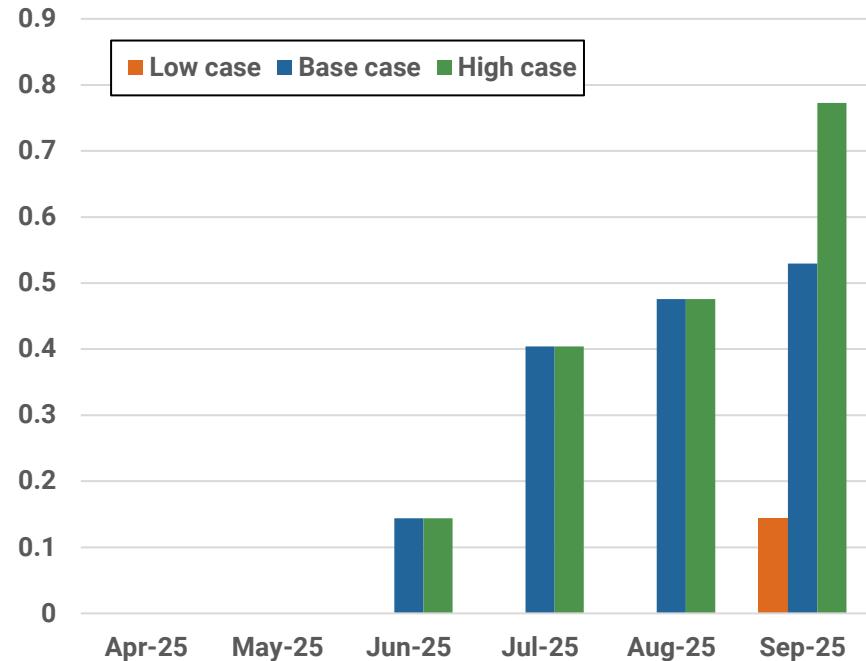
A potential loss of 2.5 mt of supply or a gain of around 1 mt through the summer

Plaquemines LNG ramp-up sensitivities (mt)



Source: Kpler Insight, Venture Global

LNG Canada ramp-up sensitivities (mt)



Source: Kpler Insight