

Europe to increase LNG imports as gas inventories deplete

Europe is projected to increase its imports of liquefied natural gas (LNG) to meet its storage filling targets for the year, as gas inventories are rapidly depleting, according to a report by MUFG and as reported by the Wall Street Journal.

The rate at which inventories have been depleted this winter is significantly higher than the same period last year, with an average daily withdrawal of approximately 350 million cubic meters, compared to 220 million cubic meters per day last year.

Data from Gas Infrastructure Europe indicates that the current EU storage is 64% full, marking a more than 15% decrease compared to the same time last year. Analysts at MUFG predict that European gas inventories will conclude the winter season at 34% full.

To meet the European Union's 90% storage fill target before the start of the next winter season in October 2025, Europe will need to import around 30% more LNG on an annualized basis, the analysts note.

In terms of pricing, the benchmark Dutch TTF price is currently trading 1.7% lower at 46.22 euros a megawatt hour. The increased demand for LNG imports to replenish the depleting gas inventories may influence the price dynamics in the energy market in the future.

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