



# ICIS GAS&LNG 2024 Winter Outlook

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29 Novembre 2024





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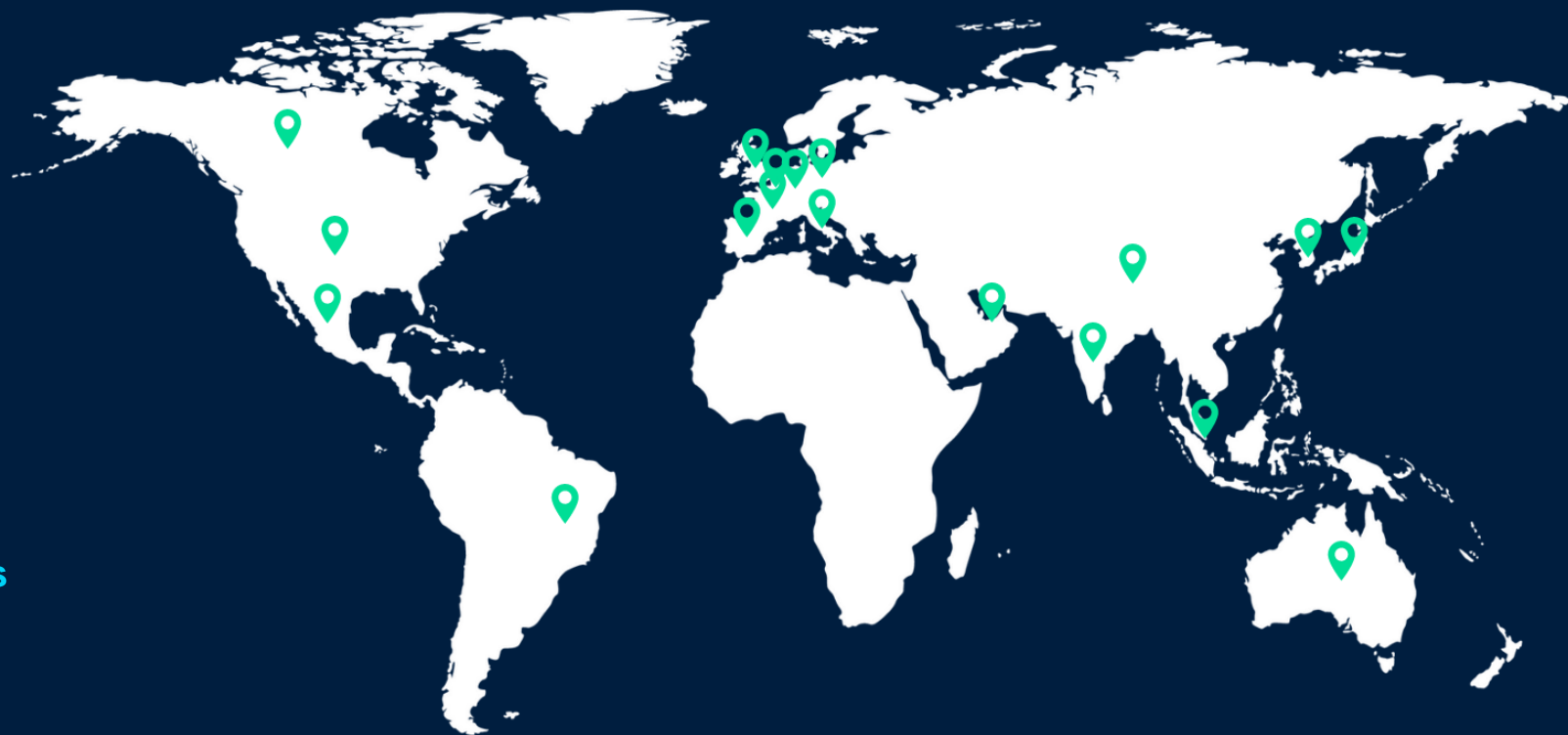
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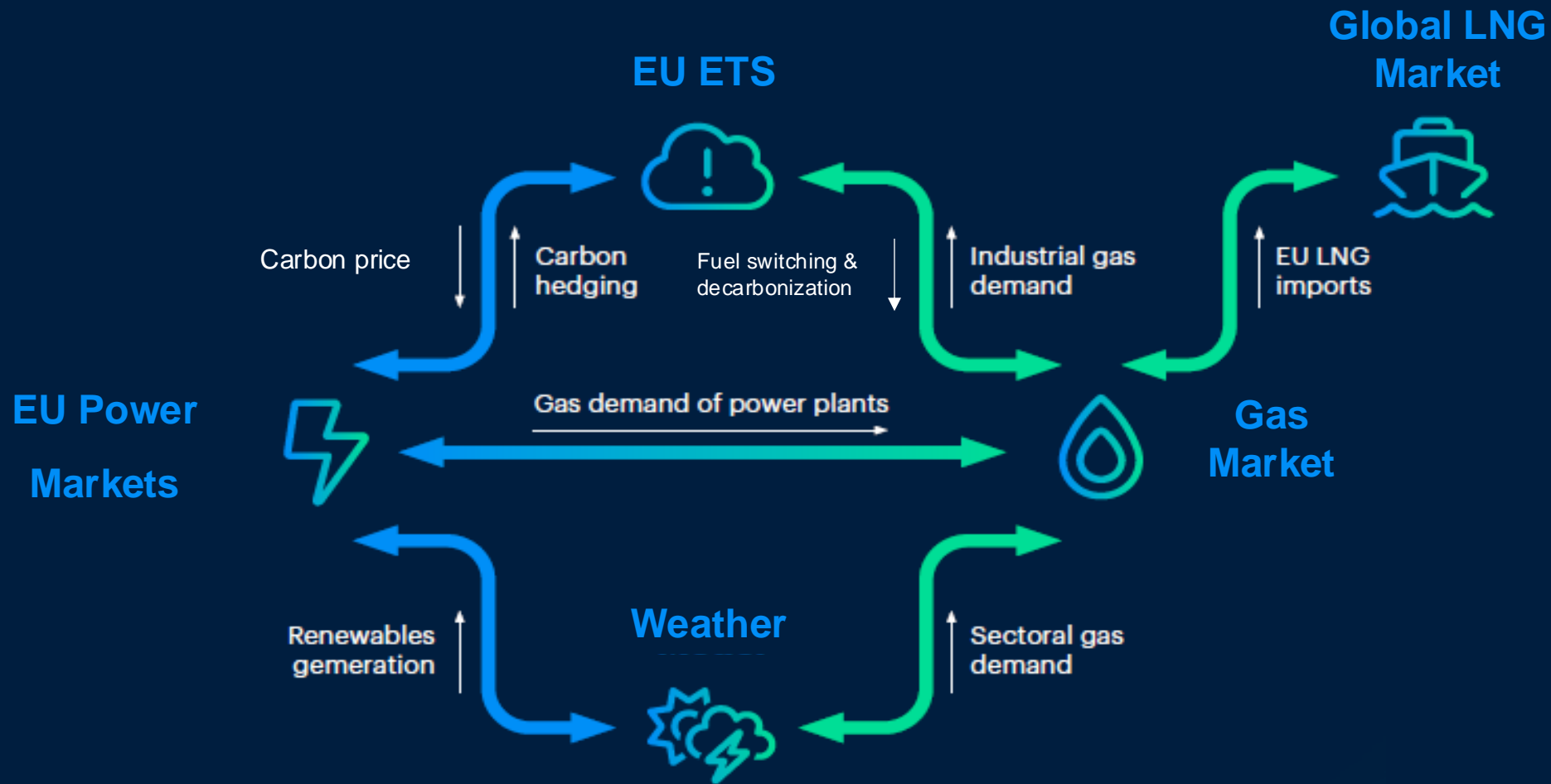
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# EU11+GB gas demand into the winter – edging closer to normal?



• Winter total demand to climb **11%** year on year but remains 2% below the 5-year average



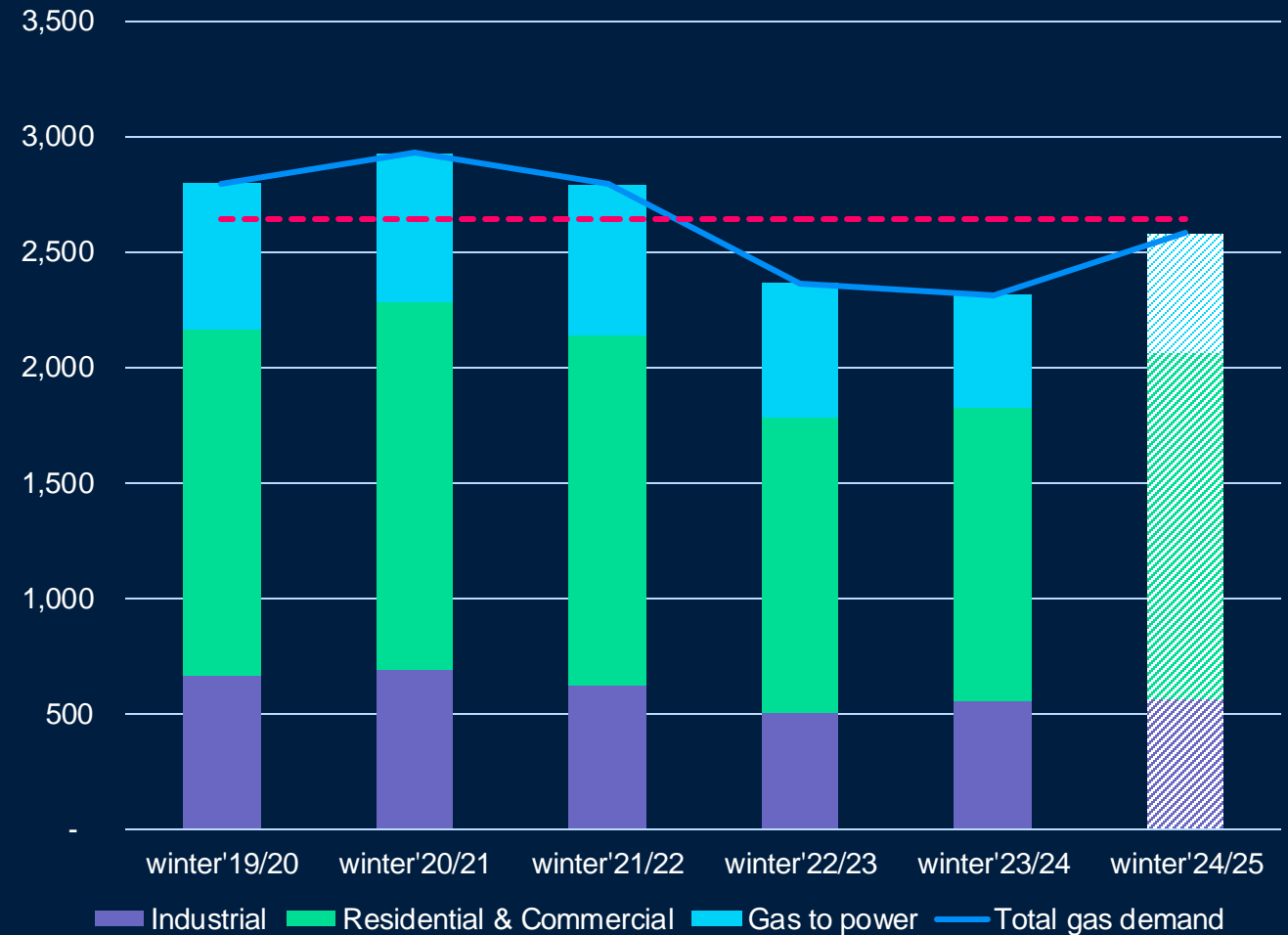
• **Gas-to-industry is showing improvement** year on year



• **Improvements in power demand not feeding through** to gas-to-power



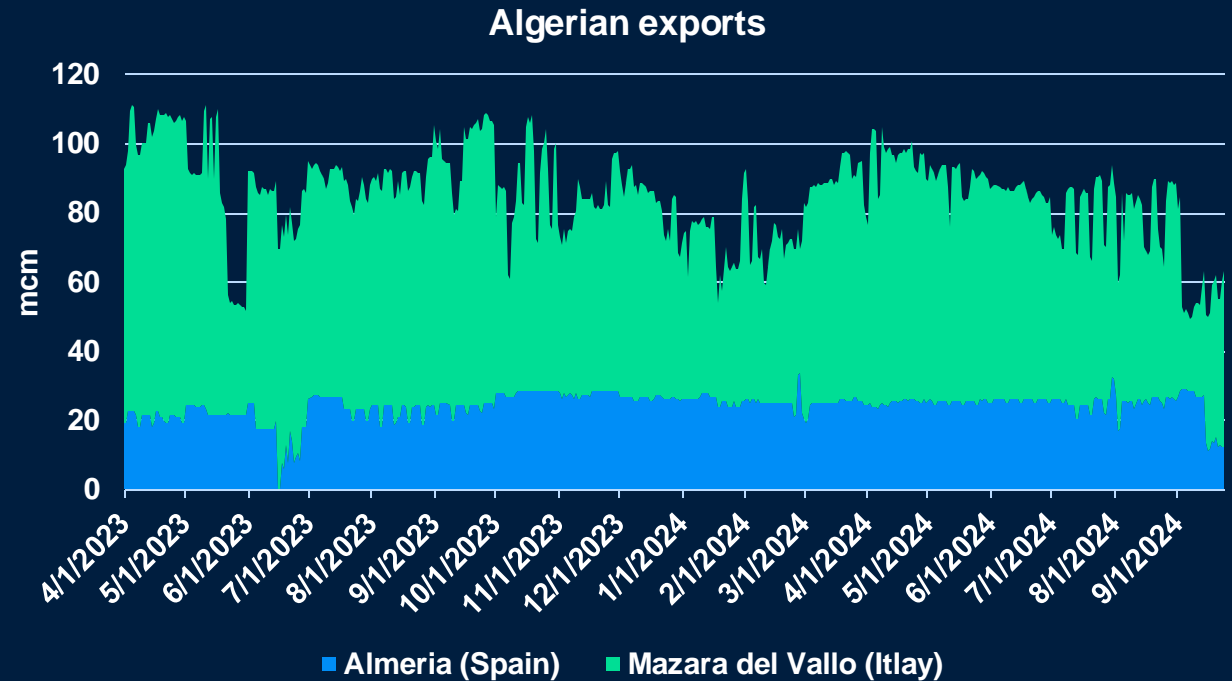
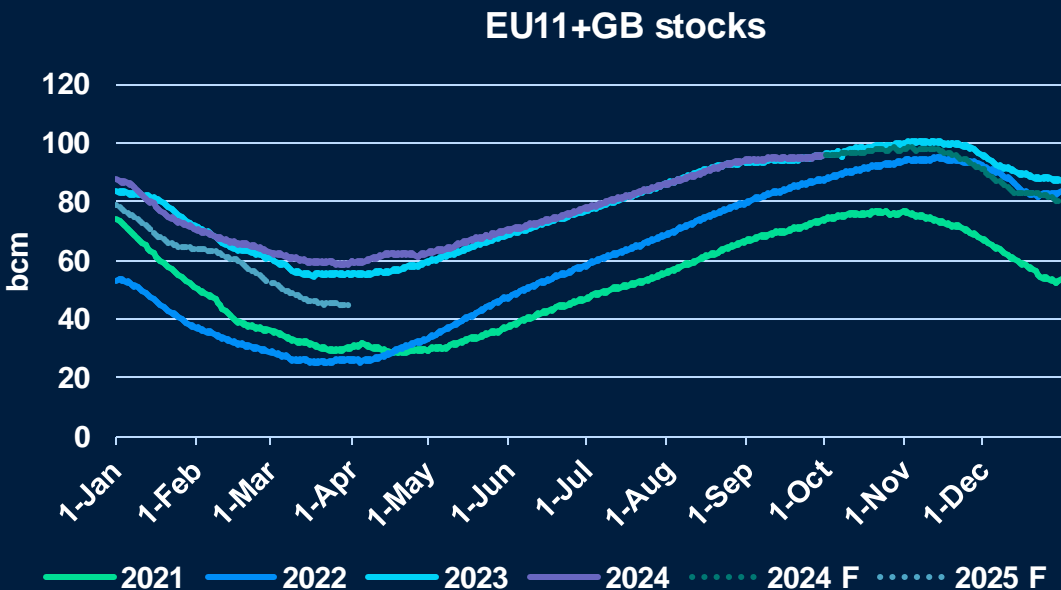
• **Res-com demand** showing signs of returning to more direct temperature-driven behaviour





# Norway running well, Algeria currently struggling, Storage healthy

- Norway's September maintenance ends largely on time allowing for max output through winter
- Expect at least 340-350mcm/day through the season
- Algeria potentially has some overrunning upstream maintenance
  - Based on recent low flow rates following pipeline works

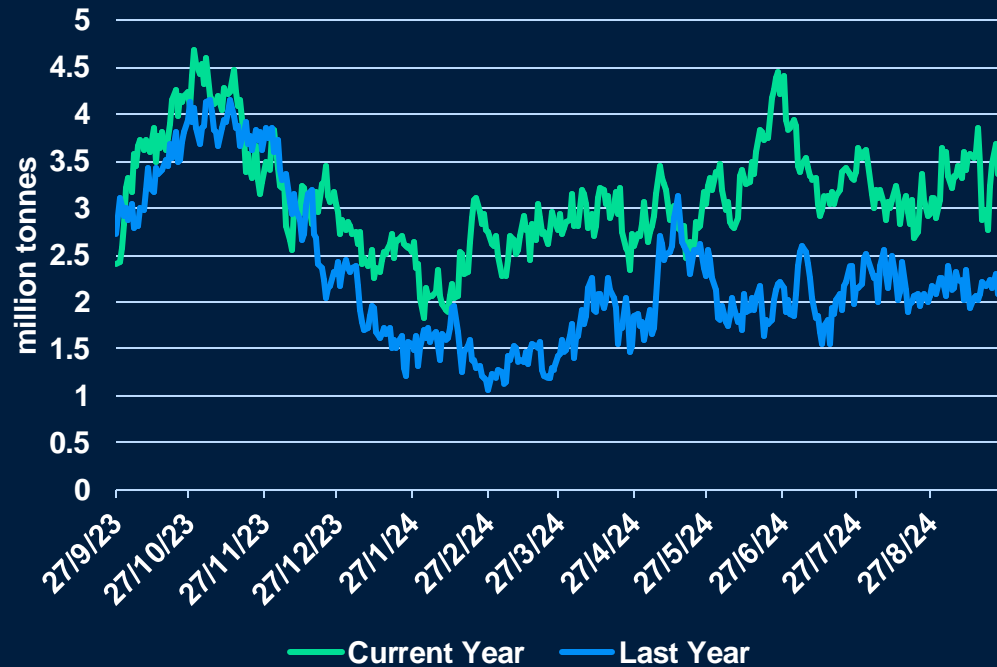


- High stocks allow market to cope with cold-snaps
- Expect EU11+GB storage still to be 45% full by March-end

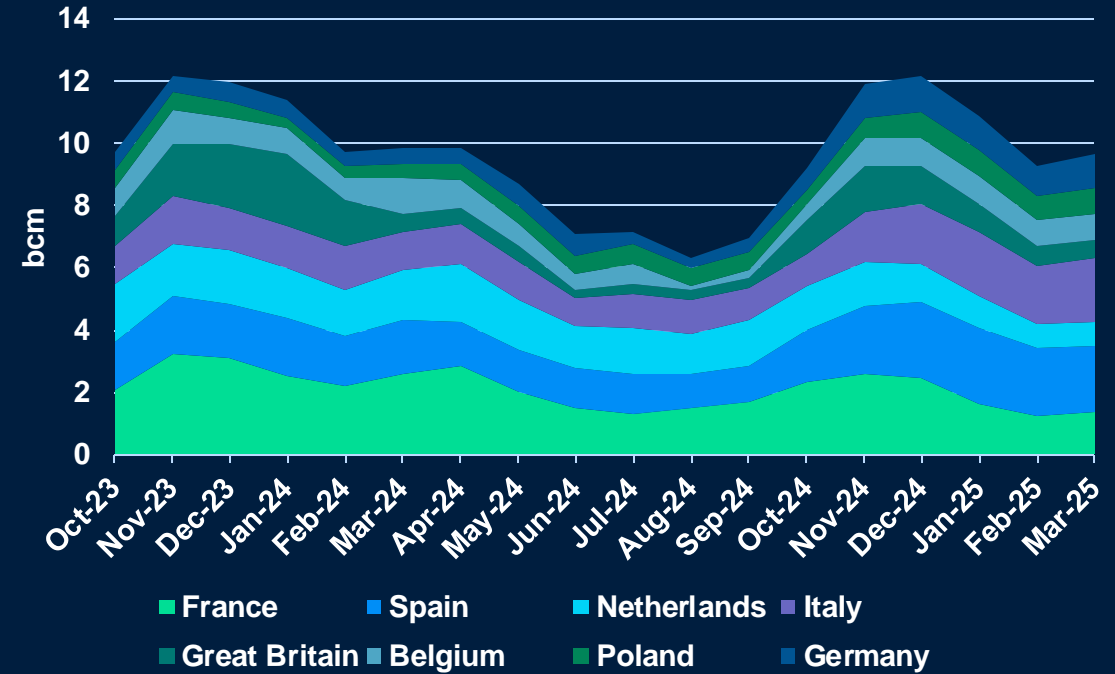


# LNG arrivals expected to be 3% lower this winter

### LNG cargoes on the Water for 20+ days



### Send-out from EU11+GB LNG terminals

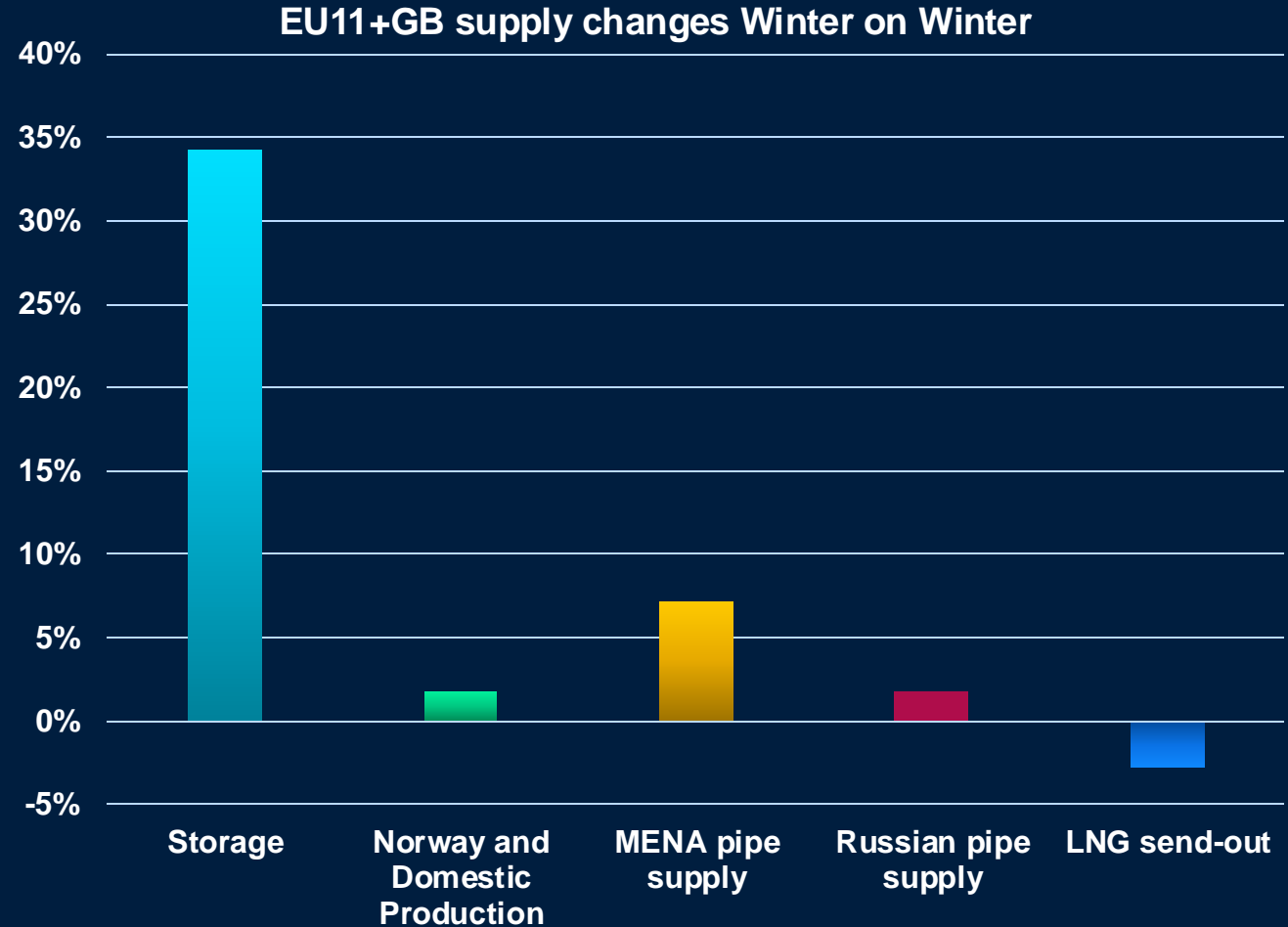


- Lower demand and robust local supply leading to fall in anticipated LNG arrivals
- Higher ICIS EAX premium over ICIS TTF leading to more spot LNG to Asia
- Not yet seeing a build in floating length anywhere globally
- Should Russian pipe supply via Ukraine end or fall, then LNG will be the primary backfill, followed by increased storage withdrawals



# Winter 23/24 vs Winter 24/25 gas supply – EU11+GB

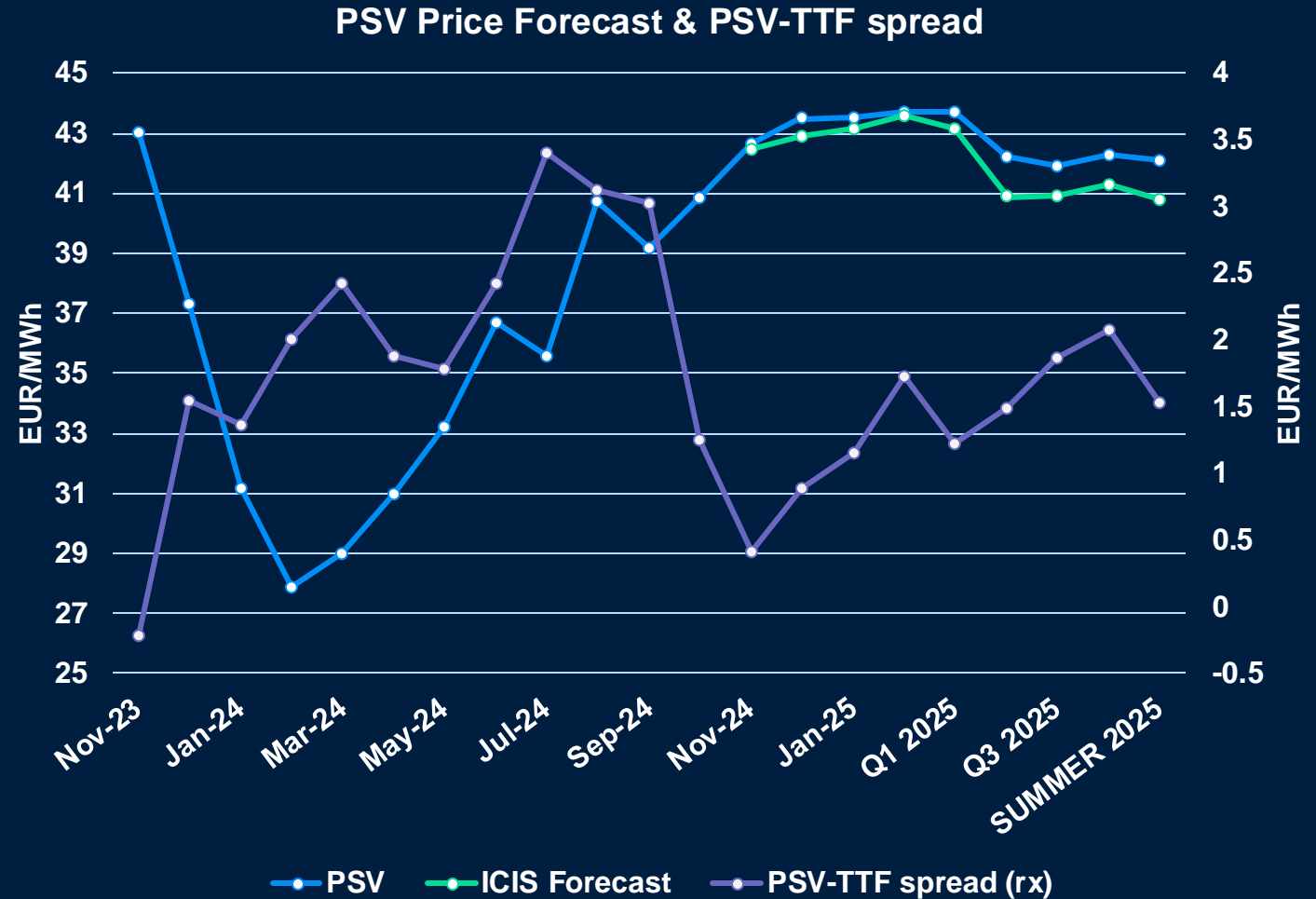
- Storage withdrawals will deliver 134TWh more gas this winter, than last winter
- Despite recent hiccups, expects overall better supply from Algeria
- Azerbaijan also to send at higher rates
- Should see local production (domestic and Norway) returning closer to Winter '22 levels after a dip in Winter '23
- LNG send-out to be 678TWh, equivalent to 45m tonnes
- Russian supply increase led by recent TurkStream to Hungary rates
  - We retain Ukraine transit in our balances






# Where do we go from here..?

- **Power supply in a healthy position**, with just **1.2% more fossil generation** than last winter forecast under normal weather conditions
- **Algerian gas flows should improve**, while **Norwegian flows and storage at healthy levels**
- Comfortable power position and no policy events to **keep carbon muted as a driver.**
- **Weather a major upside or downside risk**; current seasonal forecasts **neutral to bearish based on temperature**
- **Gazprom supply to CEE buyers to continue** in Base Case view, **applying bearish pressure. Continued Ukraine transit** the most likely way
- **Middle East carries more bullish sentiment risk**, but upside from **physical risk** is possible
- Higher than anticipated **Asian demand** an **upside risk** given Europe's reliance on LNG





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