



# LNG Overreliance Collides with Injection Needs and Geopolitics

## European Gas & LNG Outlook SUM 26 & Beyond

**NORDPOOL CROATIA**

**May 20, 2026**

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Gas Research**

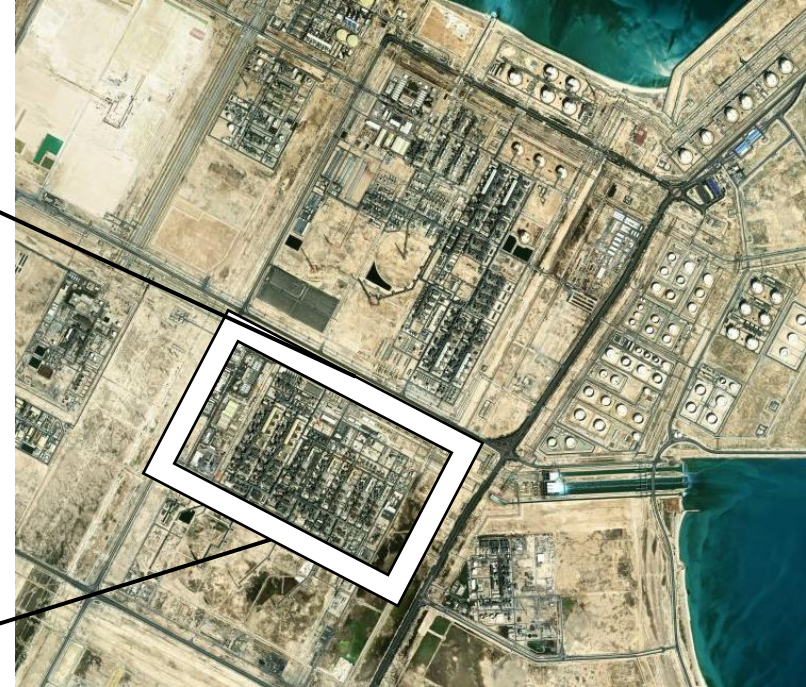
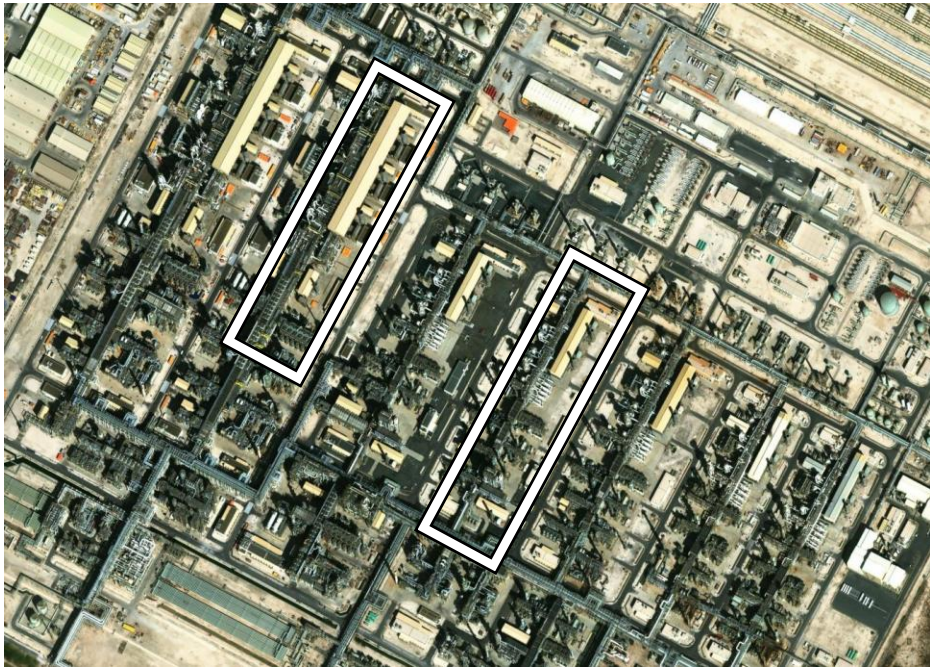


**LSEG** DATA &  
ANALYTICS

# The story so far in 2026

# LNG market in turmoil

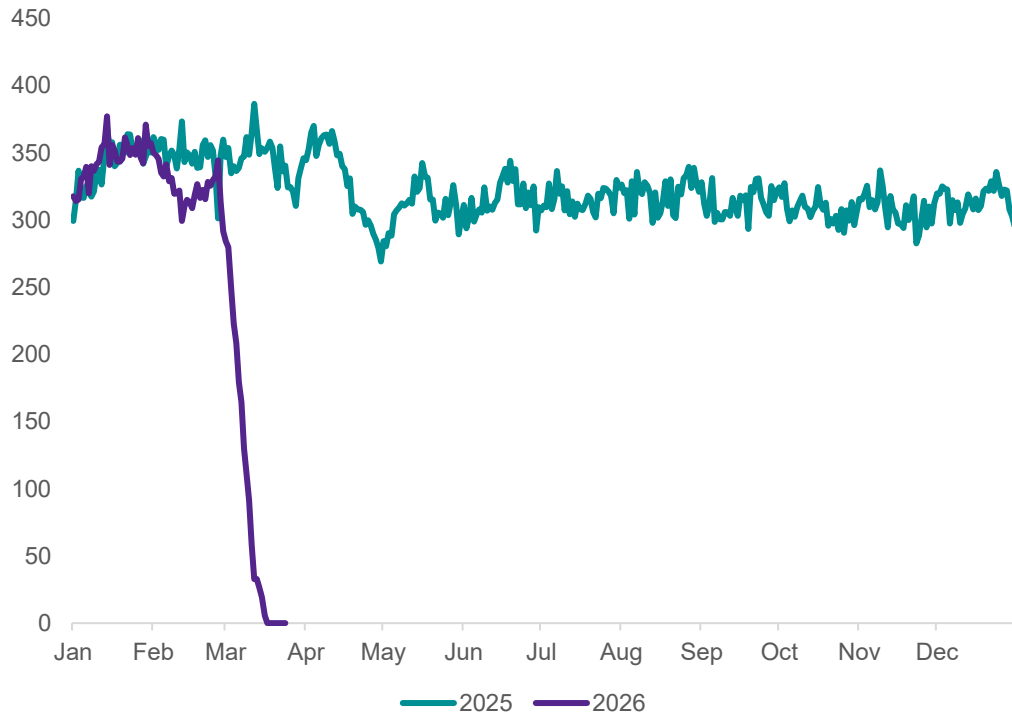
*Qatar's Ras Laffan hit by missile strike*



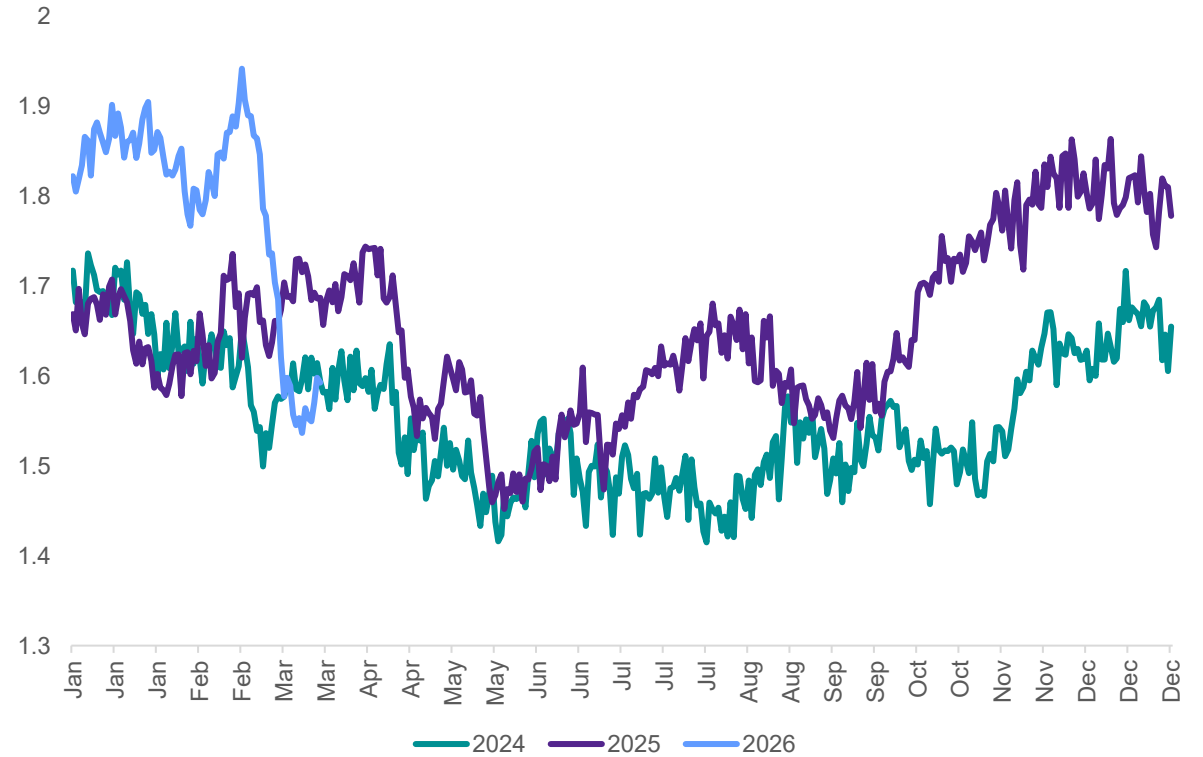
# LNG market in turmoil

***18% of LNG supply cut off from global market***

Qatar and UAE 14-day moving average loadings (mcm/d)

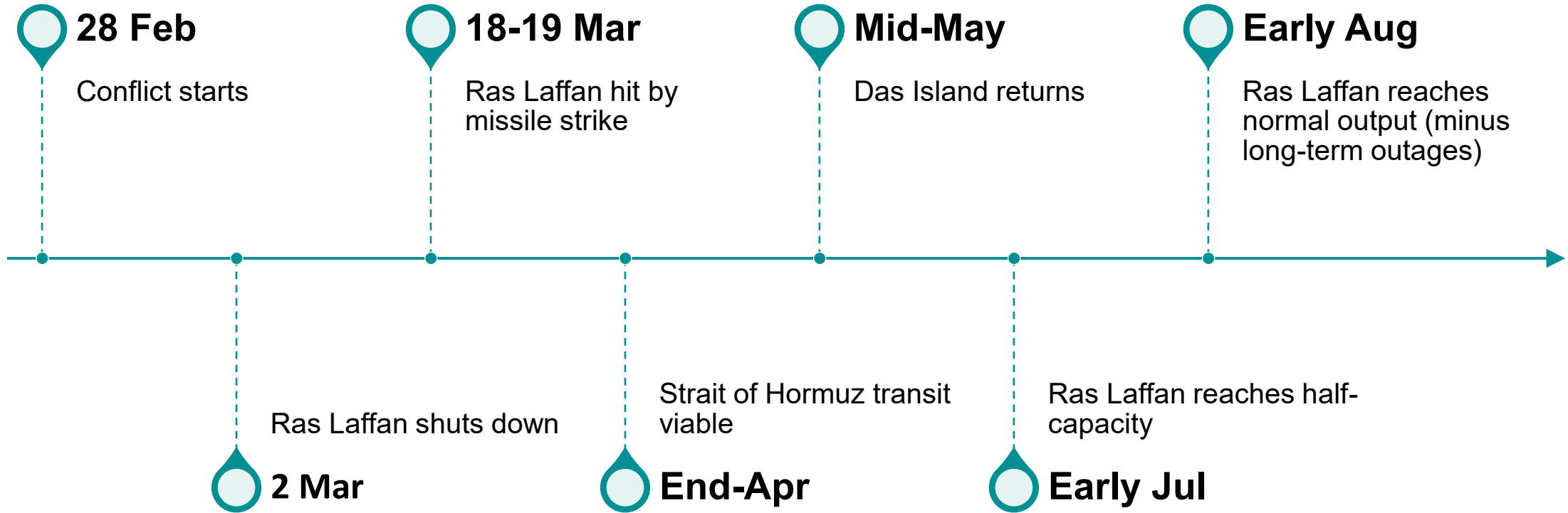


Global 14-day moving average loadings (bcm/d)



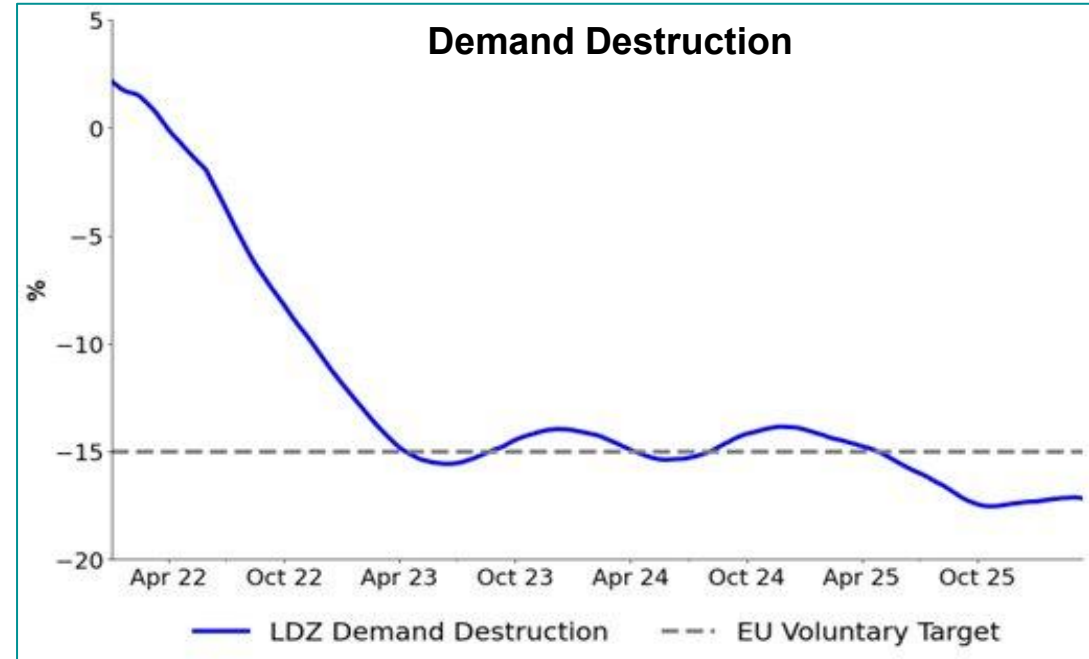
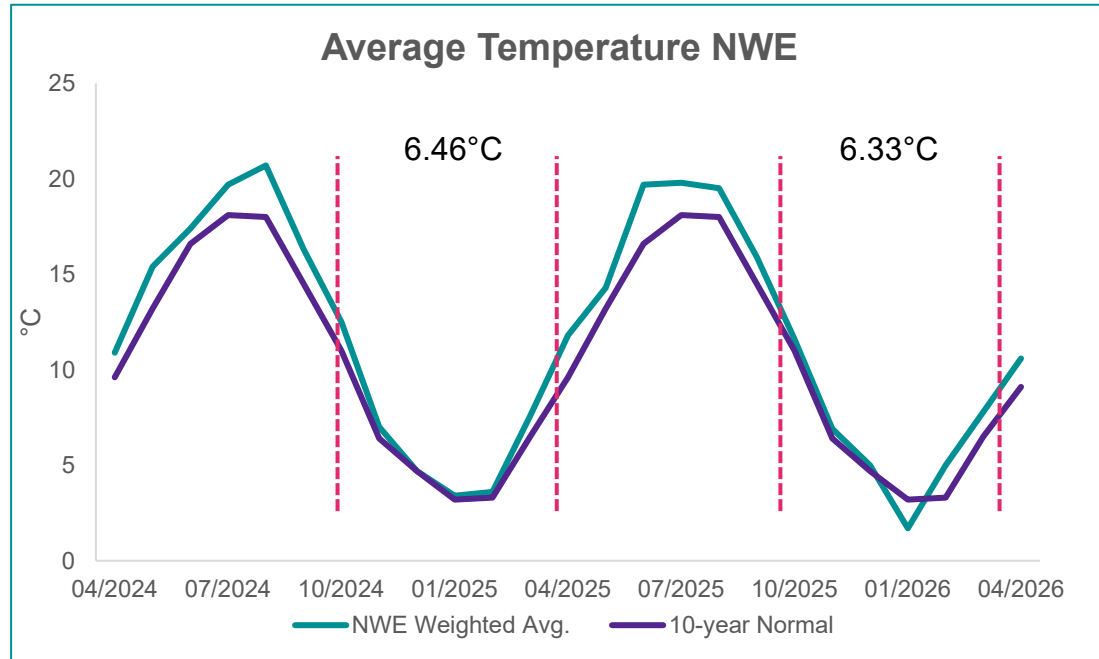
# Looking forward

## Setting assumptions



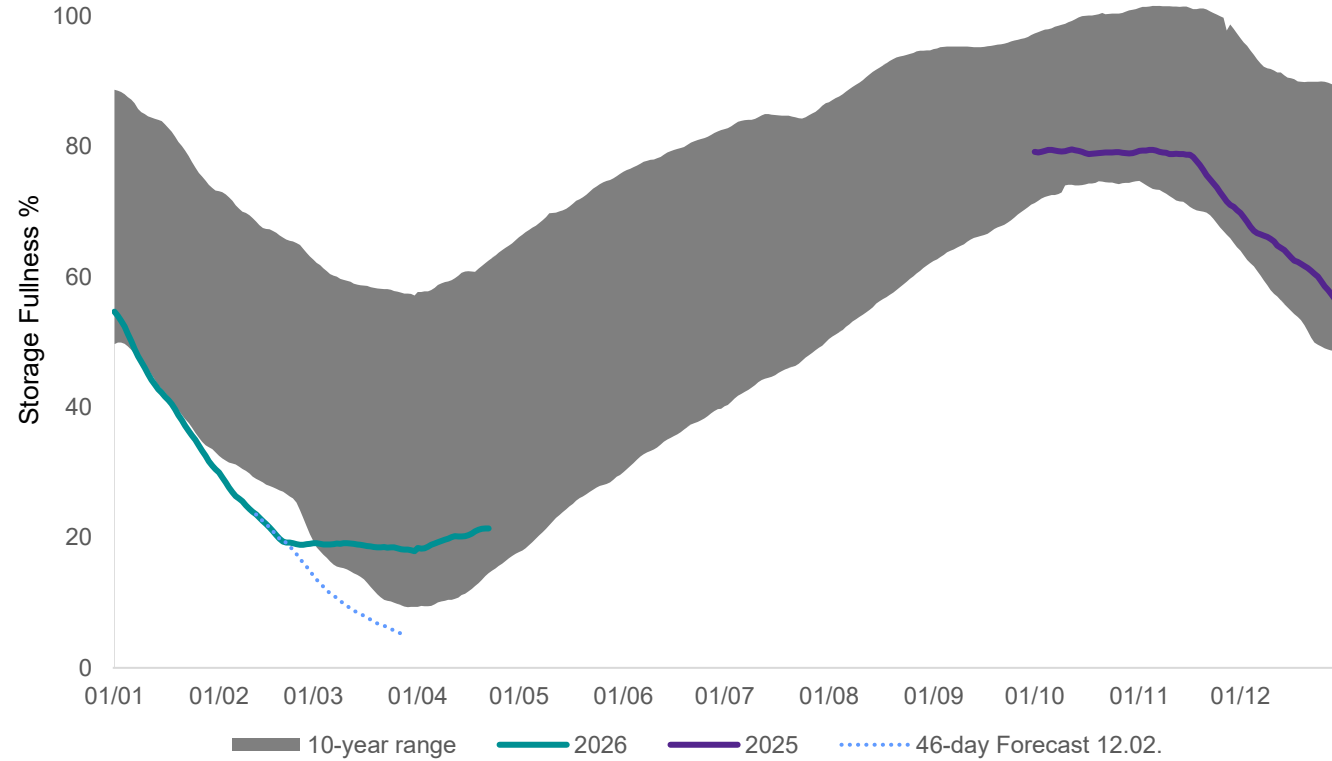
# What drove the NWE balance?

Consumption 1.8bcm lower



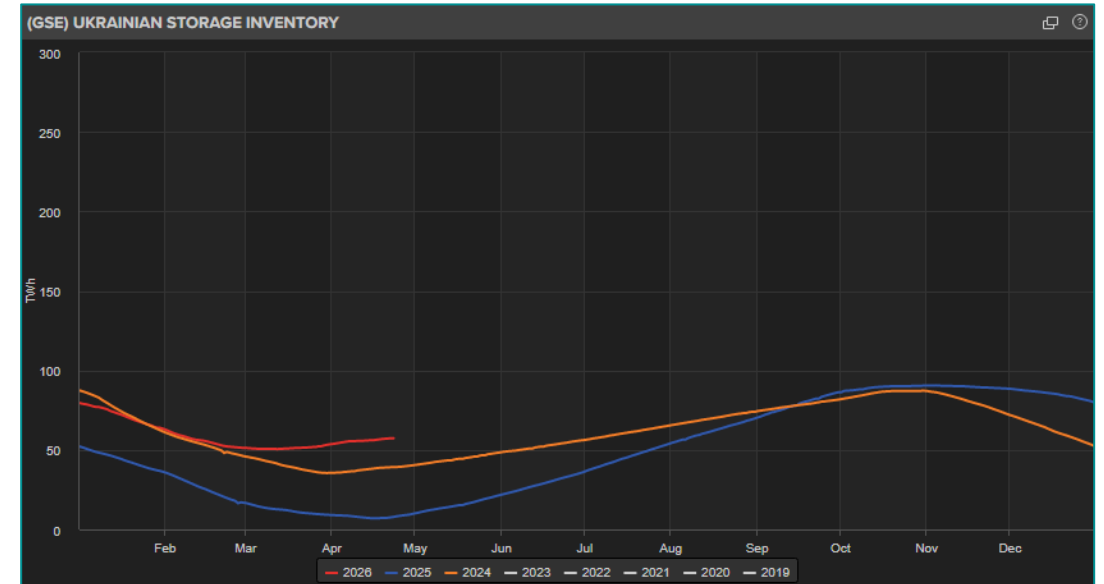
# Critically low forecasts for NWE storage did not materialise

41TWh less withdrawals than the winter before



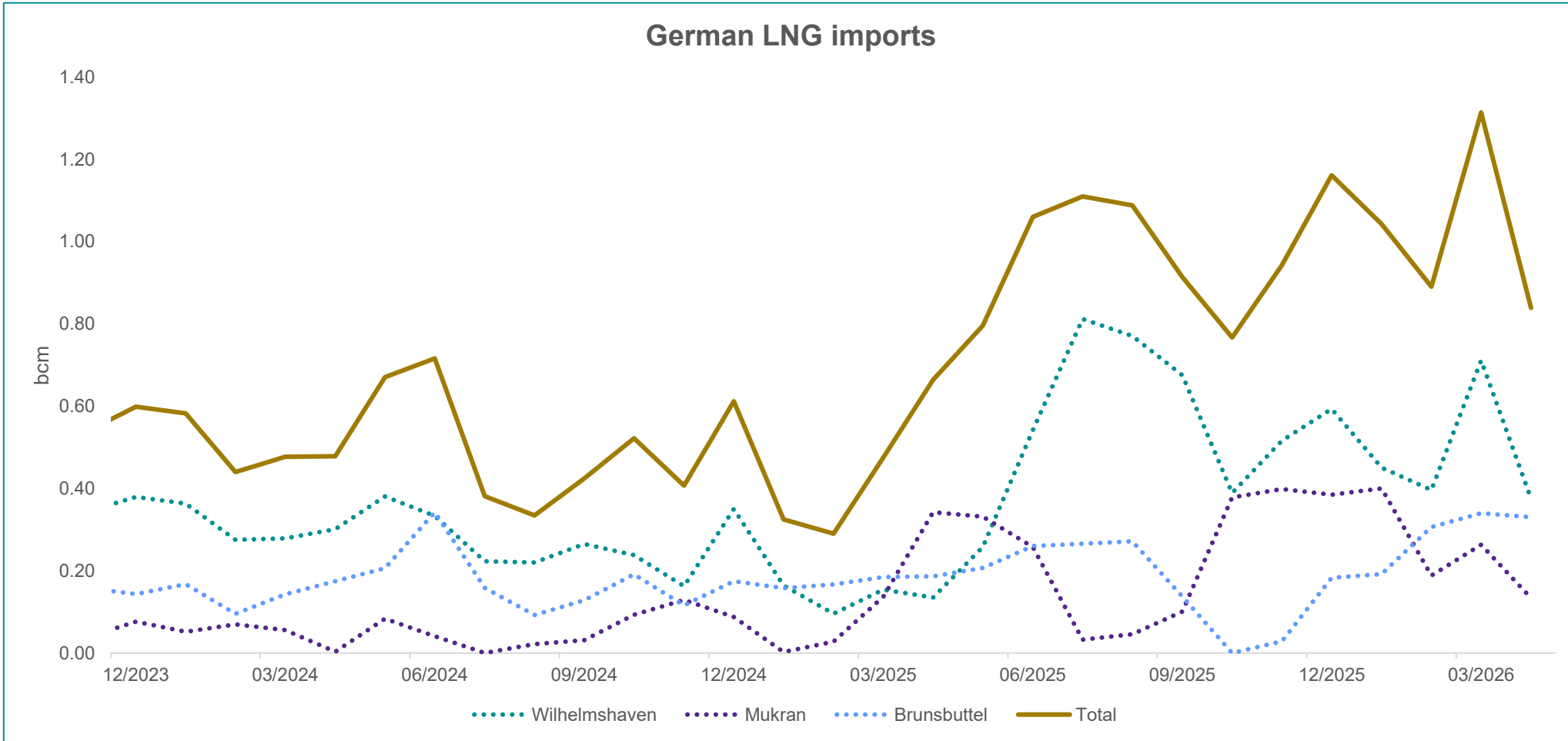
# Main pipeline change: Ukraine

Net change 7bcm. Ukrainian storages leave winter 4bcm higher



# LNG offsetting Russian gas loss

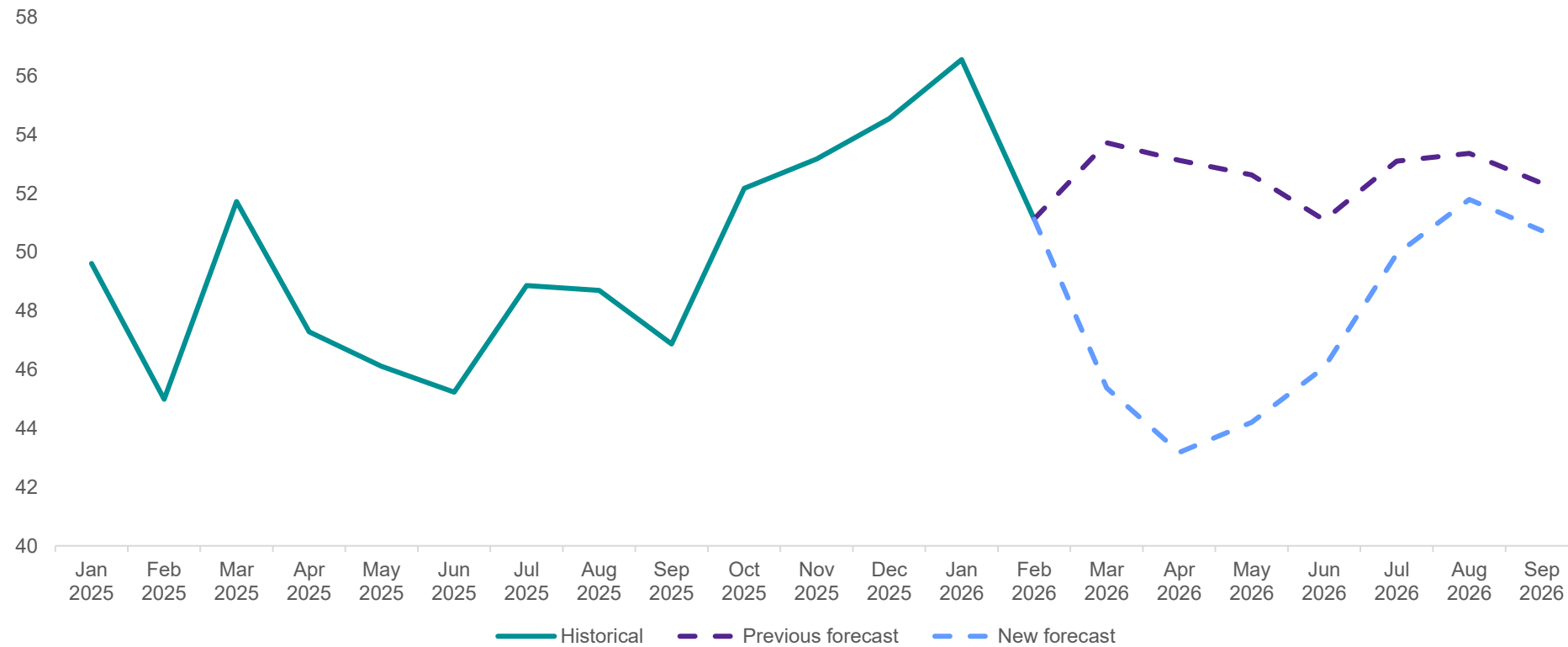
NWE 7.4bcm higher sendout, EU-wide 11bcm



# Looking forward

## *Global supply drops*

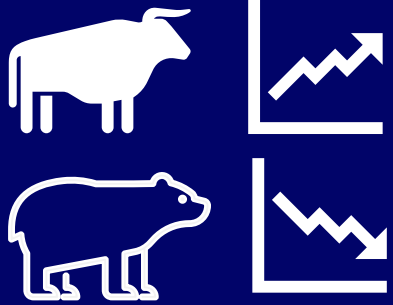
Monthly global supply (bcm)



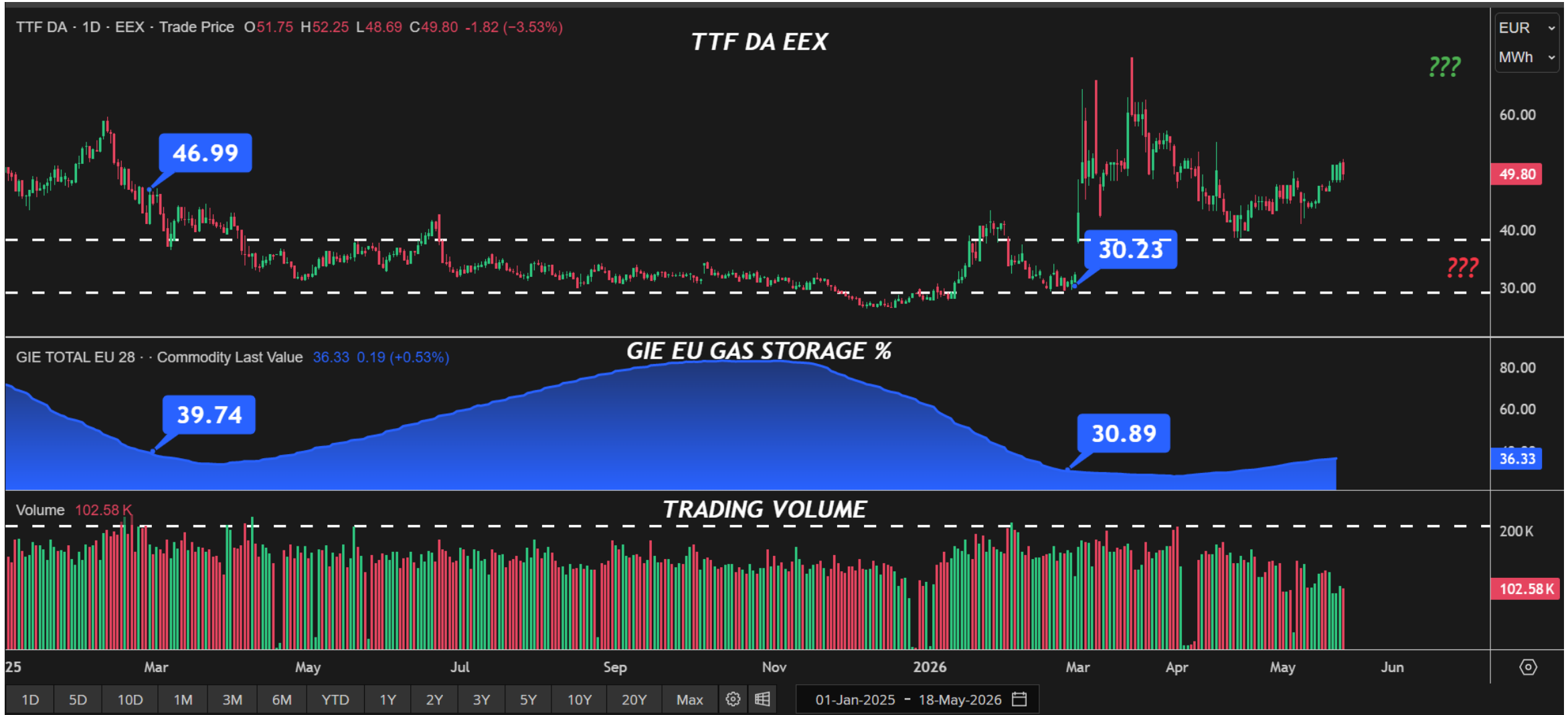
## KEY TAKEAWAYS

- **TTF has repriced sharply higher due to a "tight summer" narrative driven by events in the Middle East—low inventories + uncertain LNG supply + strong injection requirements.**
  - This move has been fundamentally driven by tight starting conditions for the injection season and an escalation in global LNG supply risk. A colder winter left inventories at multi-year lows (~30% or less in key markets), increasing urgency around refilling.
- Injection pressure priced into the curve. Markets have shifted to reflect the need for above-average injections to reach targets by November/December
- Geopolitical/LNG disruptions. The escalation in the Middle East (Strait of Hormuz tensions and impacts on Qatari LNG). Disrupted cargo flows Increased global competition for LNG Lifted both JKM and TTF benchmarks. Supply-side constraints (short-term)Norwegian maintenance (e.g., Troll outages)Reduced LNG availability due to geopolitical risks These factors tightened prompt balances further and are reflected in the current price.

# Price Observations



# TTF DA price action Jan-2025/May-2026



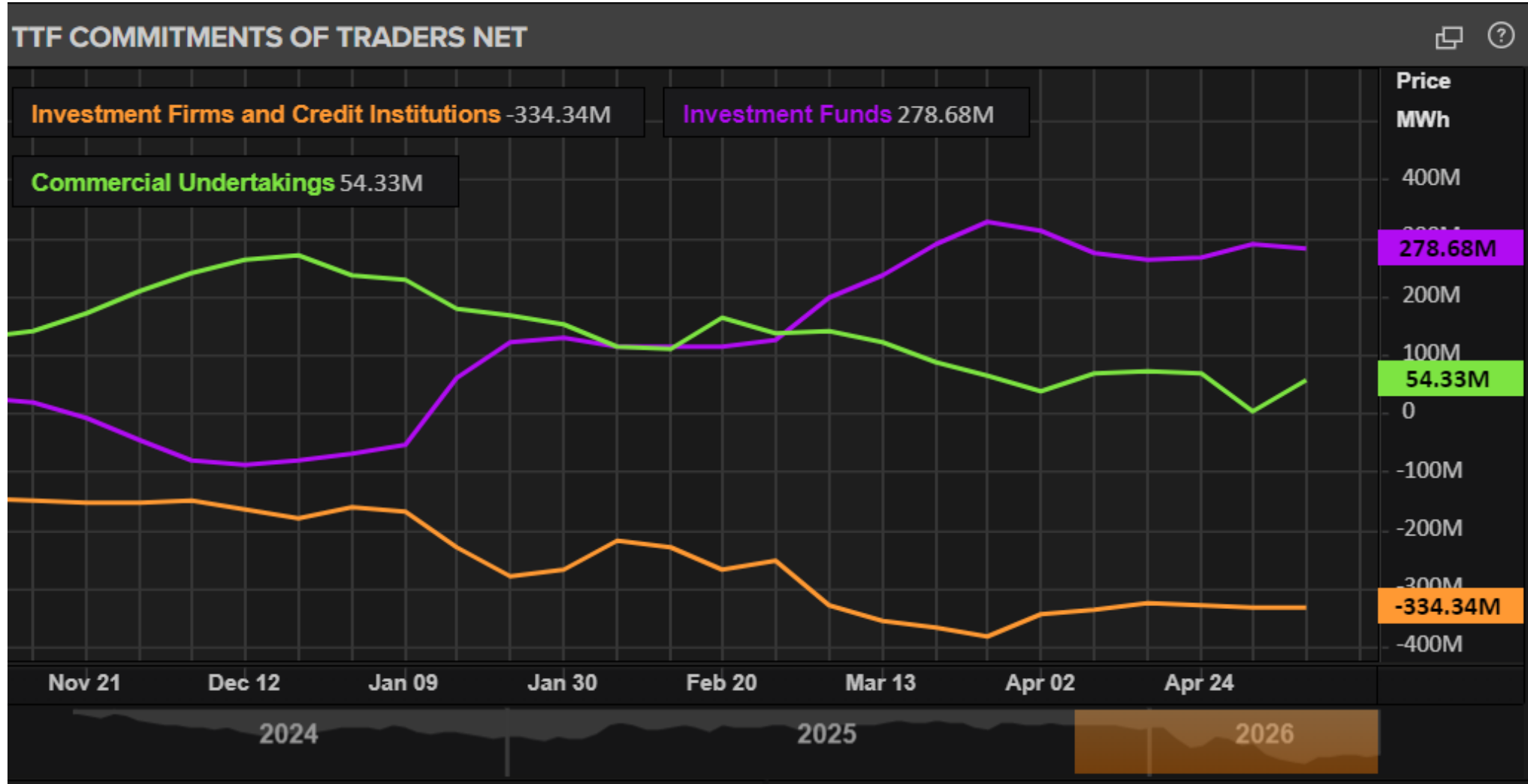
# ICE & EEX Prompt & Seasonal Futures



# European Hubs Front Months



# The Commitment Of Traders



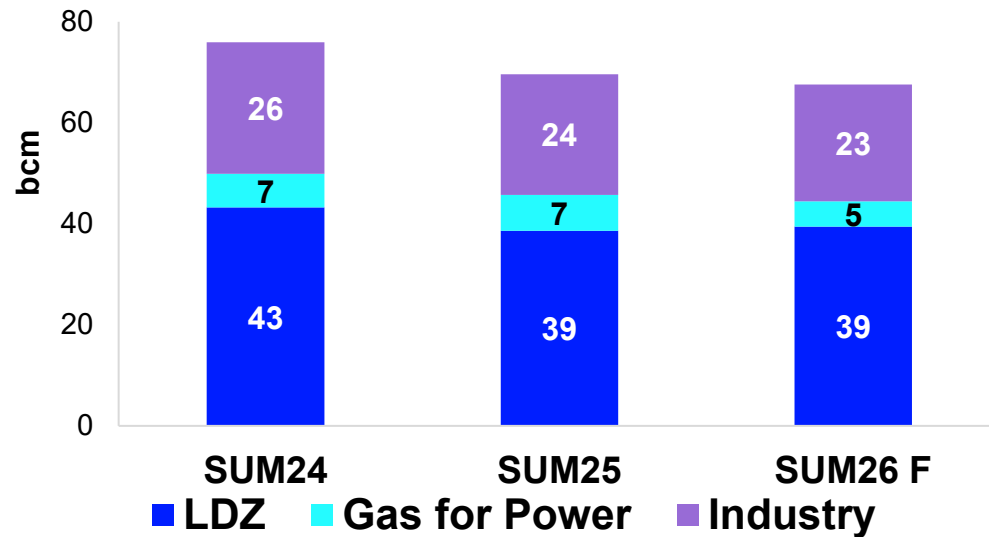
# Supply & Demand

# Supply and demand forecast summary for Summer 2026

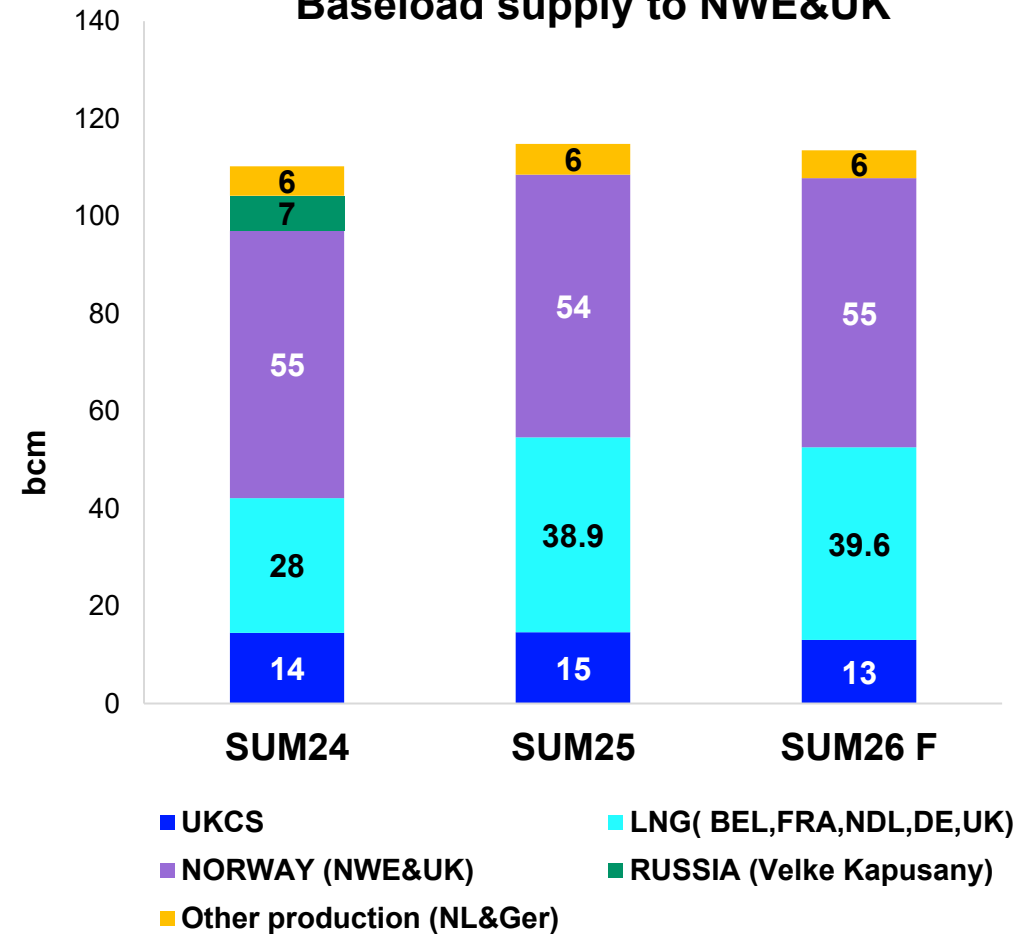
**Demand:** Lower gas for power and industrial demand, LDZ flat.

**Supply:** Flat summer-on-summer LNG forecast, Norway up and UKCS down

## Base Load Demand NWE&UK



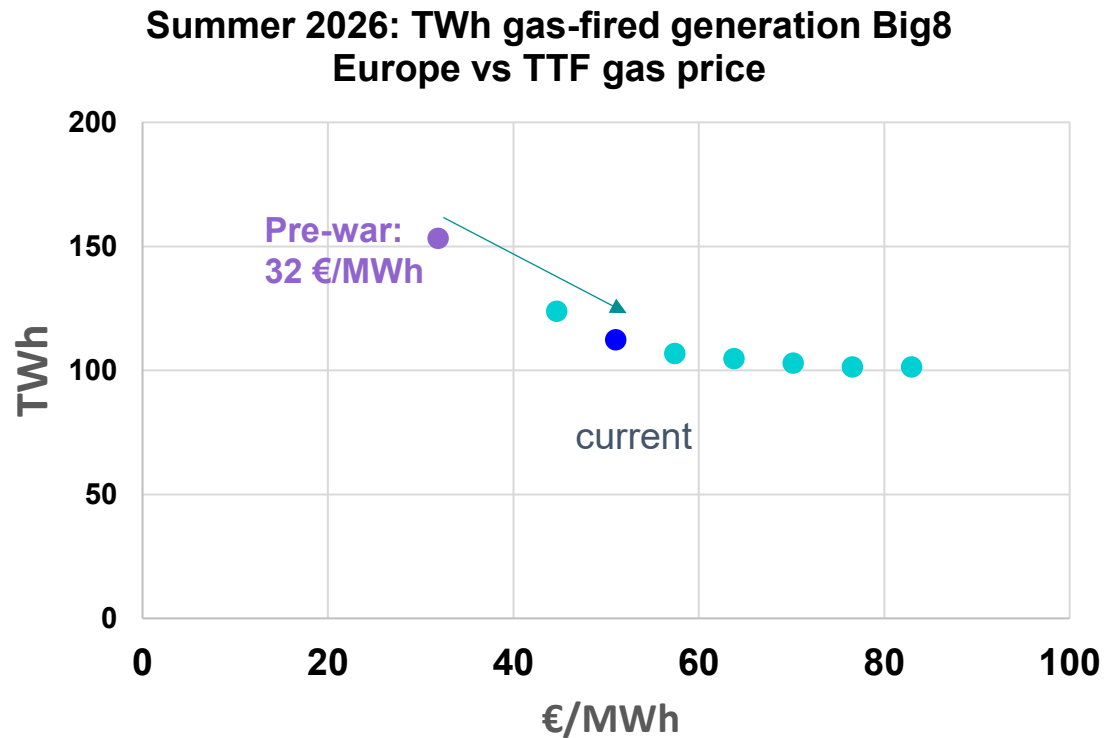
## Baseload supply to NWE&UK



# Gas for Power Demand Observations for SUM 26

## How would gas-fired generation outlook respond to gas price variations

Underlying EUA Carbon: 63 €/t  
(Mar 20<sup>th</sup>)

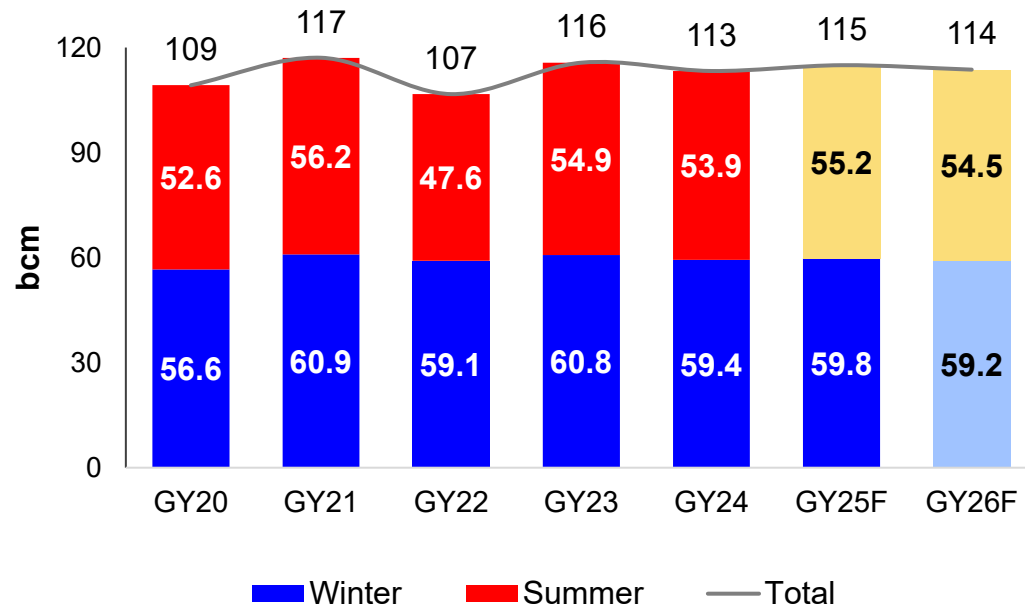


- Gas generation turns inelastic from TTF Gas > 60 €/MWh  
At the base case **Sum-26 gas price level ~64 €/MWh** there is very little fuel switching room left
- Even with strong gas price increase gas-to-power will not drop further. **The power sector cannot contribute any further to regulating European gas demand**
- Gas plants are largely out of the money: gas price could fall 20% without inducing too much gas-to-power rebound
- **Gas burn would start returning** from -30% (TTF dropping below 45 €/MWh)
- “-50% gas” is the “pre-war” scenario (TTF 32 €/MWh), for which we would have seen gas generation higher than last summer and **minimal hard coal generation**

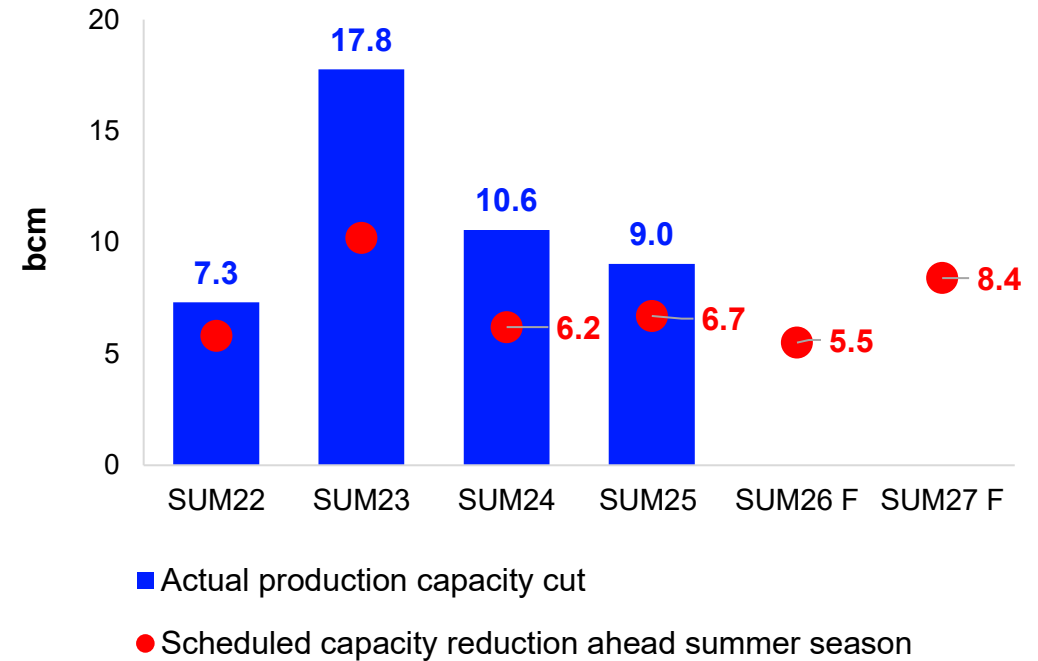
# Norway production marginally up – on lower maintenance

For SUM26, our base case forecast for Norwegian gas exports is 55 bcm, up from 53.7 bcm in SUM25. The latest Gassco UMM schedule indicates a light maintenance programme 5.5 bcm vs 6.7 bcm and 6.2 bcm scheduled ahead of SUM25 and SUM24. Price backwardation incentivises Norwegian producers to maximise output and limit maintenance.

### Norwegian production actuals and forecast



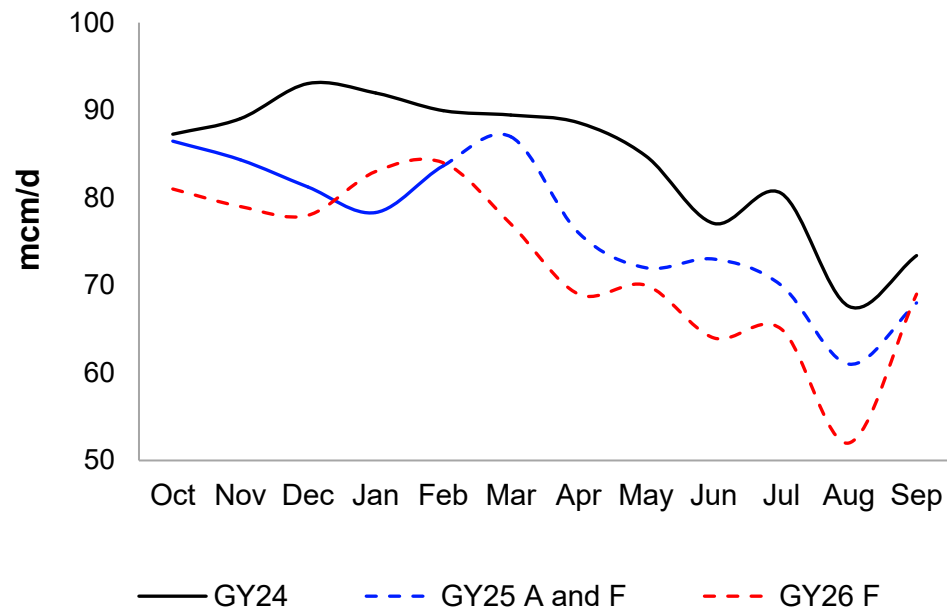
### Norwegian maintenance programme impact



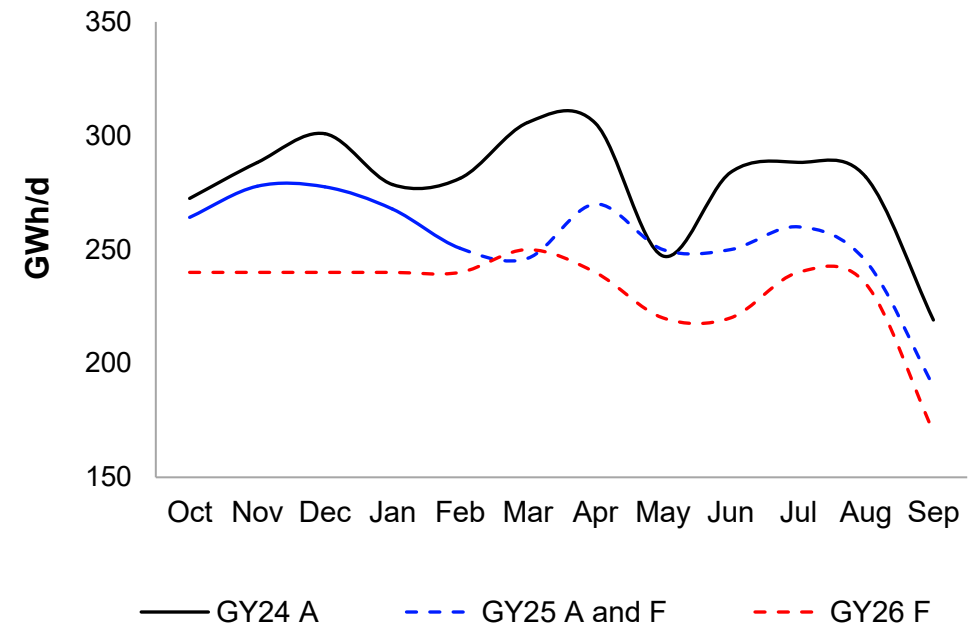
# UK and Dutch production are on decline due to field maturation

Last November, the NSTA revised the expected year-on-year decline for UK production for 2025 to 9.6%, down from a previously projected 10%, and the longer-term decrease assumption at 12% for 2026–50. Our projections assume an average annual Dutch production decline of around 8% over the next four seasons, in line with the recent trend.

## UK production actuals and forecast



## Dutch production actuals and forecast



# EU manufacturing....Trouble ahead. Inflationary expectations rising

## Euro area manufacturing output

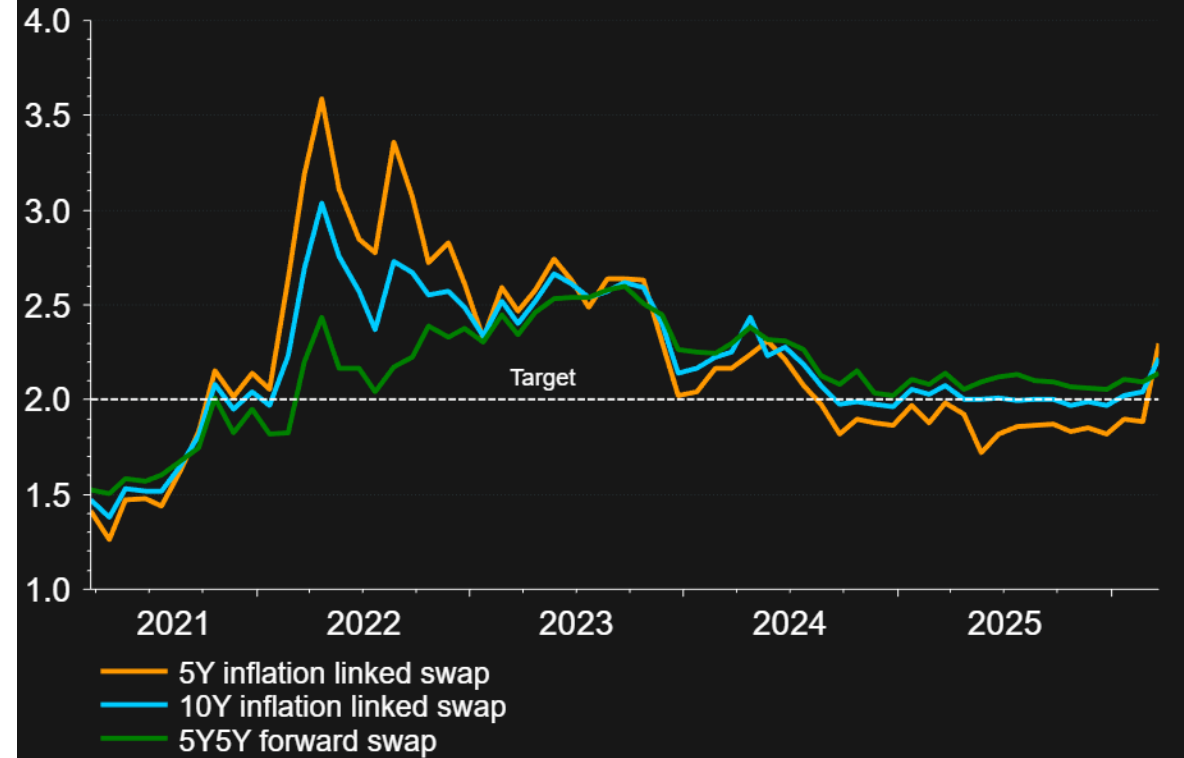
Percentage changes



Source: LSEG Datastream / Fathom Consulting

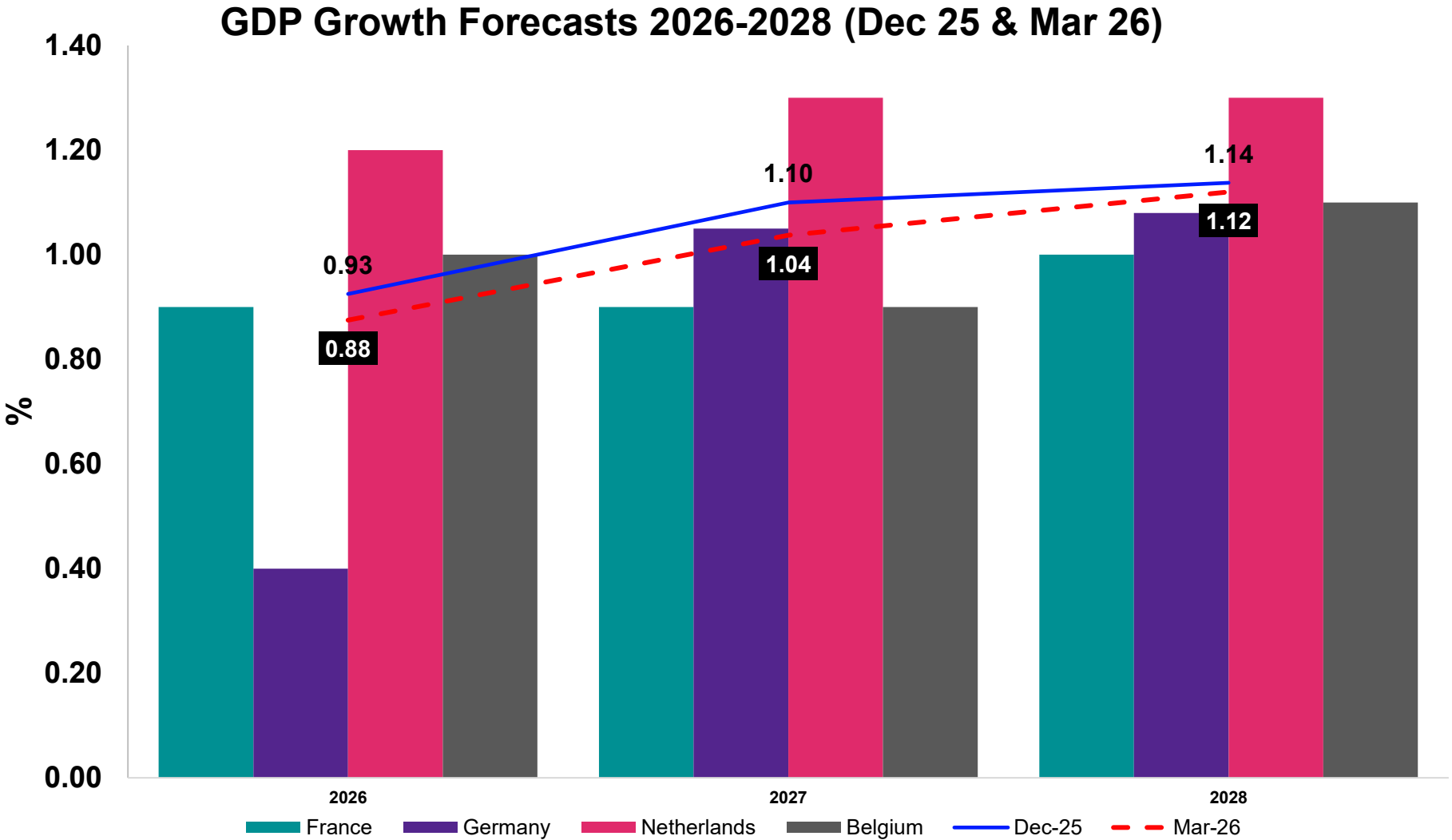
## Euro area inflation expectations

Per cent

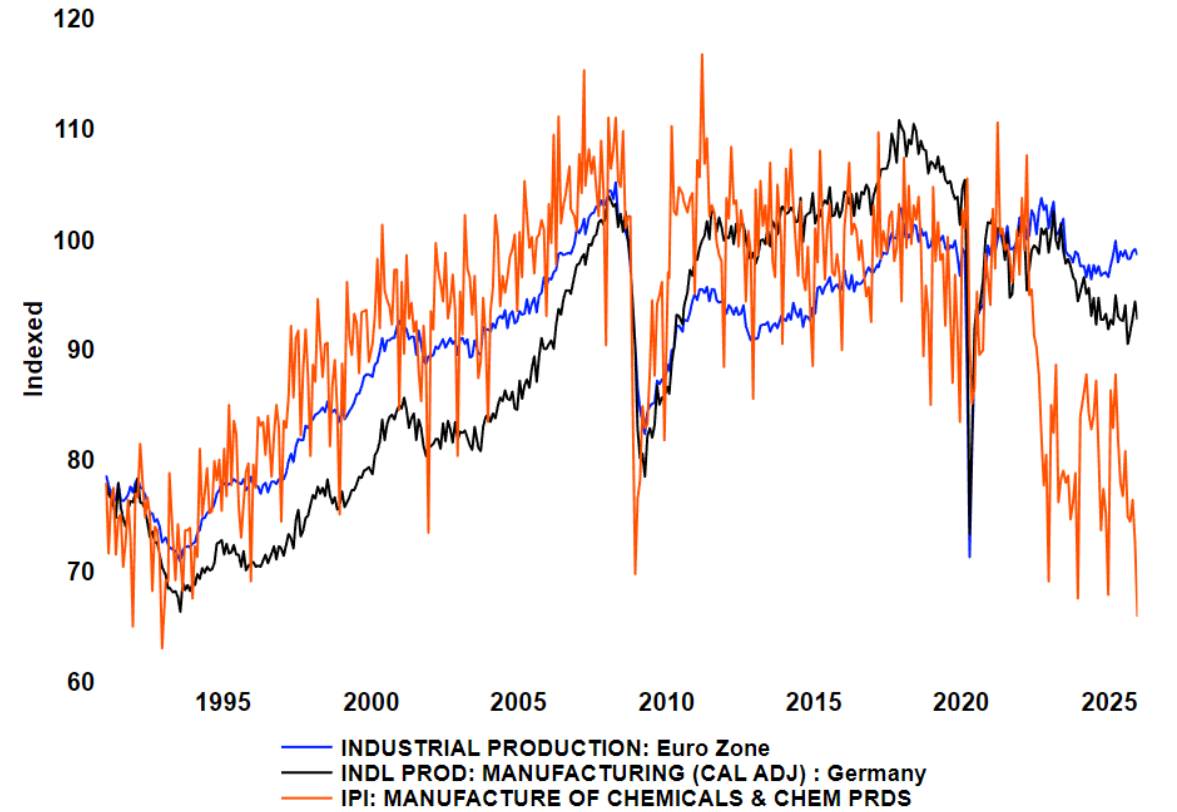
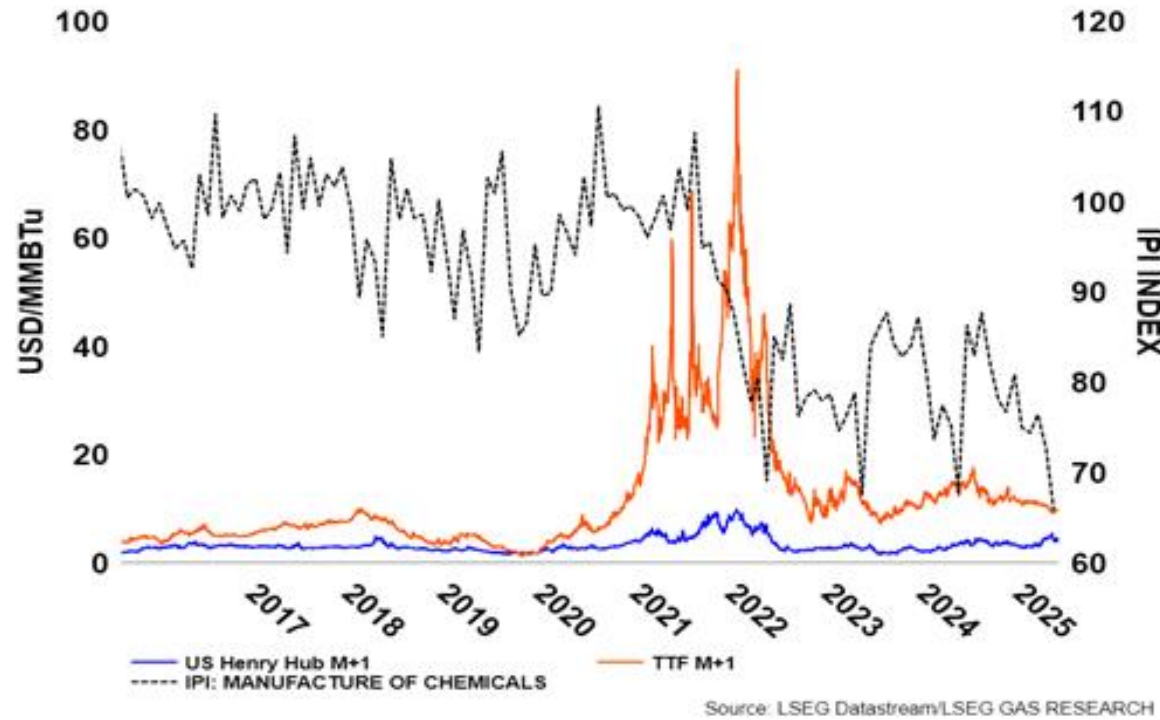


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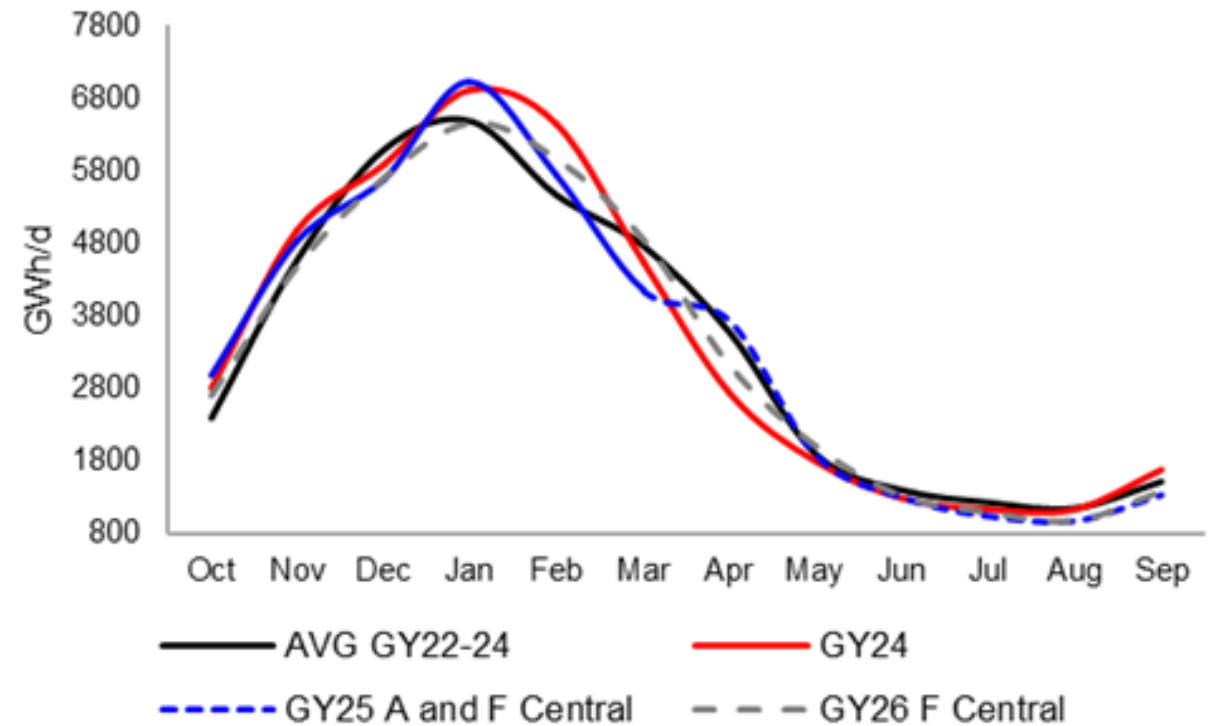
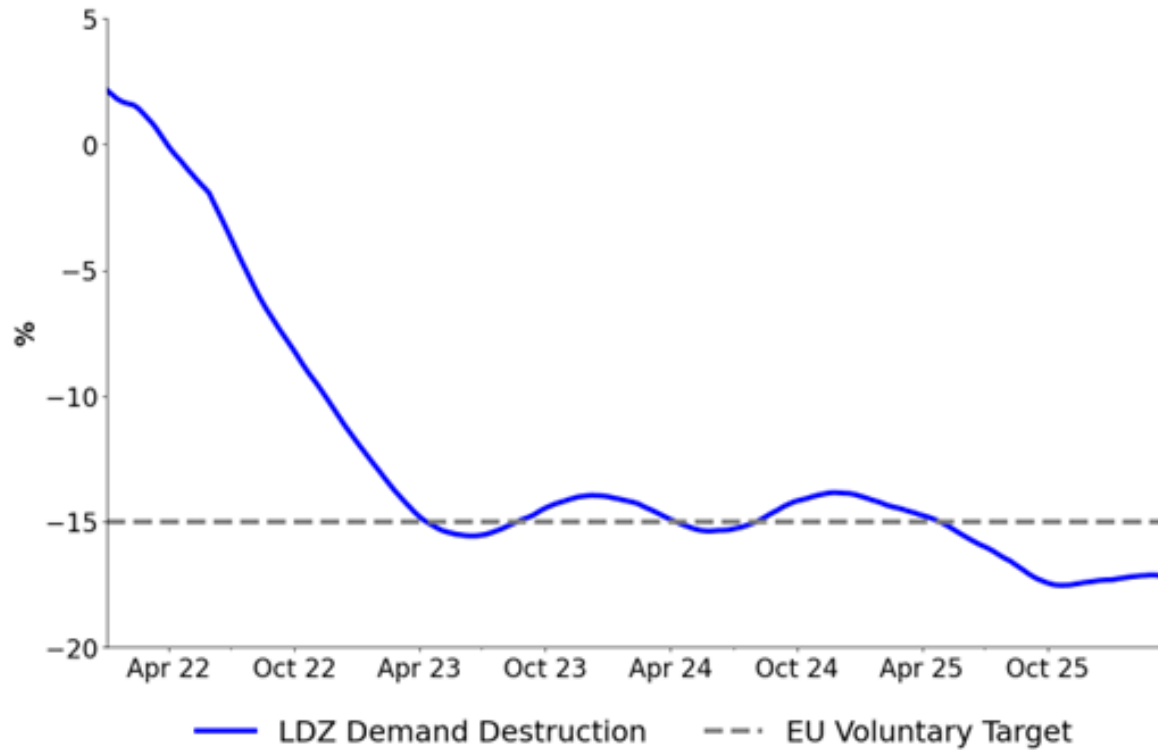
# GDP forecast revisions



# The chemical sectors distress worsens, manufacturing was recovering....



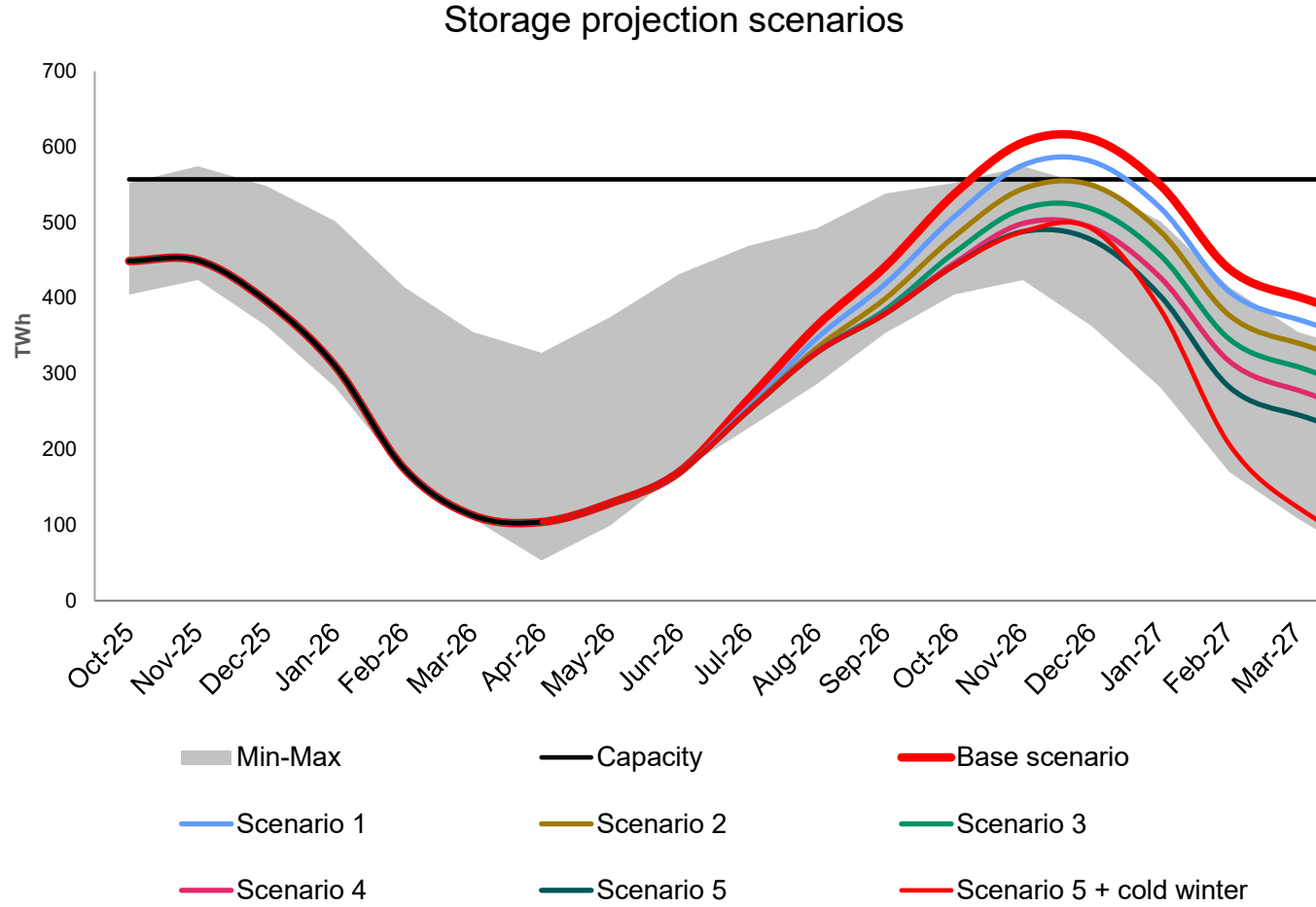
## *LDZ demand flat but demand destruction remains in play*



# LNG Forecast

# Middle East scenarios pose limited risk

Base case Mid-May restart. Scenarios add one additional month delay

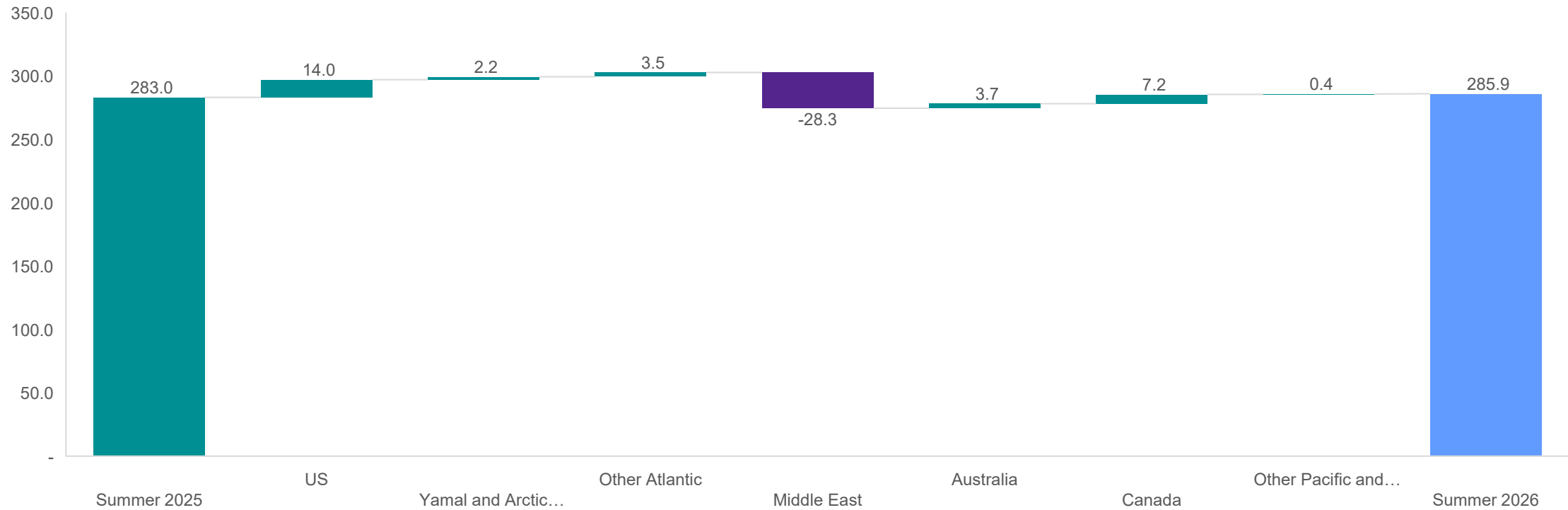


# Global LNG supply

*Middle East outages almost wipe growth*

Global supply changes (bcm)

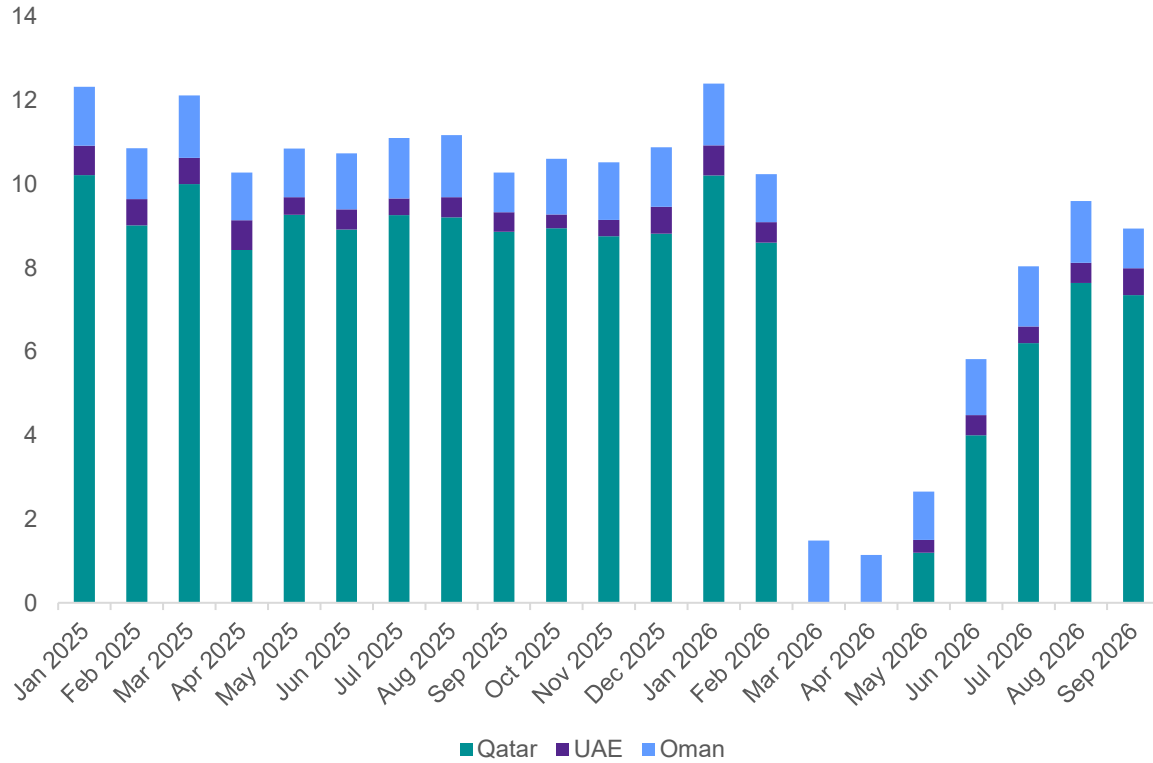
■ Increase ■ Decrease ■ Total



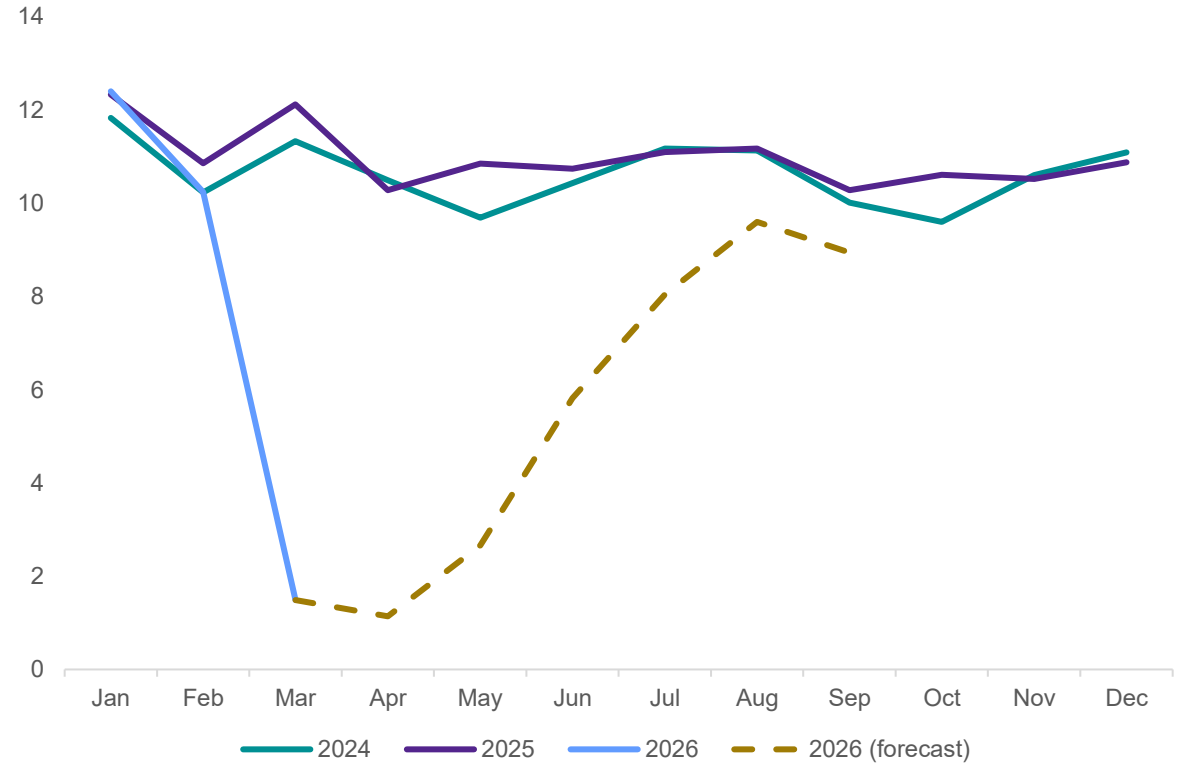
# Middle East LNG supply

**Severe curtailment until mid-3Q**

Middle East exports (bcm)



Middle East exports (bcm)

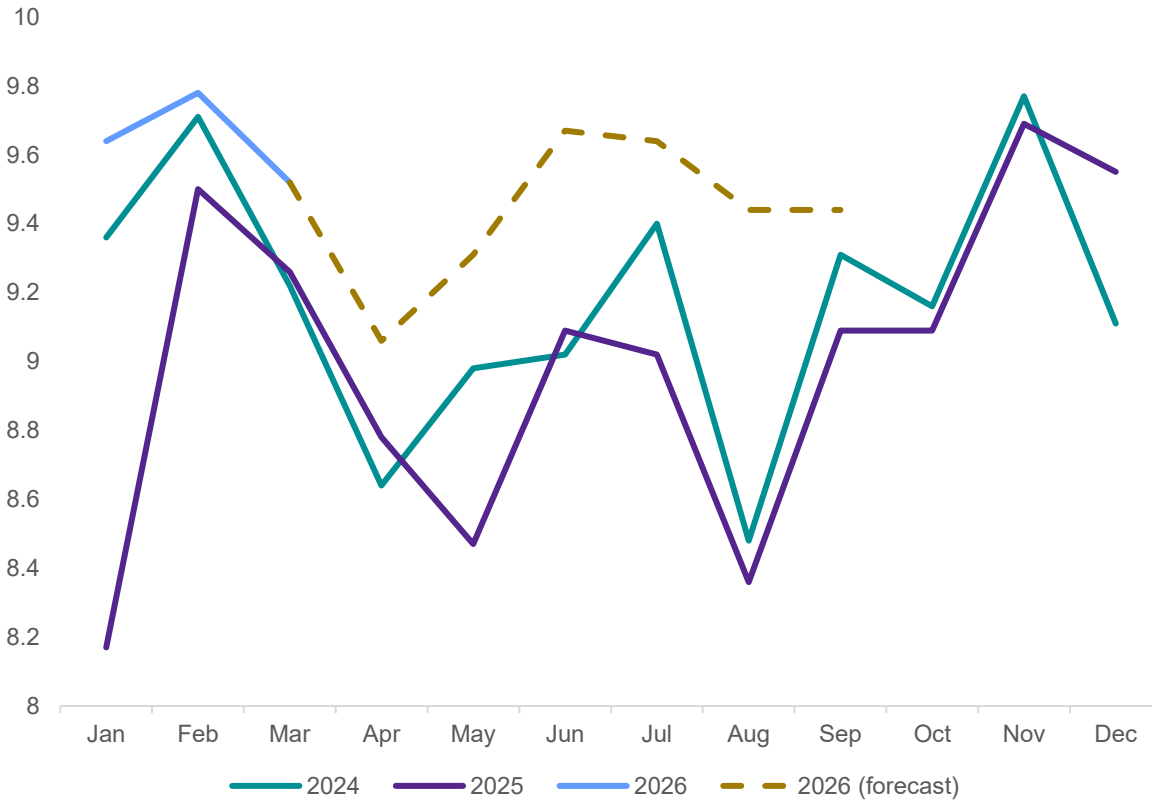


# Pacific LNG supply

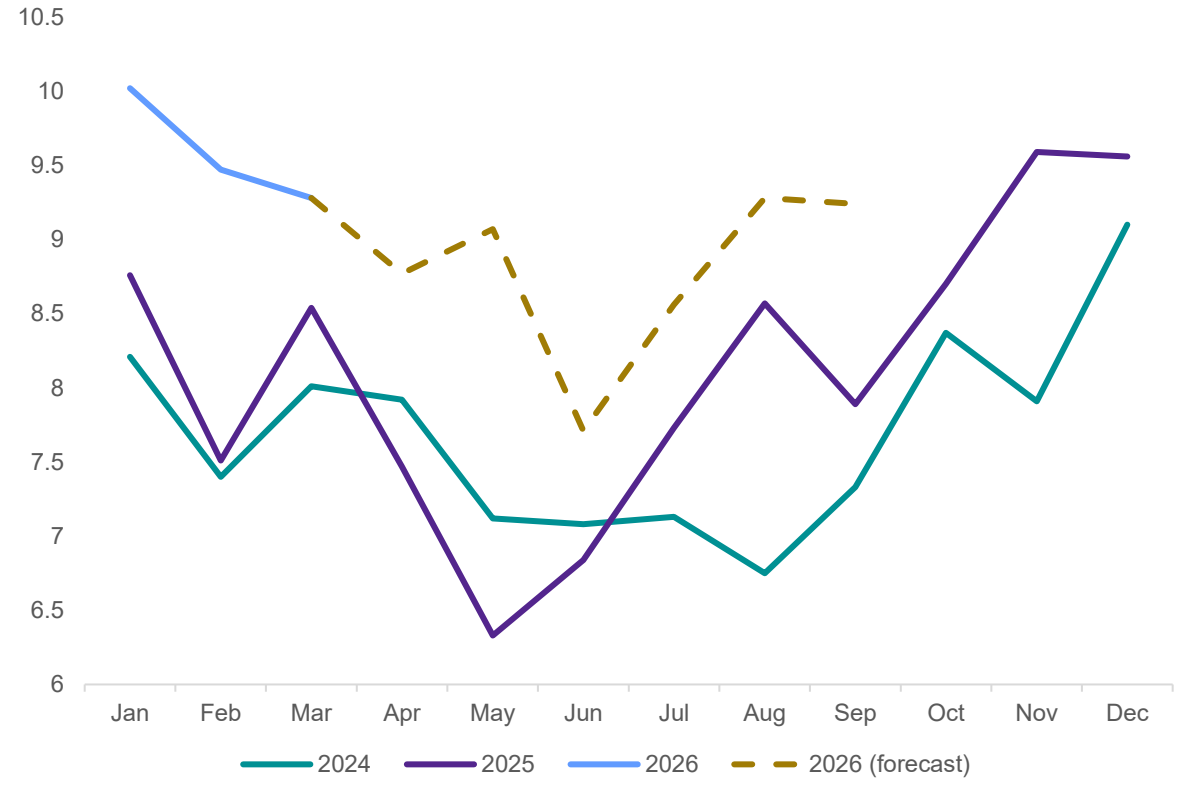
**Australia's Darwin restart; LNG Canada ramp-up; Mexico's ECA**

CORPORATE

Australia exports (bcm)



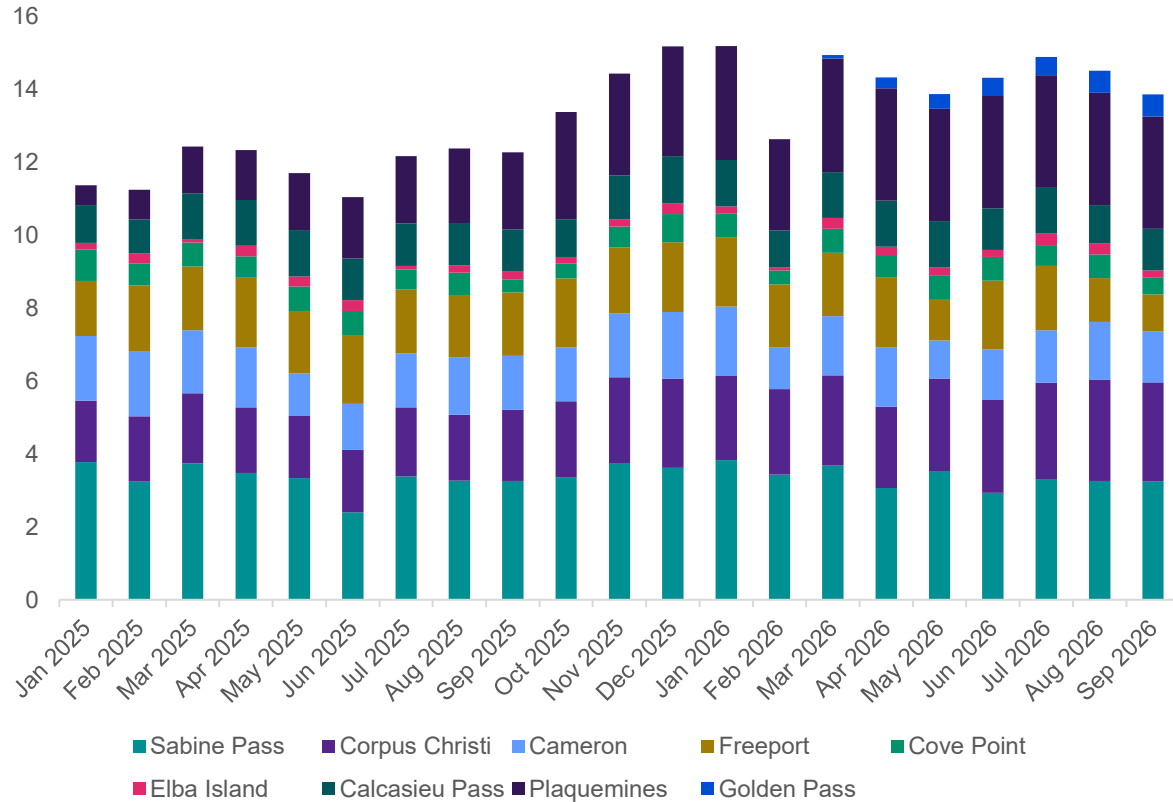
Other Pacific exports (bcm)



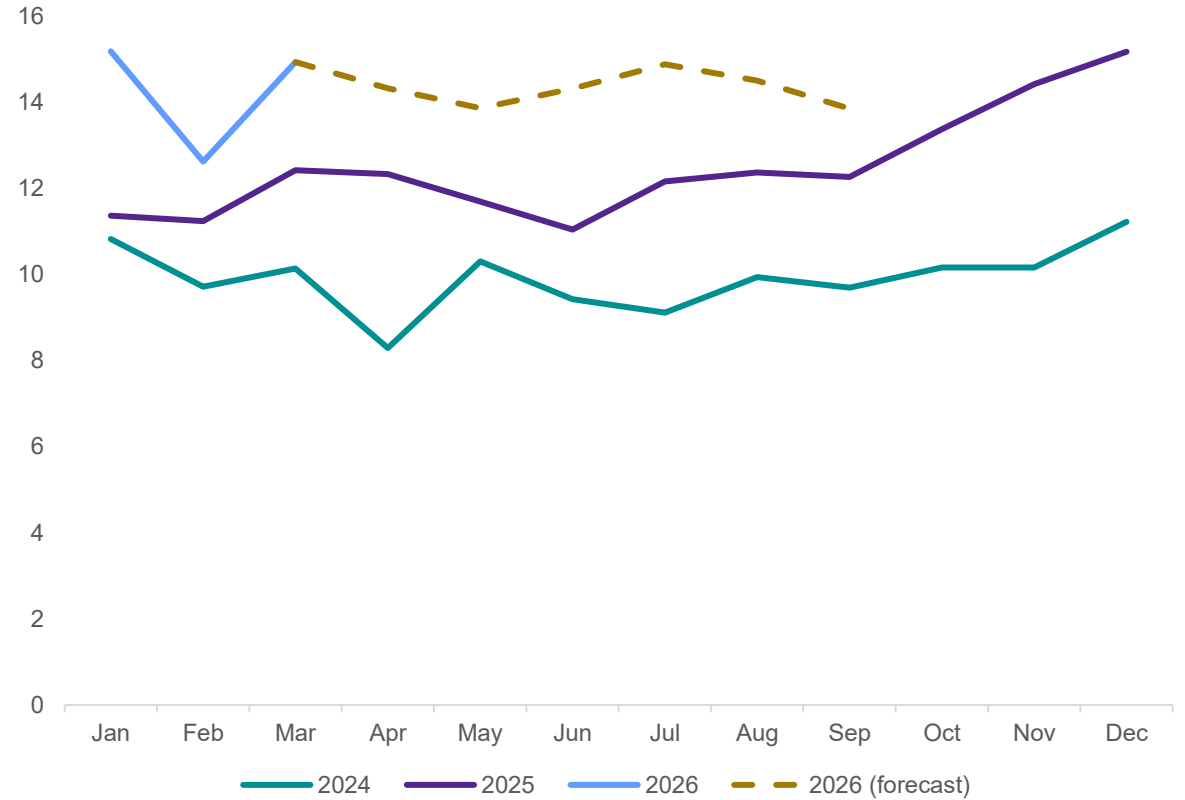
# US LNG supply

**Plaquemines plateau; Golden Pass start-up; Corpus Christi Stage 3 ramp-up**

US LNG exports (bcm)



US LNG exports (bcm)



# Looking Forward

# Latest Storage Forecast

This report is the first update to our Medium-Term Outlook published in March and is based on the EC46 weather run from 20 April. Our summer refilling outlook and storage trajectory for next winter have improved, mainly due to higher global LNG availability following weaker Chinese import requirements, despite continued uncertainty around the reopening of the Strait of Hormuz, suggesting a much more comfortable SUM26 and WIN27 outlook.

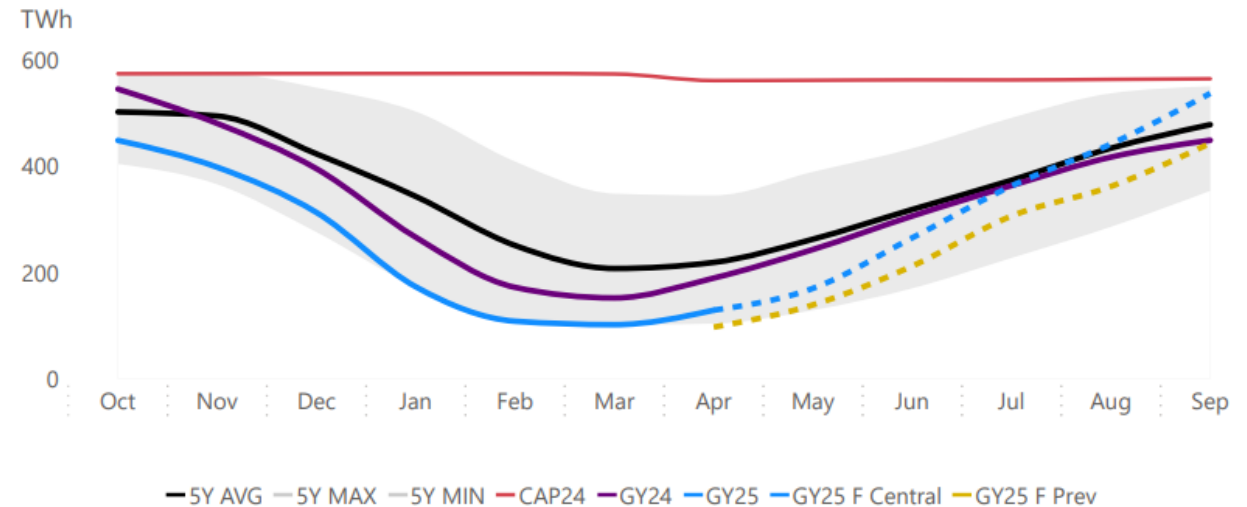
On 1 April, several storage operators revised their capacities downward, resulting in NWE aggregated summer storage capacity falling to 557TWh from 567TWh in winter with Germany's Rehden storage facility accounting for most of the decline. This reflects a typical seasonal adjustment. NWE entered the summer with 104TWh in storage, 17TWh above our earlier forecast. April temperatures have so far been largely above normal and well above the late-March forecasts. This has allowed to lift injection rates in April and we now expect end-April stocks at 129TWh, below the 189TWh observed this time last year.

In May, net injections are projected to rise to 1,300GWh/d from 850GWh/d in April. This is driven by 740GWh/d lower demand, a 215GWh/d decline in net exports from NWE. These factors more than offset 110GWh/d lower Norwegian flows and 325GWh/d reduction in LNG sendout. As a result, NWE storage is now expected to reach 167TWh (30% full) by endMay versus 243TWh (44% full) last year.

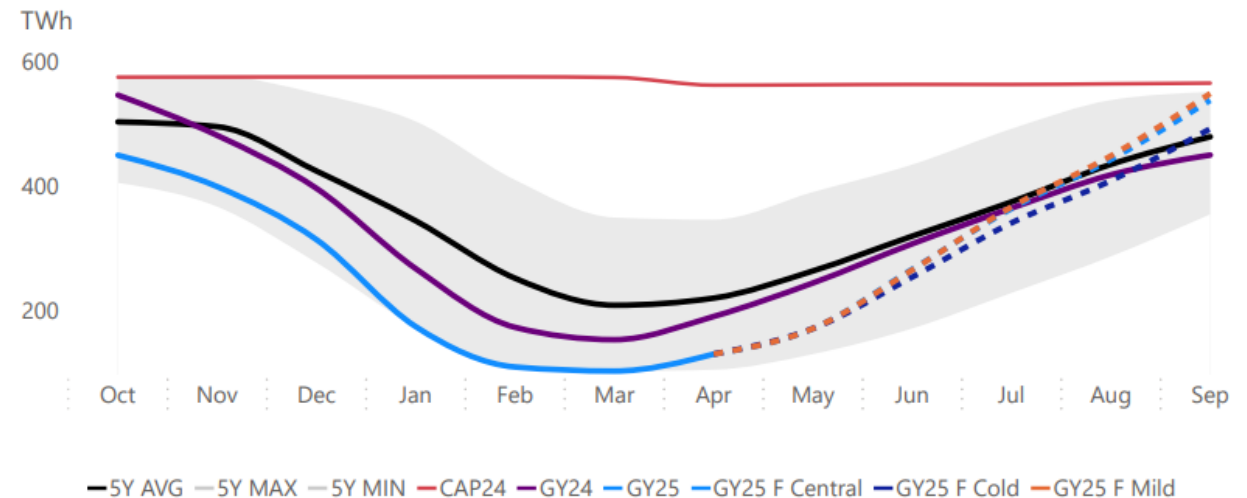
Looking ahead to WIN26, our central scenario indicates NWE storage could reach 96% fullness by 1 October — around 89TWh higher than previously forecast — and be full before November, driven by greater LNG availability in August–October as Chinese demand softens. Under this scenario, stocks would fall to 69% by endMarch 2027. Even in a cold-weather case, storage reaches 98% by 1 November and declines to 32% by 1 April 2027, assuming the Strait of Hormuz reopens in May with gradual recovery in Qatari LNG exports.

We also consider a prolonged Hormuz closure. In the most bullish sensitivity case — Qatari exports restarting only in October and colder-than-normal winter weather — NWE stocks fall to 82TWh (15%) by endwinter, which is above the record lows recorded at this time in 2018. Despite such a bullish projection for end of WIN27, stocks would still refill comfortably the following summer indicating a moderate risk of such a scenario.

## Aggregated Storage Level



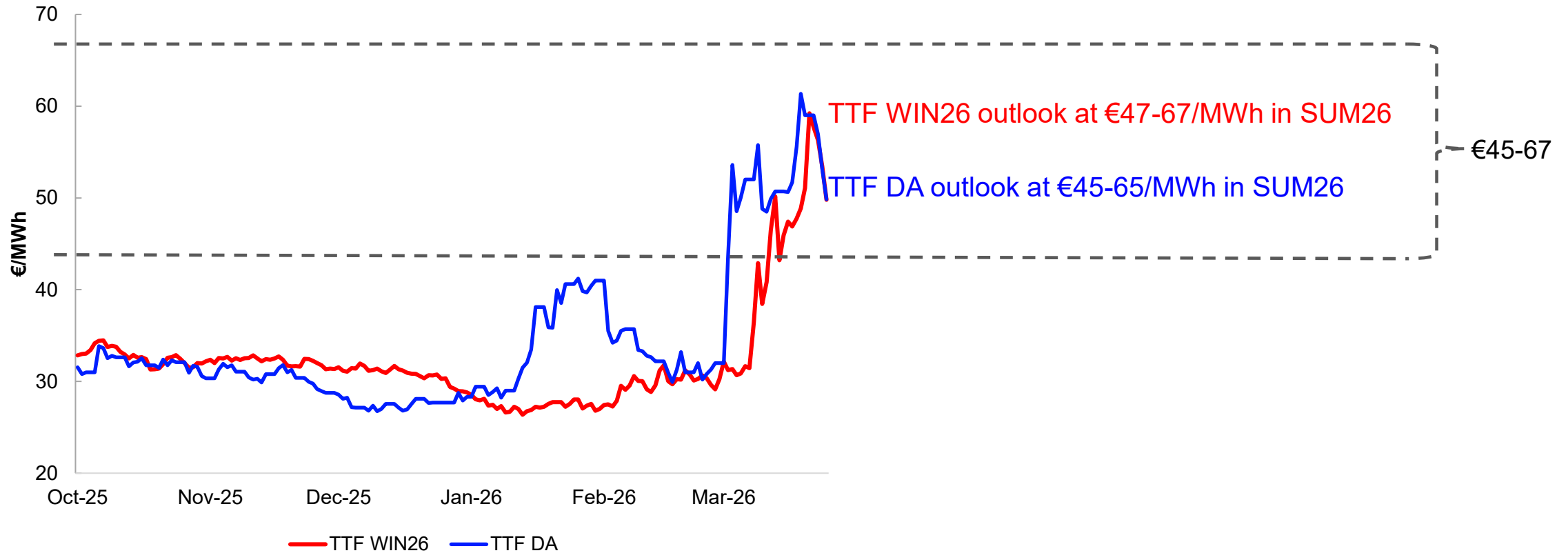
## Aggregated Storage Level by Consumption Scenario



# Price forecast for summer 2026

From bearish to bullish depending on the developments in the Middle East – if Strait of Hormuz exports resume in May or not until October. TTF DA to start trading at a discount to TTF WIN26. Prices unlikely to drop to pre-conflict levels anytime soon.

TTF DA and WIN26 actuals and forecast

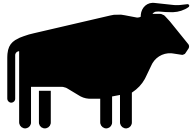


## What to look out for over the coming months

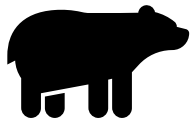
- EU storage trajectory vs 5-year range
- JKM–TTF spread (cargo competition)
- LNG export disruptions/resumptions (Qatar / US)
- Norwegian supply reliability
- Policy changes (storage targets / subsidies)
- Trumps Truth social posts!

# SUMMER RISKS

- Storage refill risk dominates pricing.
- Storage needs to rise from ~37% to ~80% (or potentially relaxed ~75% target)
- Requires sustained high LNG imports and strong price signals, a risk considering LNG now covers a majority of marginal supply at over 40% of NWE requirements.



- LNG supply disruptions (Middle East escalation)
- Asian demand competition pulling cargoes away from Europe
- Below-average Norwegian flows / maintenance
- Super hot European summer



- Reopening of the Strait of Hormuz
- Weak industrial demand
- Mild weather and strong renewables reducing power burn
- Rising LNG supply as summer progresses

**Tight, fragile, and highly weather/geopolitics-dependent → Upside risk remains dominant until storage trajectory improves**

# WINTER 2026 RISKS, dependent

*Looking beyond summer, the outlook improves structurally:*



- Wave of new LNG supply (late 2026 onward)US (Golden Pass, expansions)
- Qatar (North Field)\*\*
- Global LNG supply expected to increase materially
- Weaker structural demand in Europe
- Efficiency gains
- Industrial demand erosion
- Renewables growth
- LDZ demand behavioural changes

*Some upside risks despite the increase in LNG supply*



- End-summer storage level
- If injections underperform → strong winter upside risk
- Weather risk (cold winter scenario)
- LNG availability (prolonged delay of SoH reopening)



**Thank you for your  
time**