



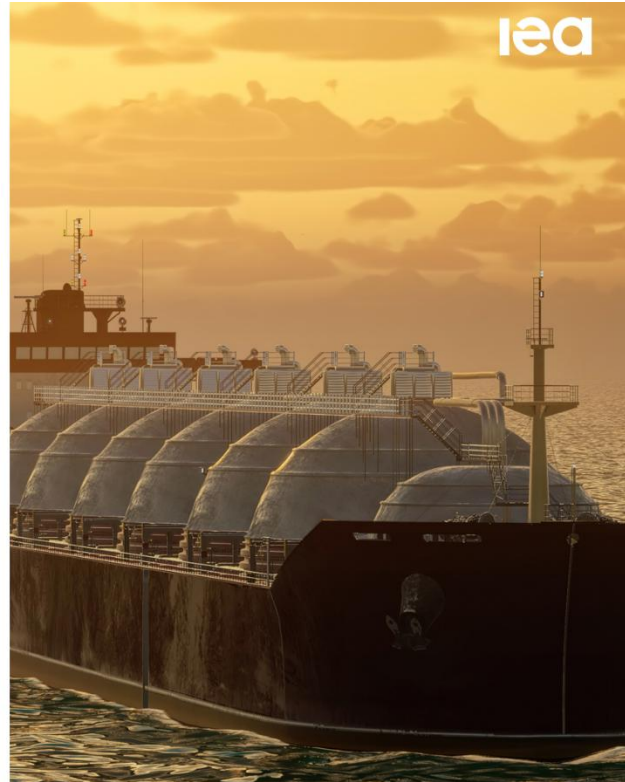
Gas Market Report –Q2 2026

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Centre for International Energy Policy – Istituto Affari Internazionali, 28 April 2026

IEA Quarterly Gas Report –Q2 2026

Gas Market Report, Q2-2026

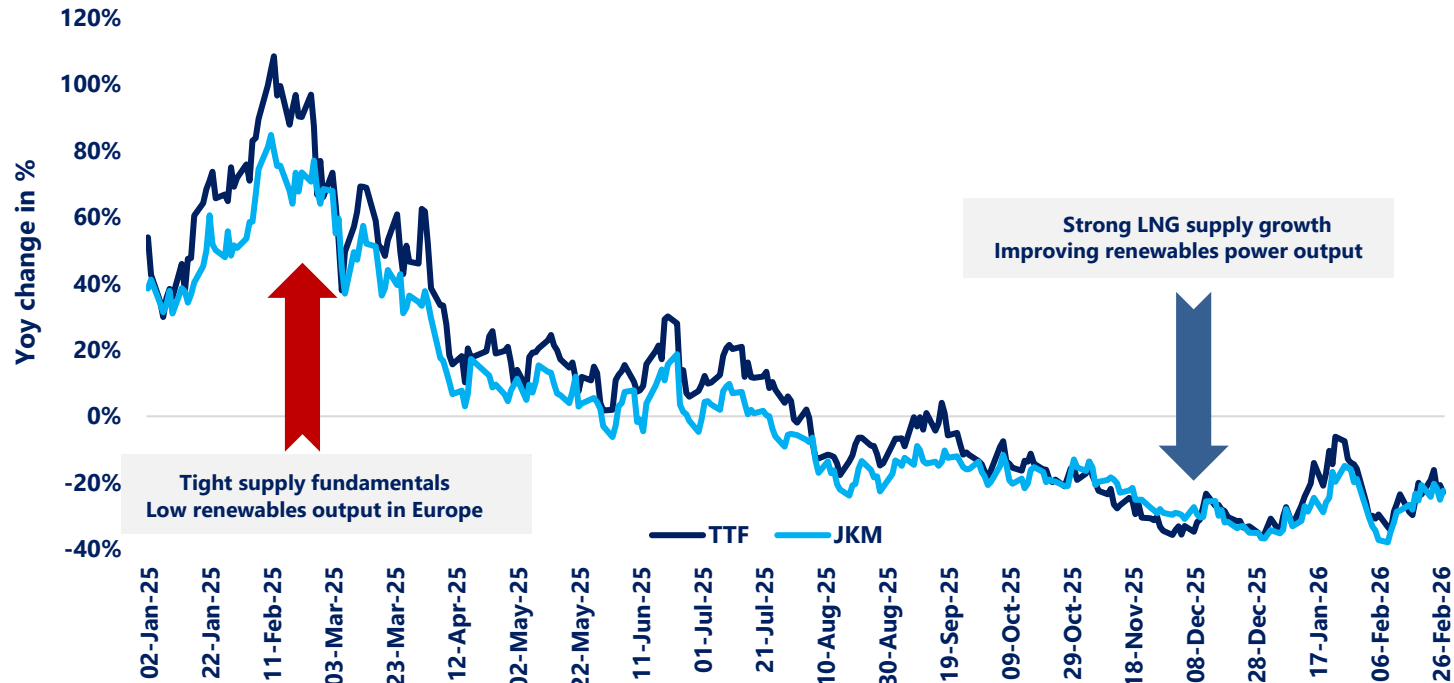


<https://www.iea.org/reports/gas-market-report-q2-2026>

Jusqu'ici tout va bien: gas market trends over the Oct-Feb period

Asian and European prices were on a downward trend until March

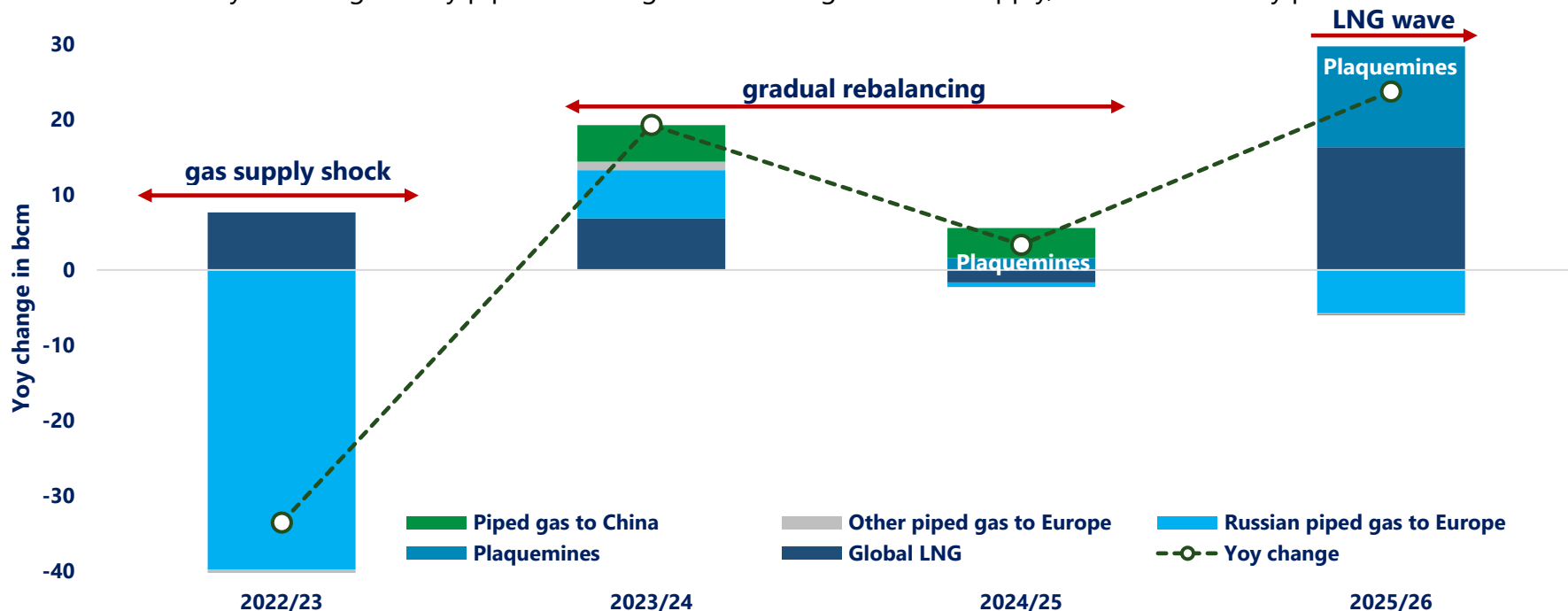
Year-on-year change in TTF month-ahead and Platts JKM prices, January 2025 – February 2026



Asian spot LNG and European hub prices fell by almost 25% yoy through the 2025/26 winter season. Strong LNG supply growth and improving renewables output put downward pressure on prices.

Global LNG supply surged by more than 10% over the winter

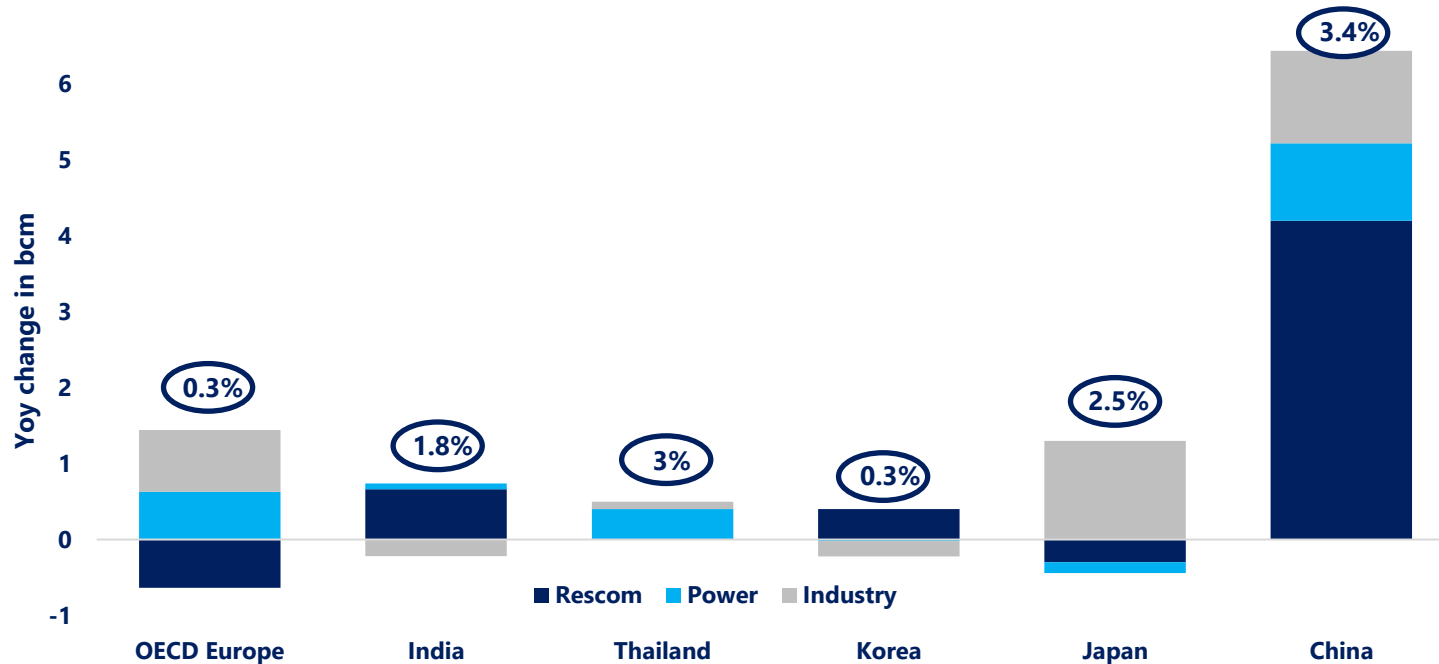
Year-on-year change in key piped natural gas trade and global LNG supply, October-February period



Global LNG supply grew by around 12% in the Oct-Feb period, largely supported by the ramp-up of new LNG projects in North America. This strong growth gradually eased up market conditions until March.

Asian natural gas demand returned to growth through Oct-Feb

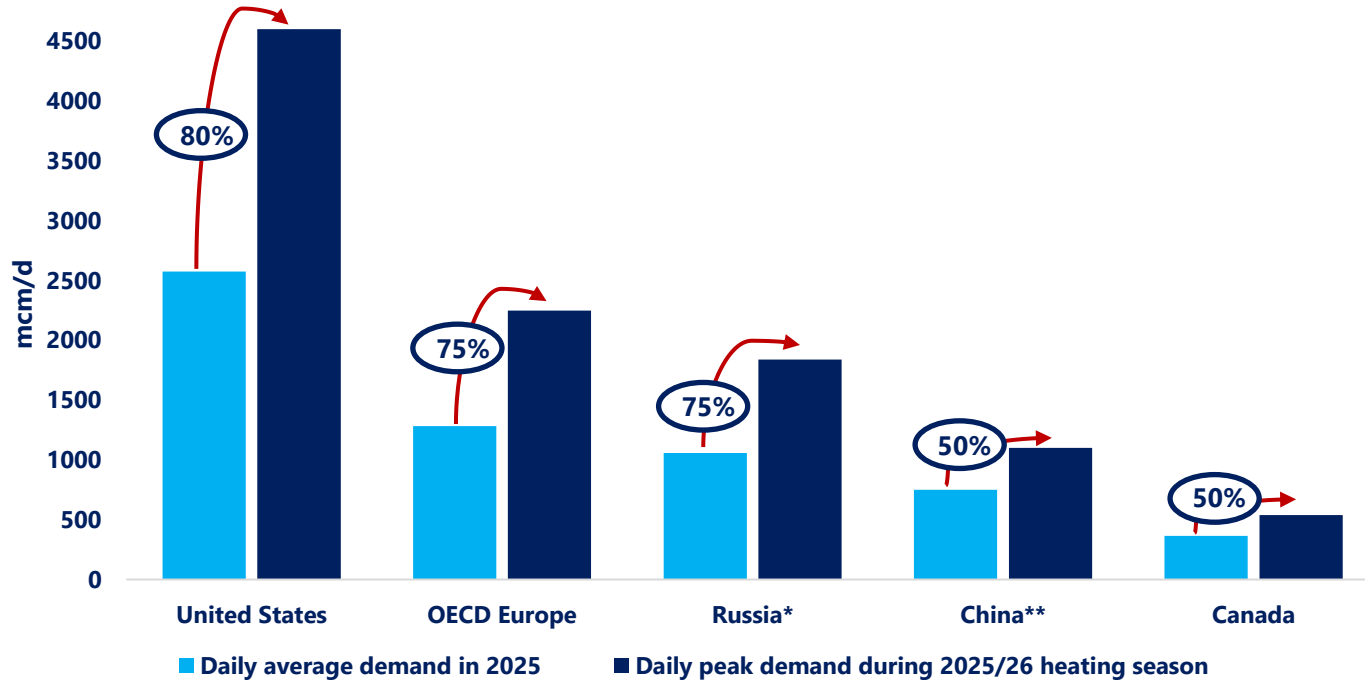
Year-on-year change in natural gas demand across selected markets, October-February period



Preliminary data suggest that Asia's natural gas consumption grew by around 3% y-o-y through Oct-Feb, largely driven by China amid stronger gas use in buildings, transport, power and industry.

A winter of storms: cold spells highlights the key role of gas flexibility

Daily average demand in 2025 and peak natural gas demand during the 2025/26 winter across selected markets



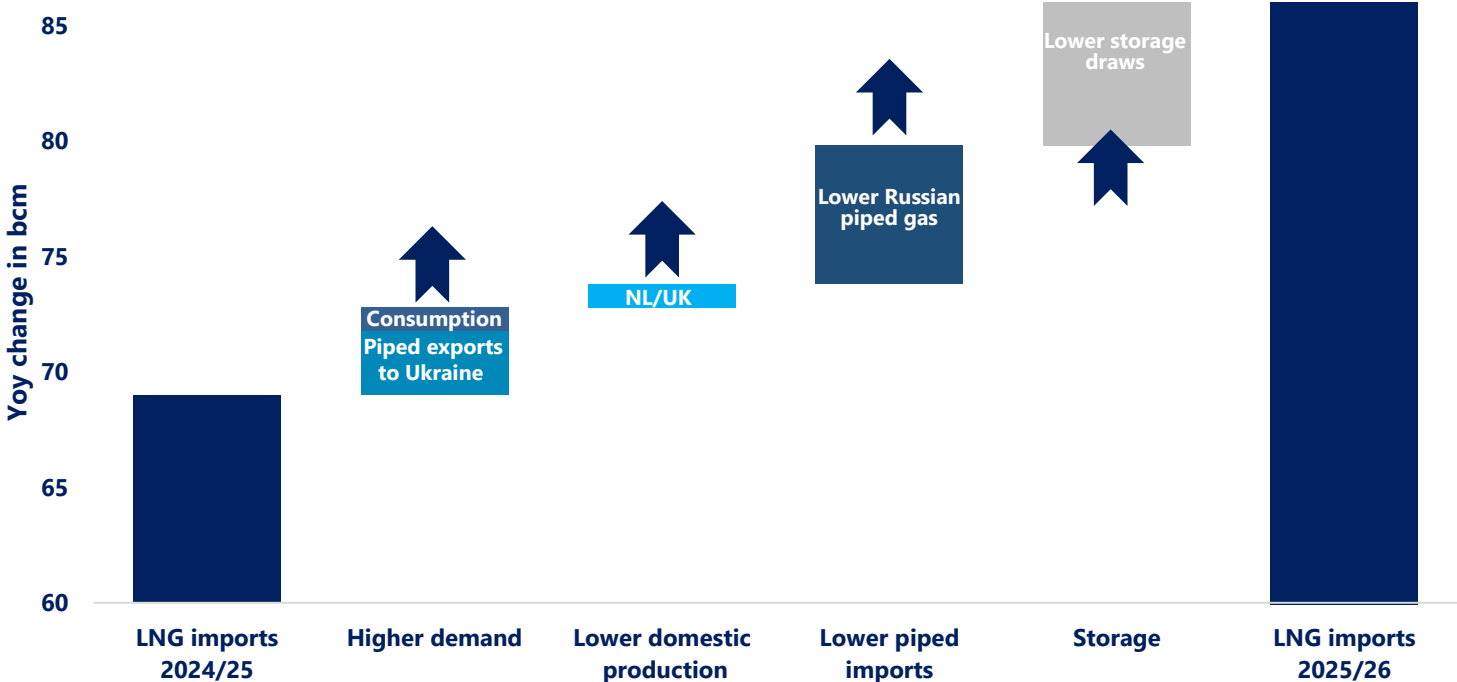
Winter cold spells drove-up daily natural gas demand to new record highs in key markets in the Northern Hemisphere. Gas supply flexibility plays a key role in ensuring heat and electricity supply security.

*Volumes supplied through the Unified Gas Supply System of Russia.

**Volumes supplied through PipeChina's network (assumed to meet ~70% of China's natural gas demand).

European LNG imports surged to a new record over the winter

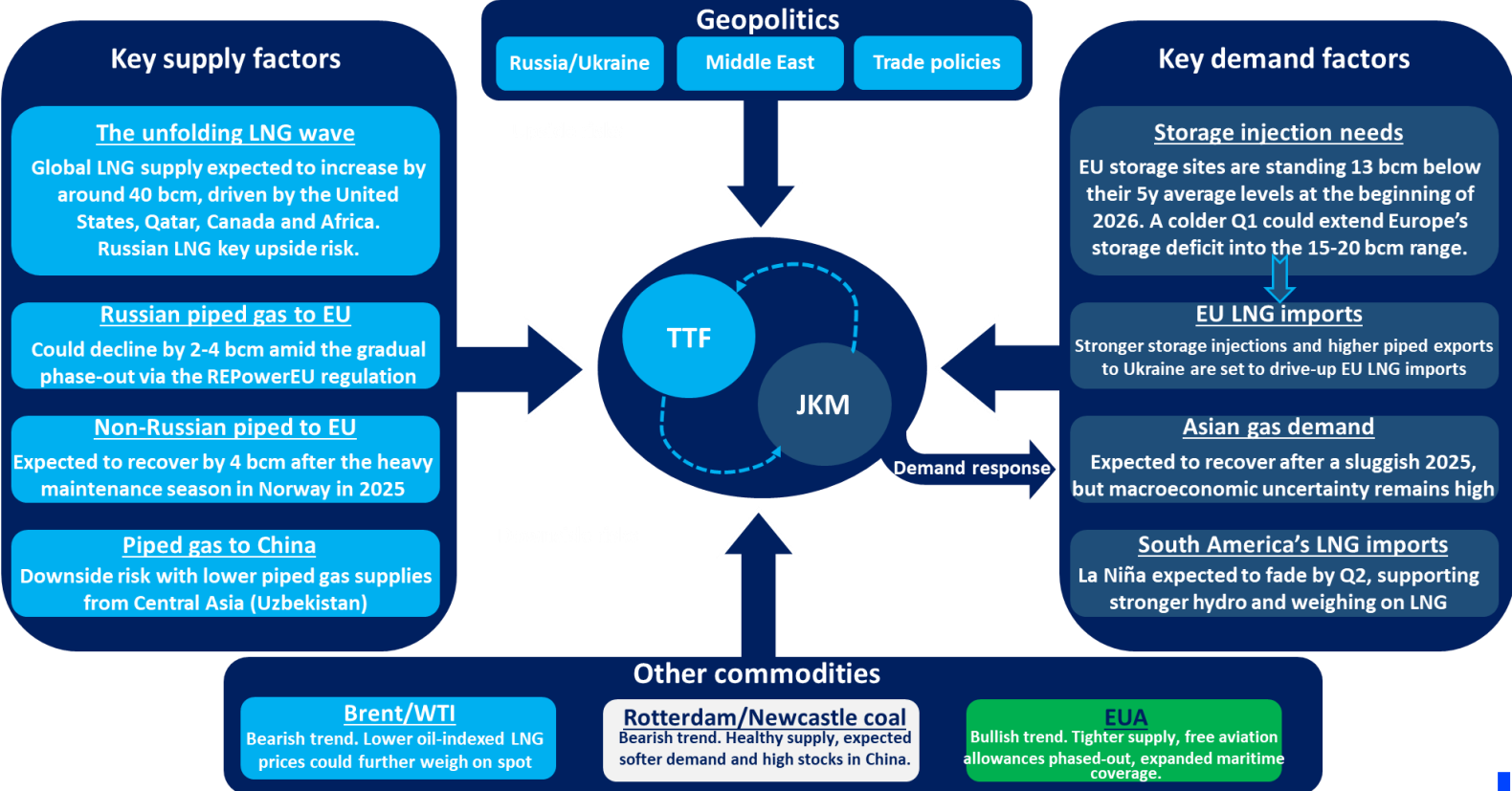
Supply-demand drivers behind Europe's higher LNG imports during the October-February period



Reduced Russian piped gas imports together with lower storage draws, declining domestic production and higher piped exports to Ukraine drove up Europe's LNG imports by 25% yoy to a record high in Oct-Feb.

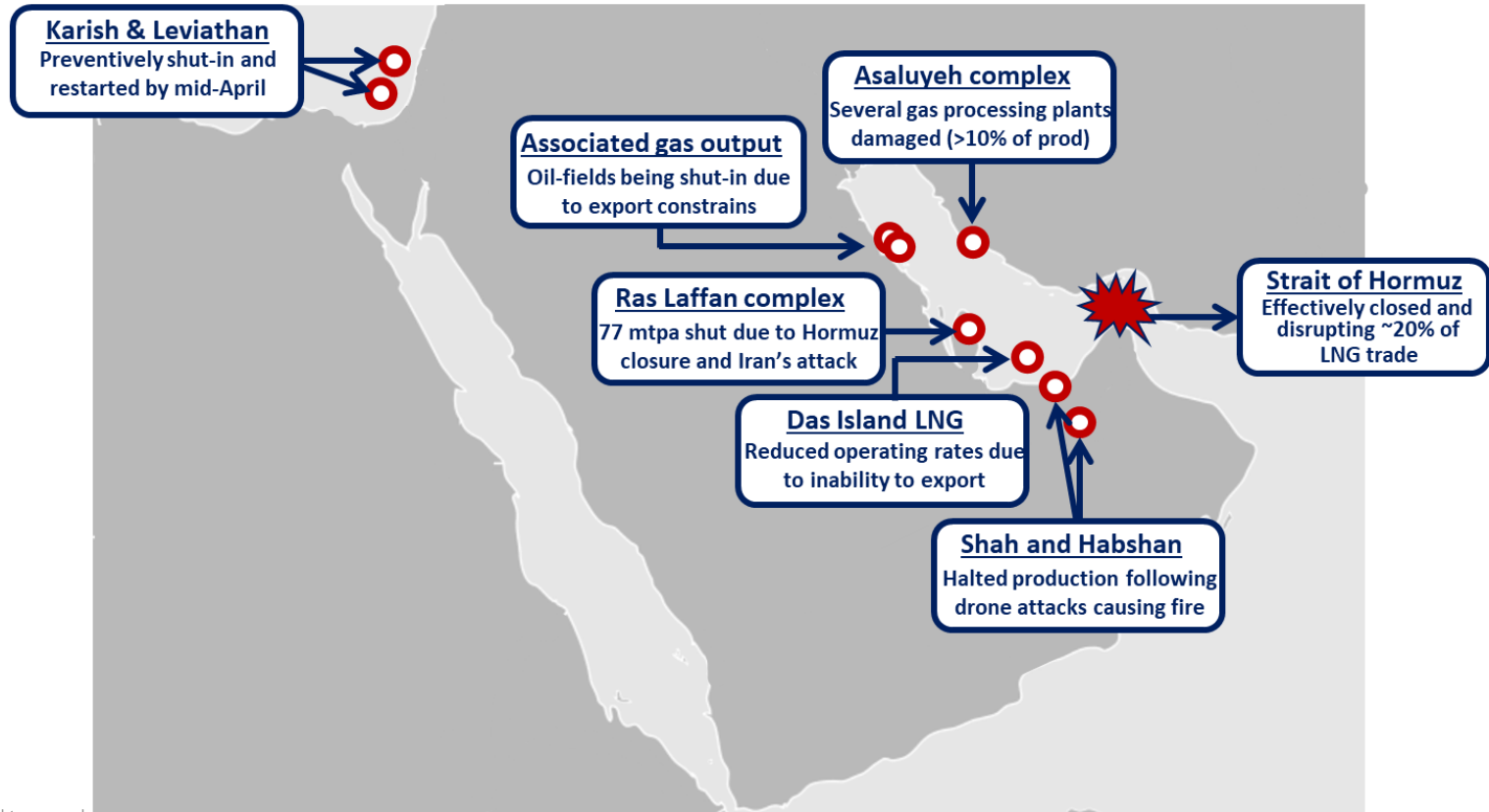
The impact of the Middle East conflict on natural gas markets

Before the crisis: key gas market considerations for 2026



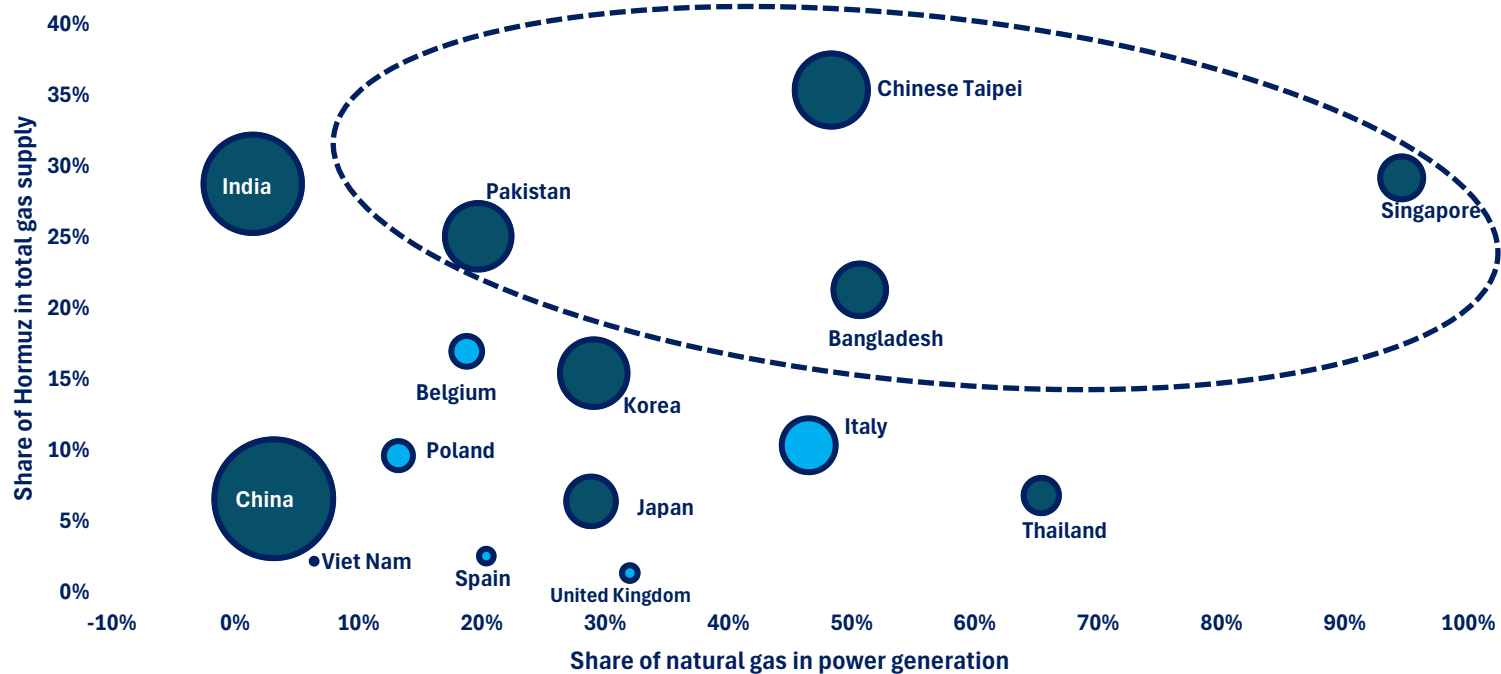
The Middle East conflict profoundly distorted natural gas markets

Selected oil and gas infrastructure in the Middle East affected since the start of the conflict



Asian markets are more exposed to the Strait of Hormuz...

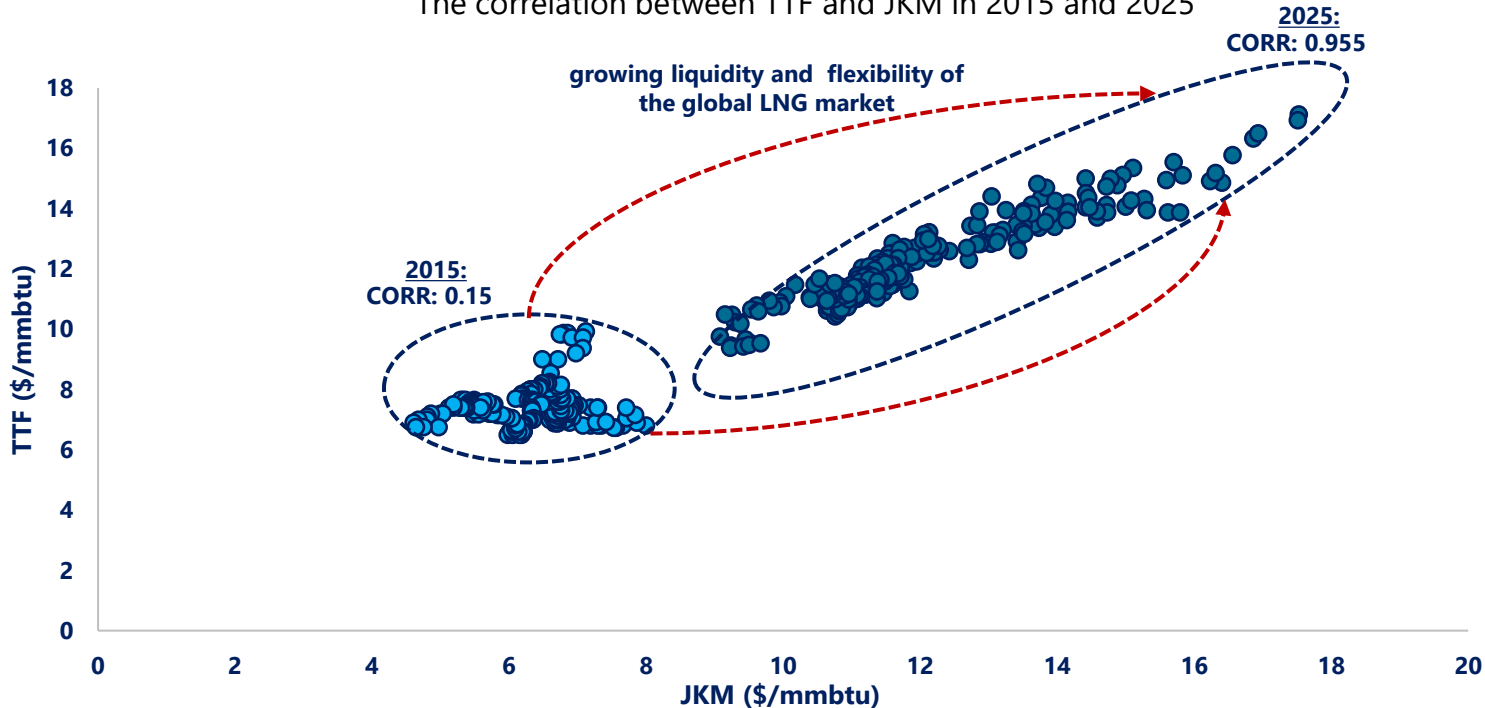
The exposure of key Asian and European markets to the Strait of Hormuz in 2025



Almost 20% of global LNG trade transited via the Strait of Hormuz in 2025, with no diversion options. While Asian markets are more exposed, a prolonged disruption would have global consequences.

...but we are living in an increasingly globalized gas market

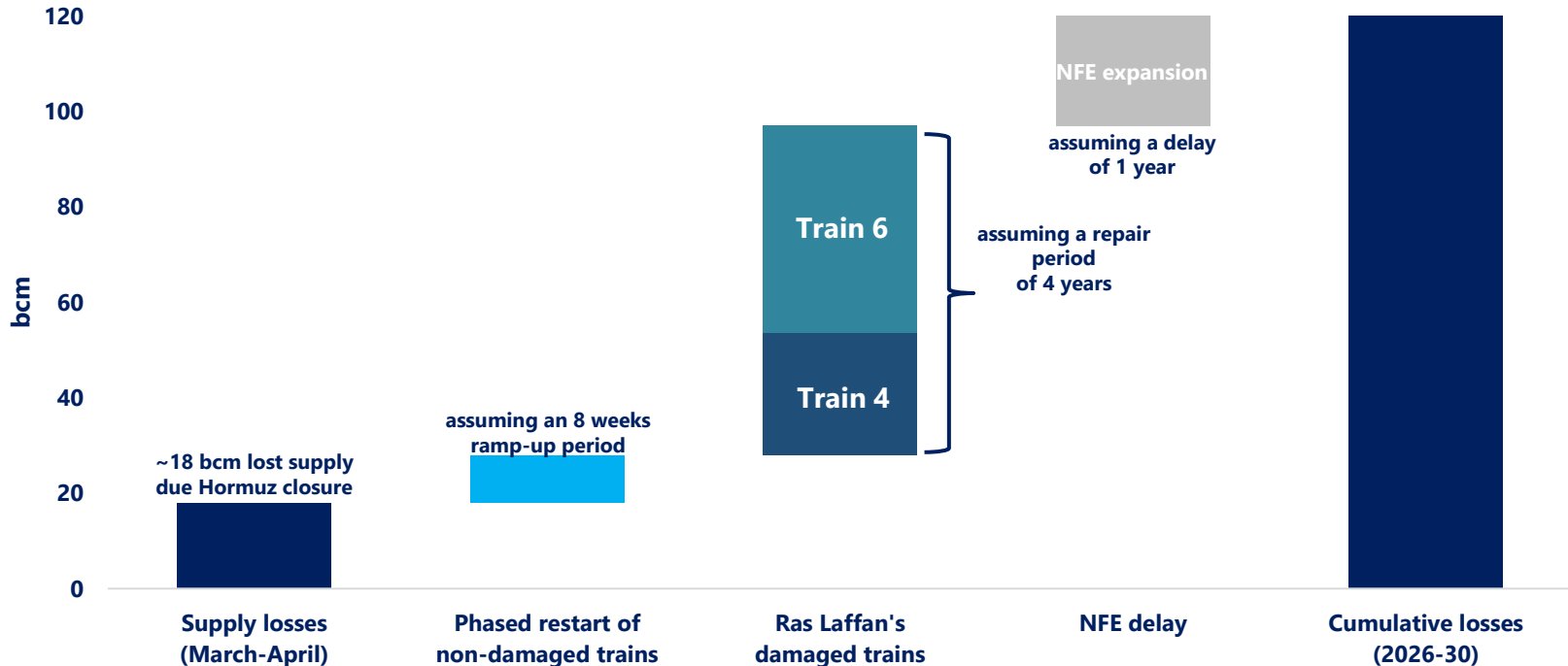
The correlation between TTF and JKM in 2015 and 2025



The correlation between Asian and European spot prices rose from around 15% in 2015 to an all-time high of 95.5% in 2025 –largely supported by the growing volumes of destination-flexible US LNG.

The Middle East conflict is altering the medium-term gas outlook

The cumulative impact of the Middle East conflict on LNG supply through 2026 – 2030



The Middle East conflict already led to a loss of ~120 bcm of global LNG supply over the 2026-30 period, largely driven by the damages caused to Qatar's LNG facilities. This alters the medium-term outlook.

The crisis reduced global LNG supply by ~15% for the medium-term

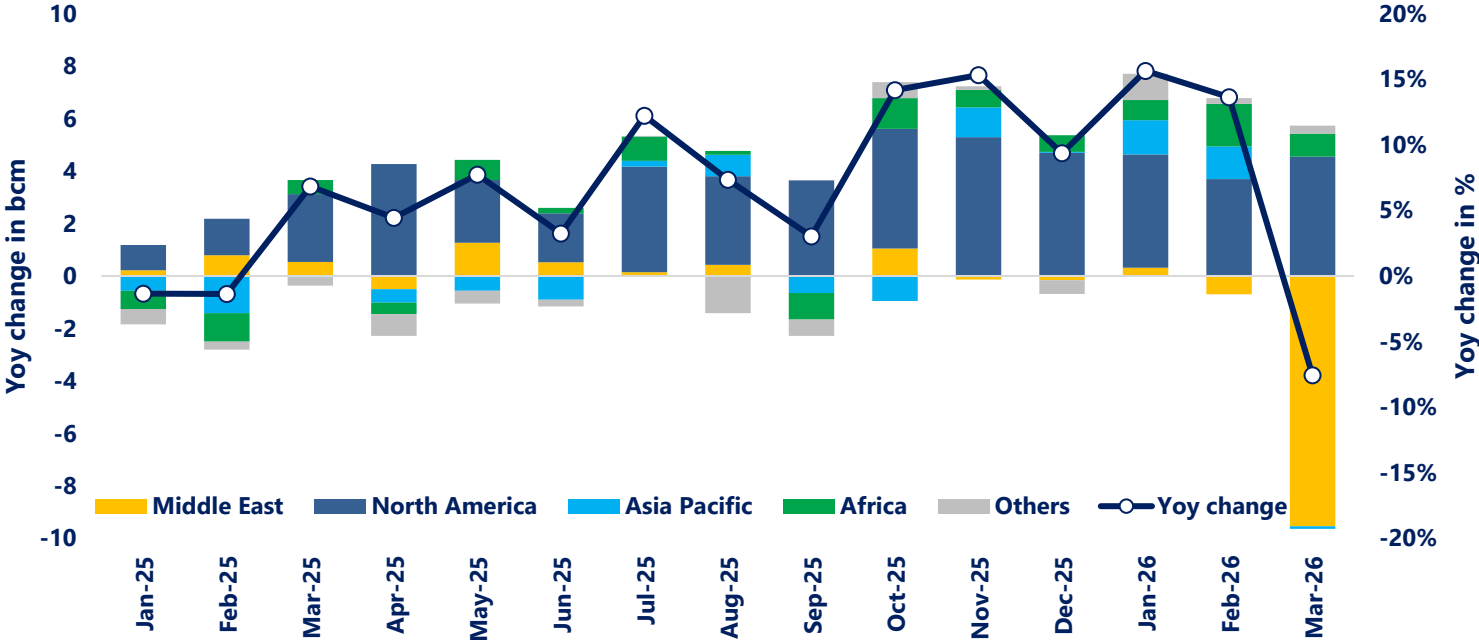
Expected cumulative increase in new LNG supply and loss of Hormuz LNG through 2026 – 2030



The strong increase in new LNG liquefaction capacity is set to offset the lost Qatar and Emirati supplies over the medium-term. Tighter market conditions could persist for longer than previously expected.

Global LNG supply declined by 8% in March 2026...

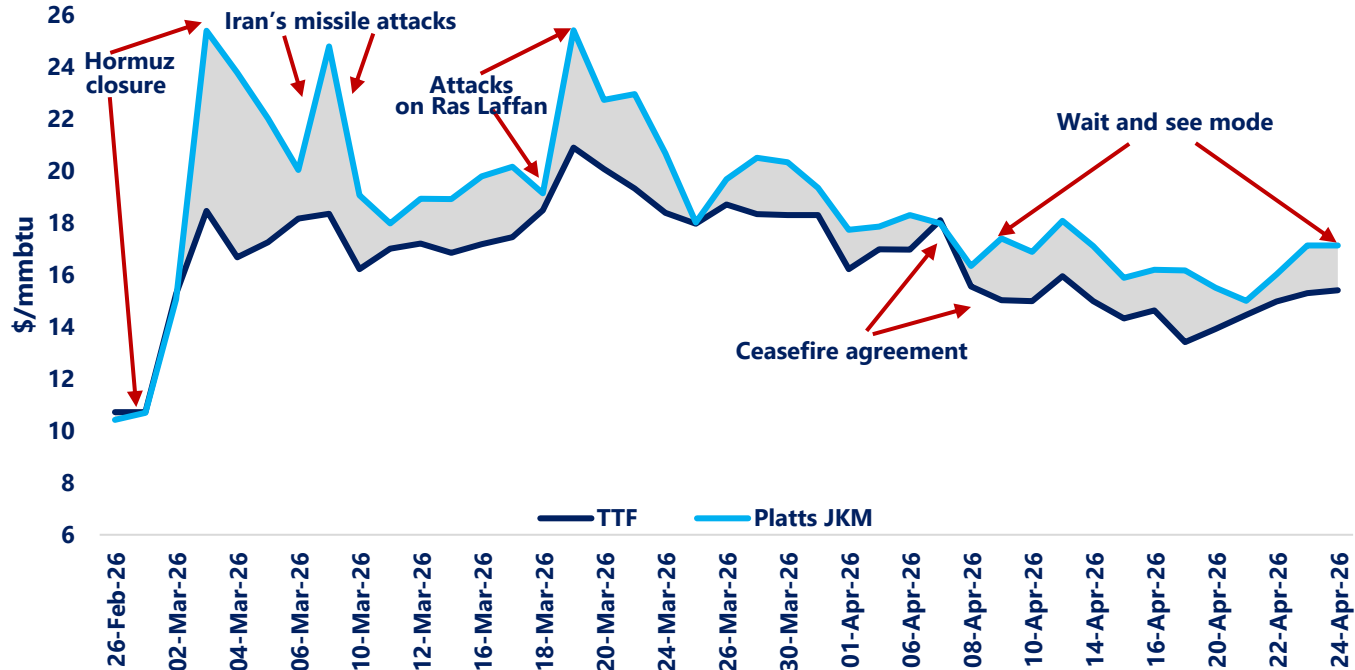
Year-on-year change in global LNG loadings by key exporting region, January 2025 – March 2026



Global LNG supply fell by 8% (or 4 bcm) in March 2026, as the steep decline in Middle Eastern loadings was partly offset by the strong production growth in North America and Africa.

...providing upward pressure on natural gas prices

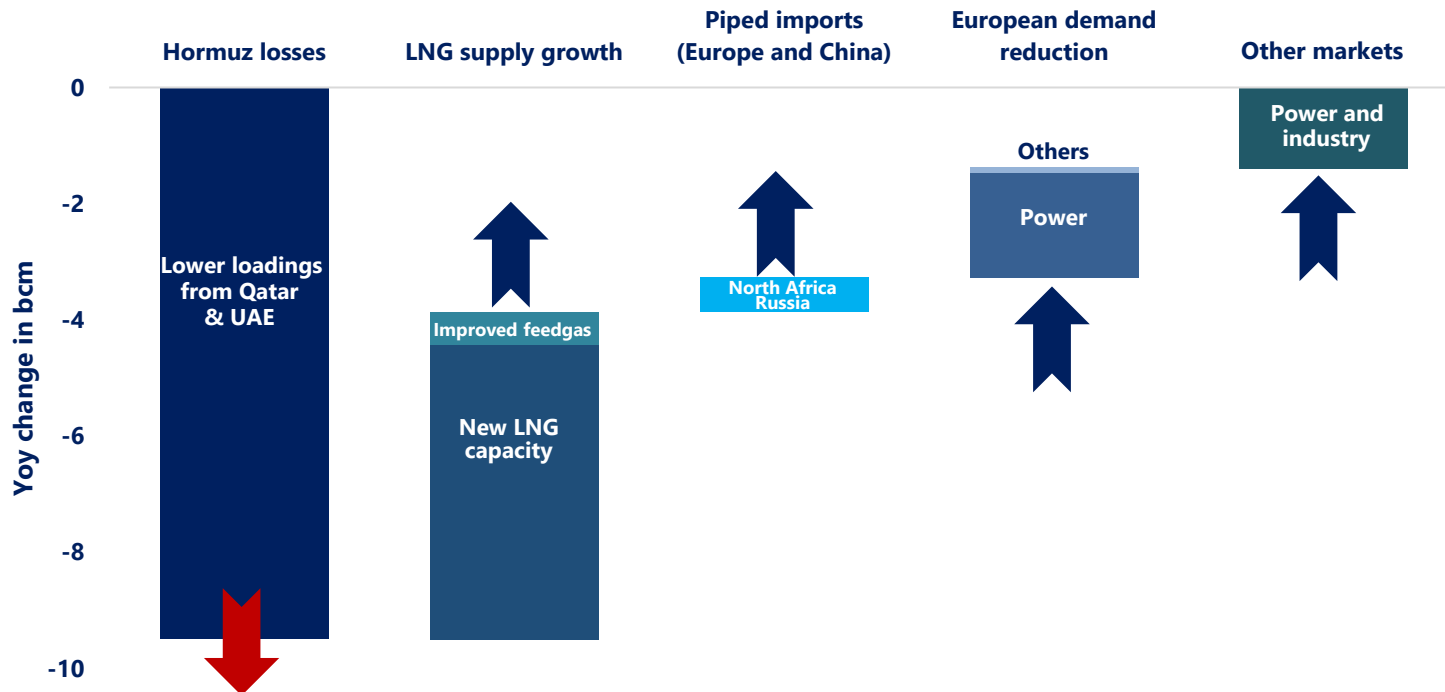
TTF month-ahead and JKM prices, February 2025 – April 2026



TTF surged by 70%, while JKM doubled in the first two trading days after the closure of Hormuz. Prices remained volatile since then and both TTF and JKM surged to their highest since the 2022/23 gas crisis.

How did the market balance out in March 2026?

Selected supply and demand factors influencing price formation in March 2026



The decline in Hormuz LNG was partly offset by new LNG supply from North America and Africa. Higher piped deliveries and strong renewables power output in Europe also mitigated the impact of the shortfall.

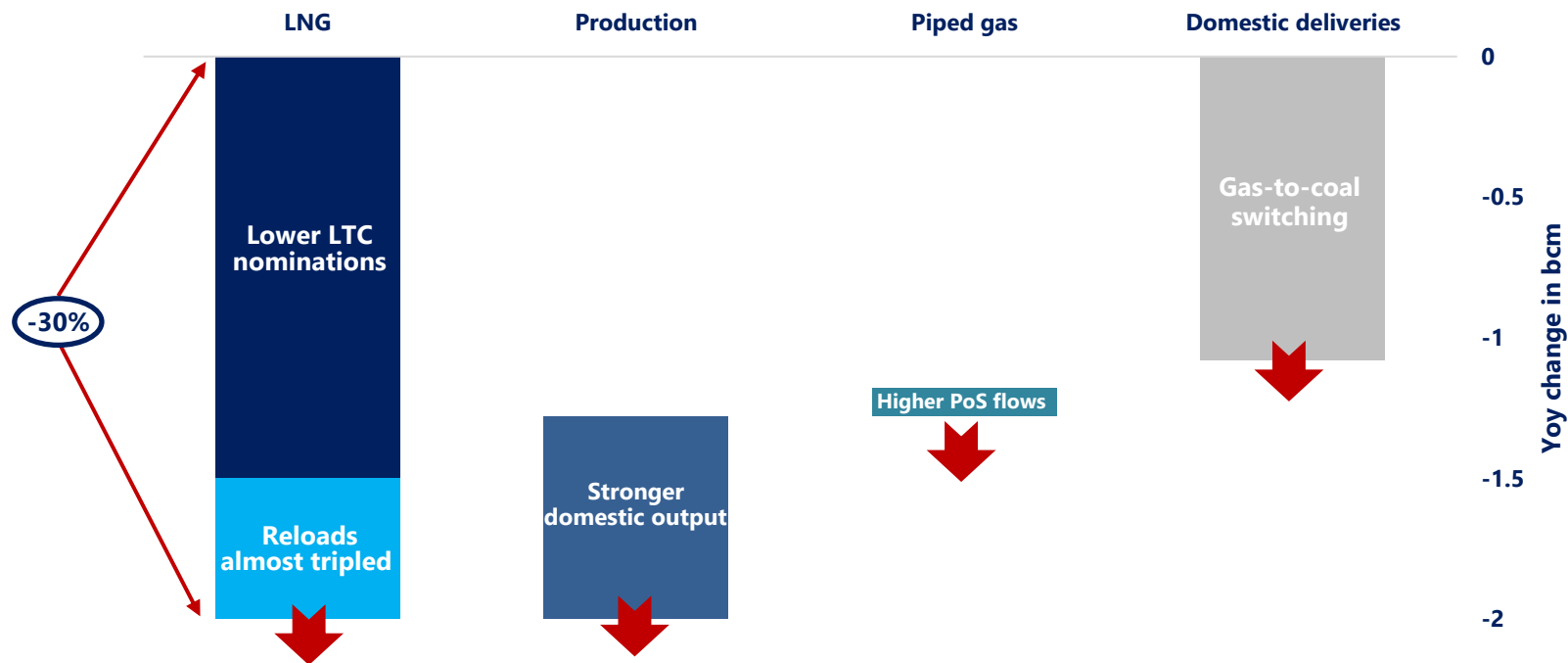
Fuel switching and demand-side measures take central stage

Selected supply and demand-side measures announced since the start of the Middle East conflict



Oops I did it again: China is playing a key balancing role

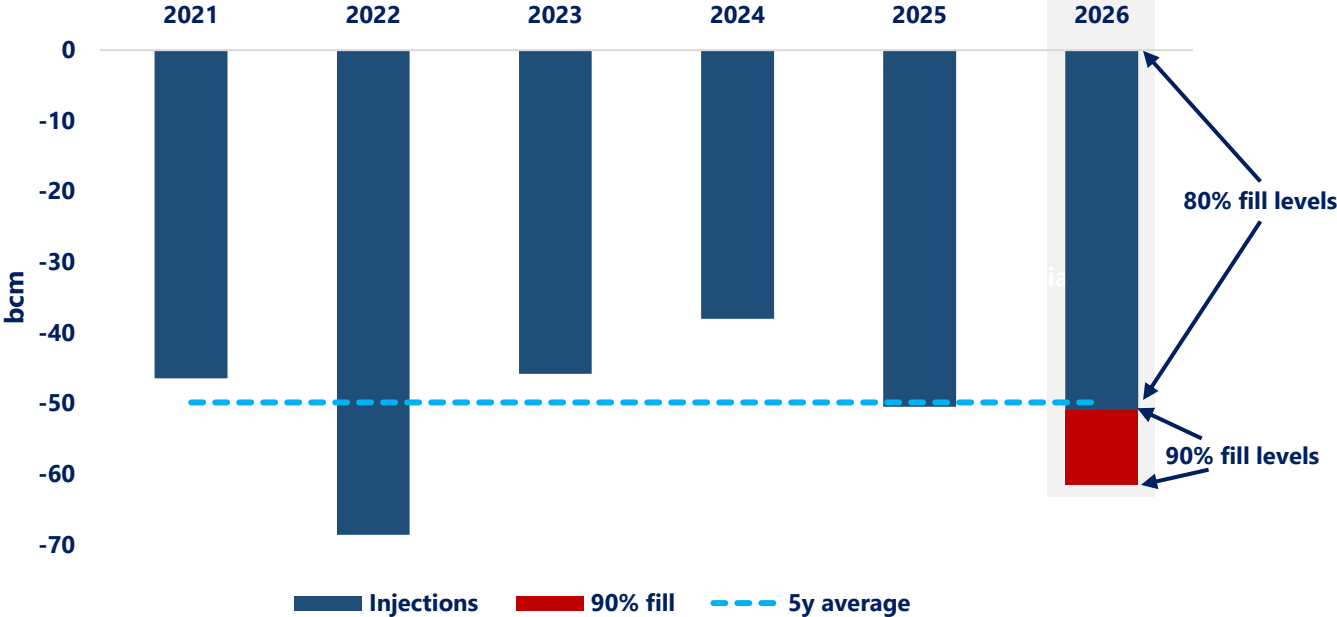
Supply-demand drivers behind China's lower LNG imports in March 2026



China's LNG imports fell by 30% yoy in March amid stronger domestic production, higher Russian piped gas imports, while gas-to-coal switching reduced natural gas use.

EU storage injections will be a key factor for the summer market

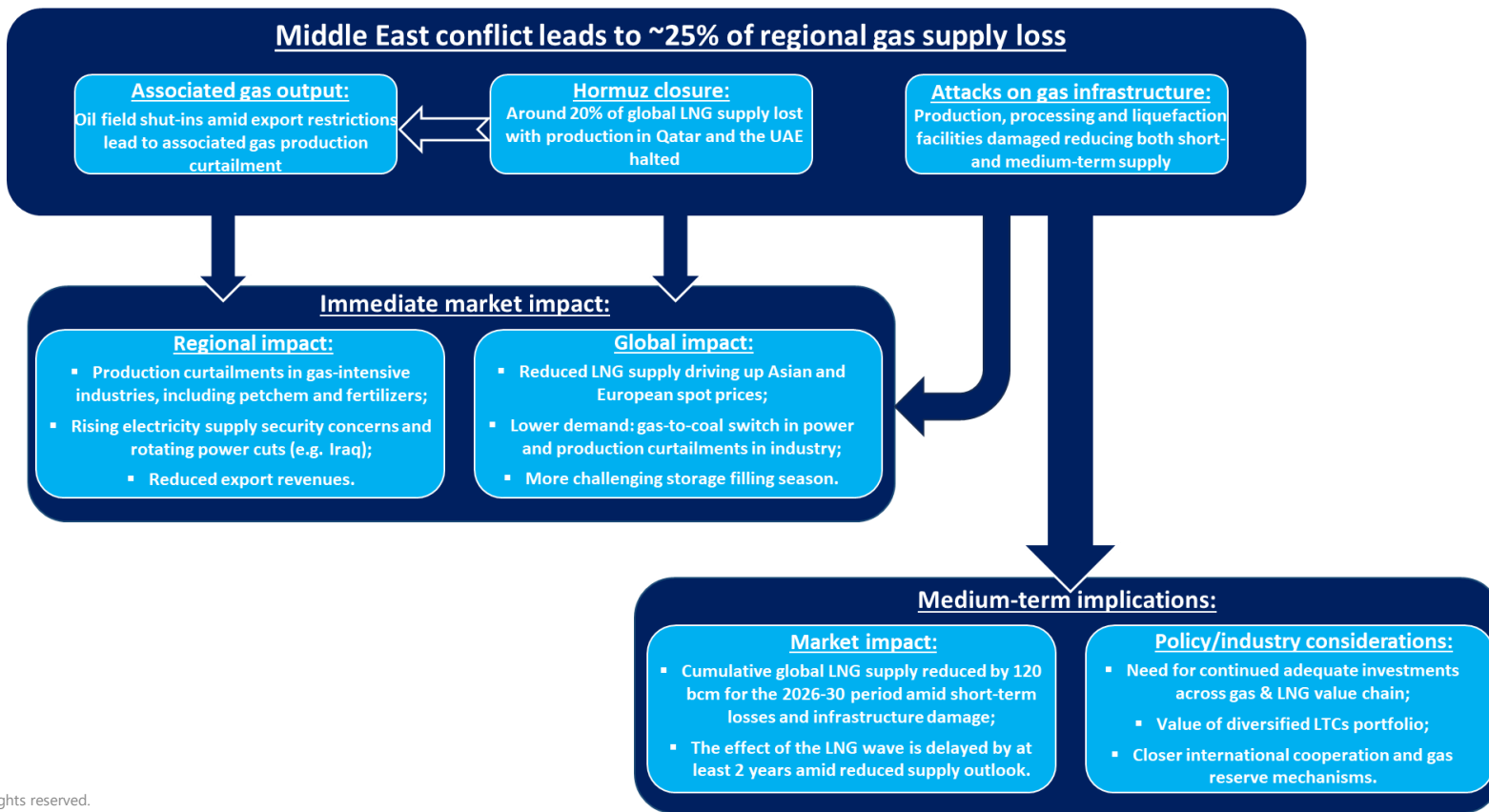
EU storage injections through 2021 – 2025 and projections for 2026 (1 April – 31 October)



EU storage levels are standing 30% below their 5y average. Reaching 90% fill levels would require 10 bcm of additional gas injections, while reaching 80% fill levels would require similar injections as last year.

The Middle East conflict disrupted gas markets and alters the outlook

Short- and medium-term gas market implications of the Middle East conflict



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