

# European gas market update

**Why price volatility won't go away**

**Natasha Fielding, Argus Media  
Vienna, 10 June 2025**

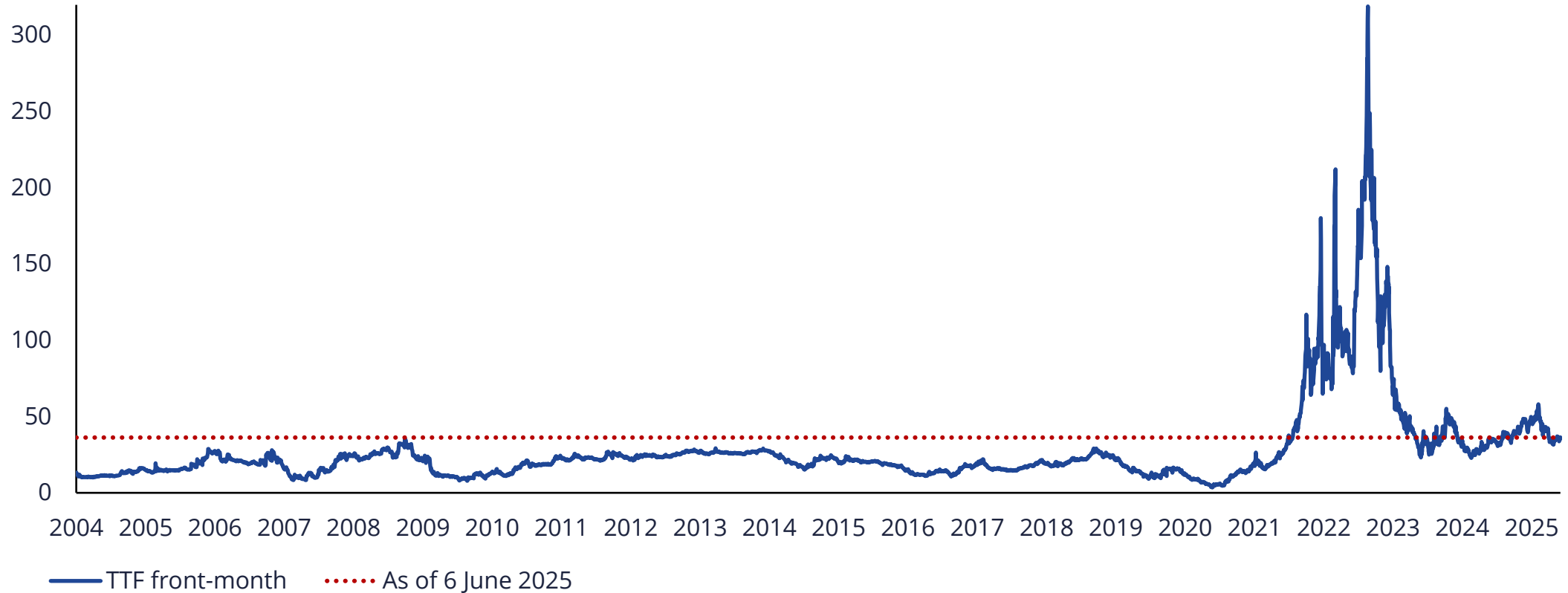
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# **I. Recent volatility**

# Gas remains pricier than in pre-crisis era

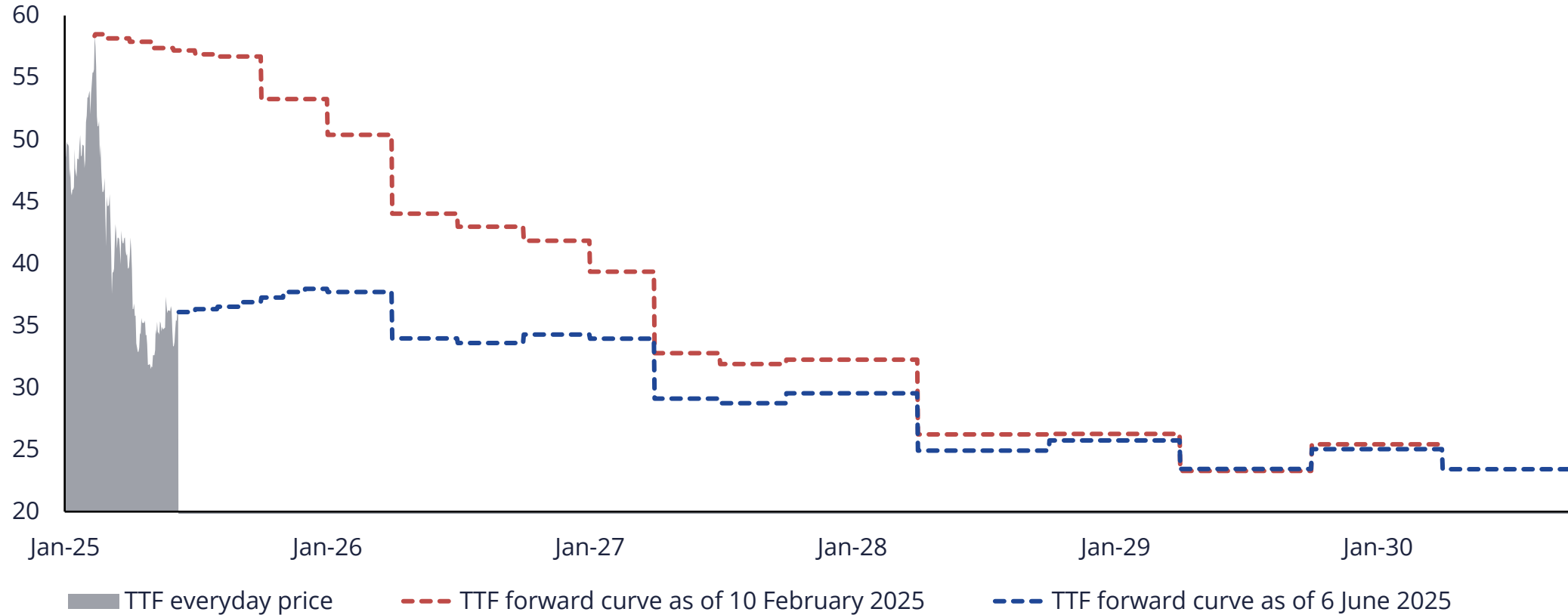
Argus TTF front-month, full history (€/MWh)



Source: Argus

# The TTF forward curve has moved lower and flattened

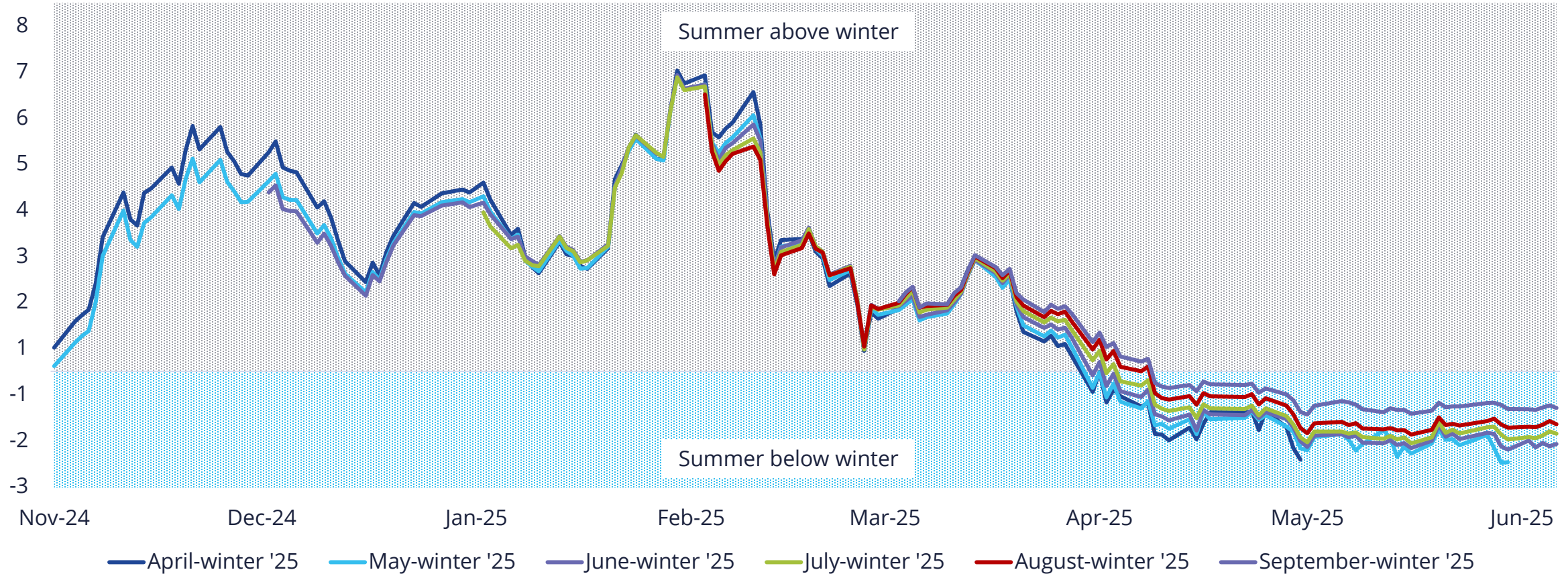
Argus TTF spot prices and forward assessments (€/MWh)



Source: Argus

# Summer-winter spreads inverted, then normalised

TTF summer months v winter 2025-26 (€/MWh)

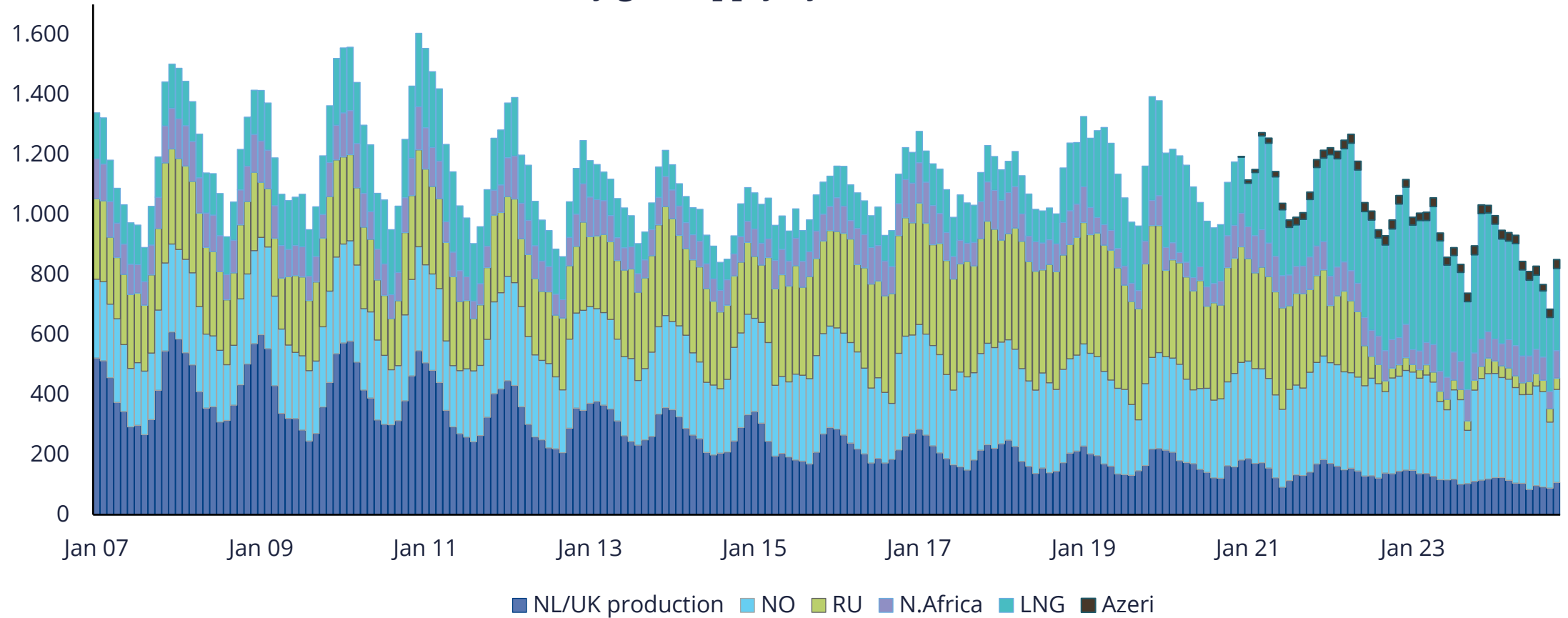


Source: Argus

# **II. The roots of this turbulence**

# Europe's gas supply, the long view

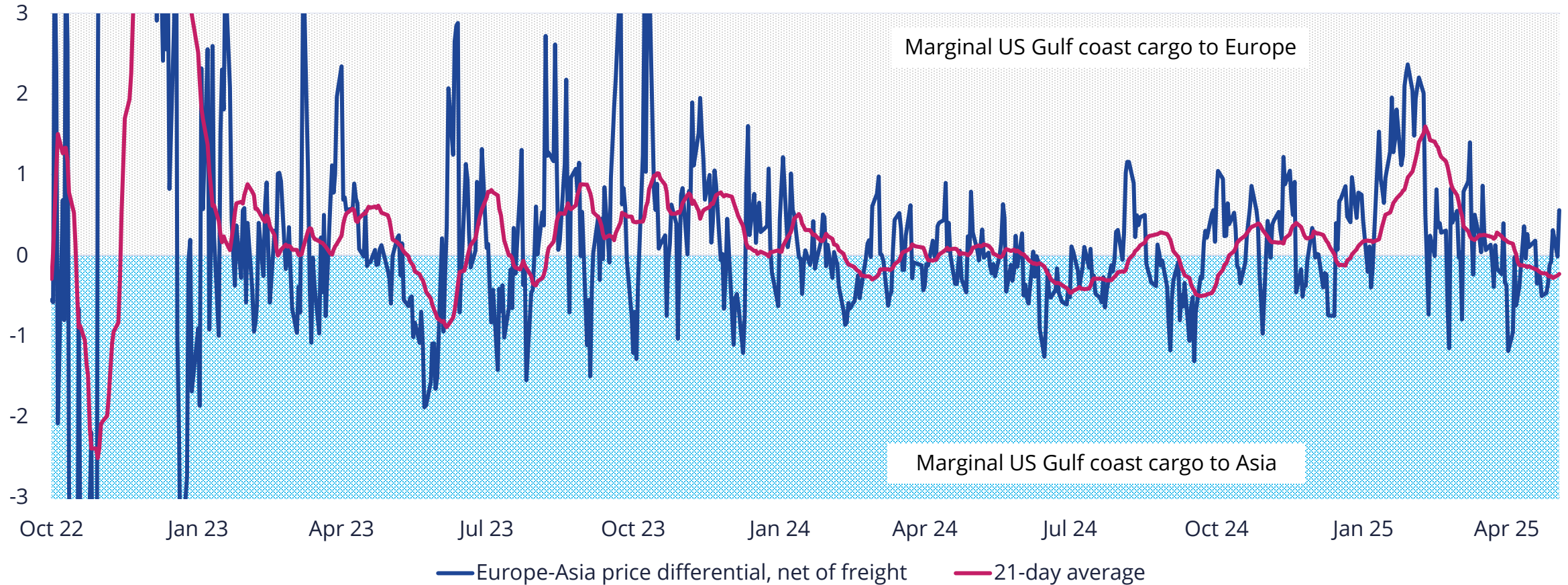
Monthly gas supply by source (mn m<sup>3</sup>/d)



Source: Argus, TSOs

# Europe's LNG supply is subject to the global market

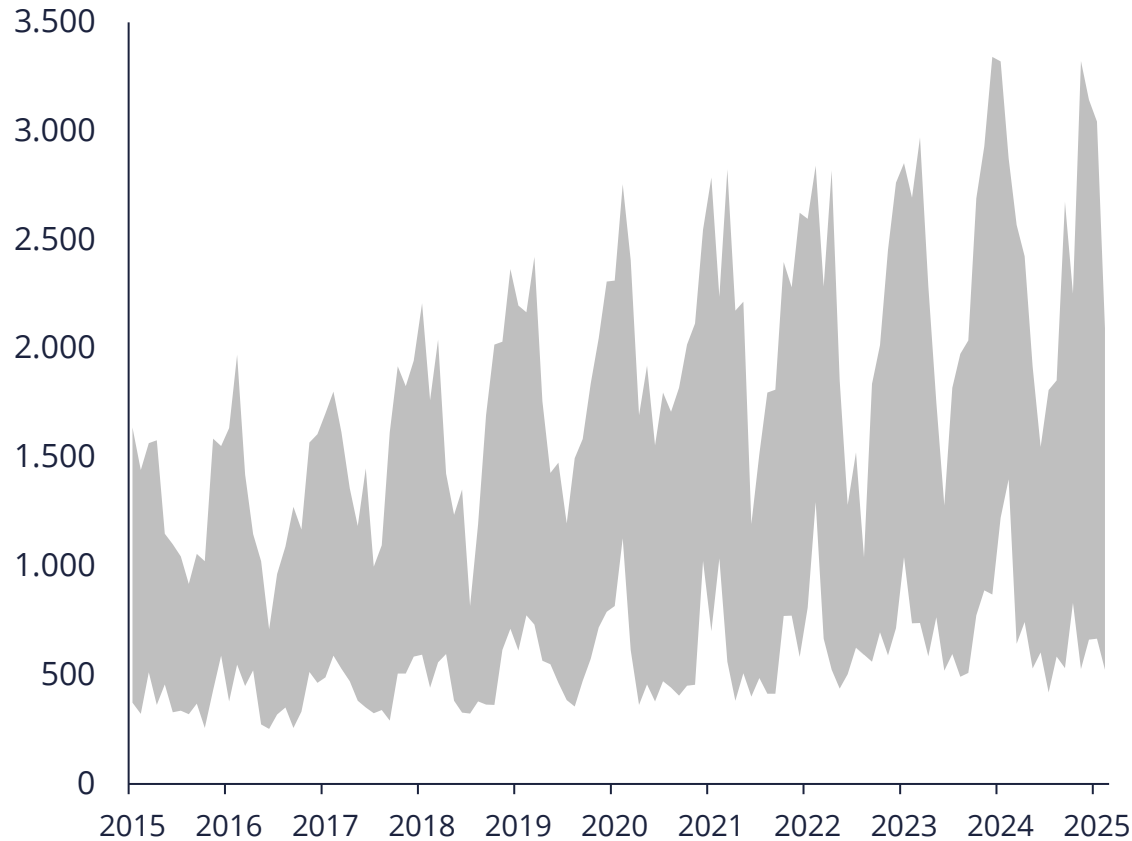
Best netback for US LNG, Europe or Asia (\$/mn Btu)



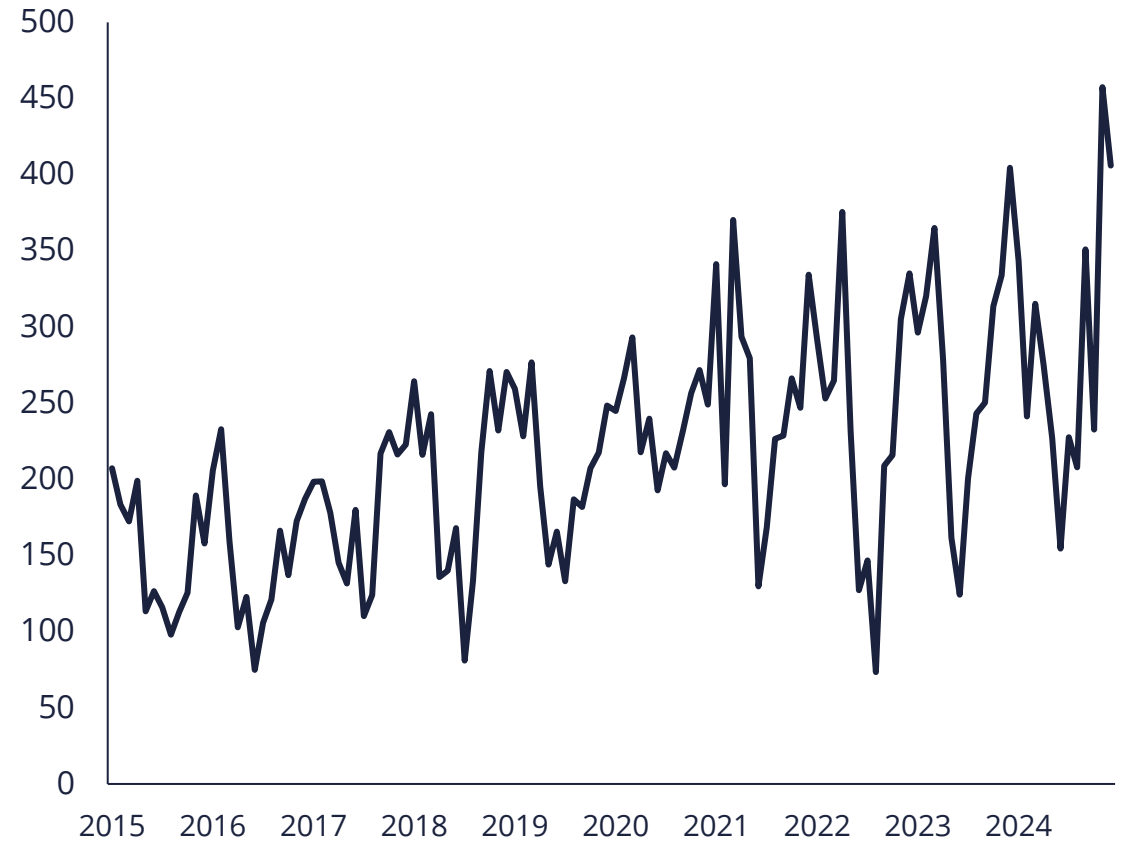
Source: Argus

# Gas-fired power plants must balance out renewables

European wind generation, monthly variability (GWh/d)



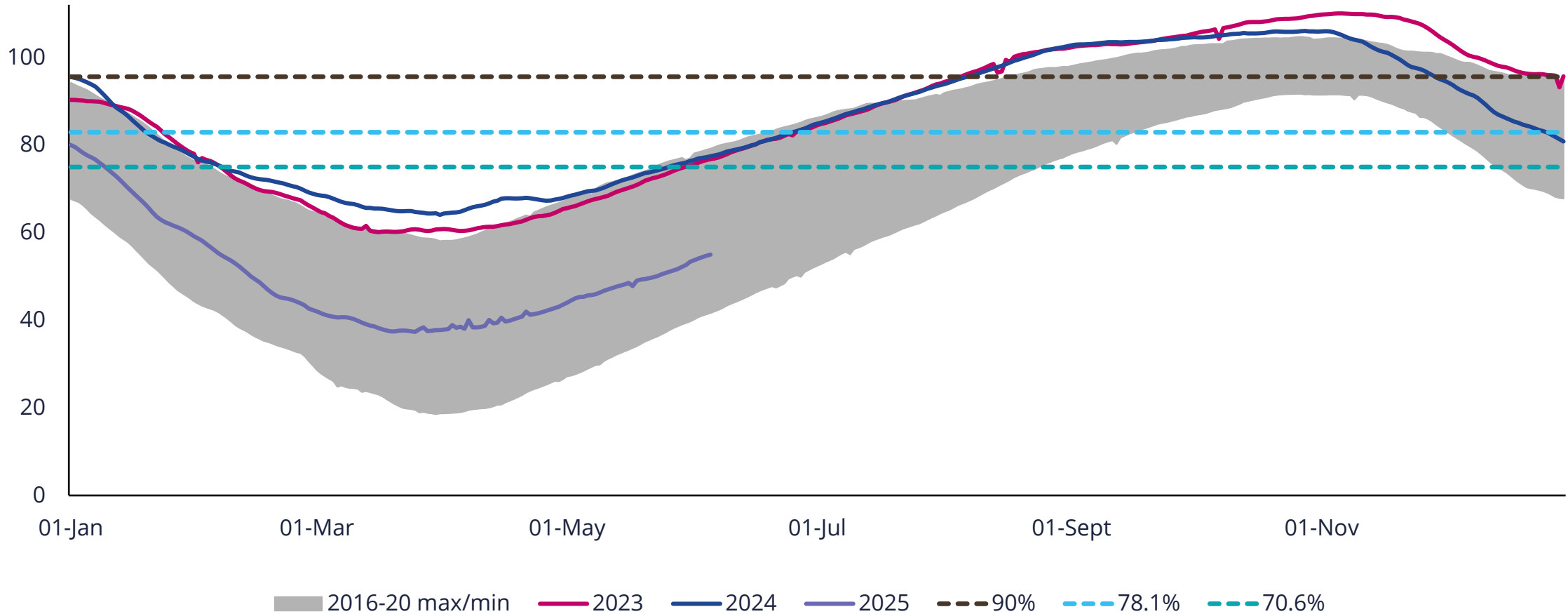
Implied variability in gas burn for power generation (mn m<sup>3</sup>/d)



Source: Argus, TSOs

# Storage has become a key buffer for Europe & globally

EU & UK gas stocks (bn m<sup>3</sup>)

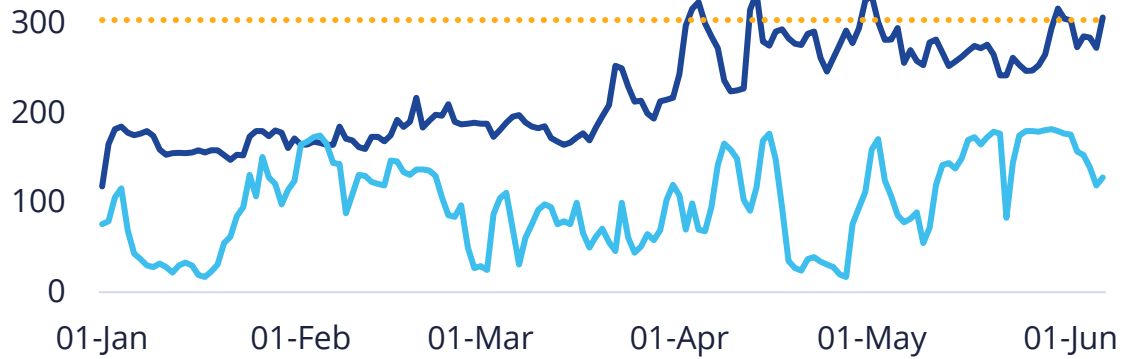


Source: Argus, TSOs

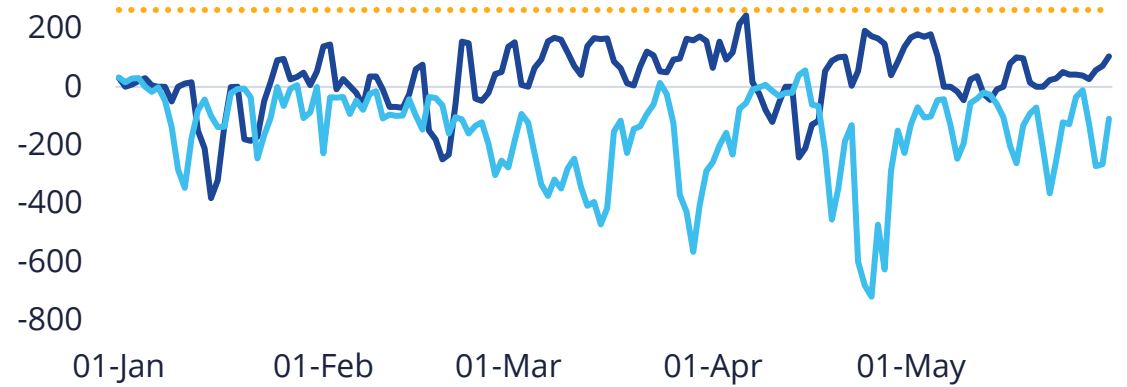
# **IV. Eastern Europe's flexibility test**

# Ukrainian transit stop has pushed gas west to east

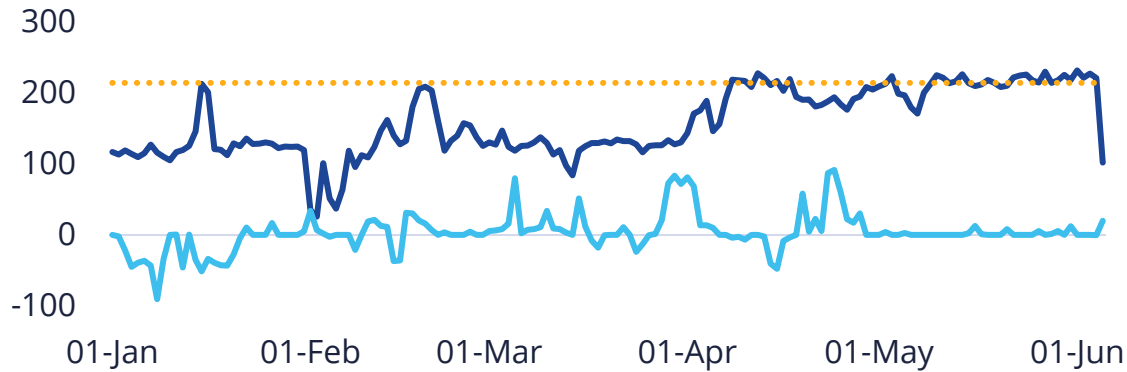
### VIP Brandov (Germany-Czechia) (GWh/d)



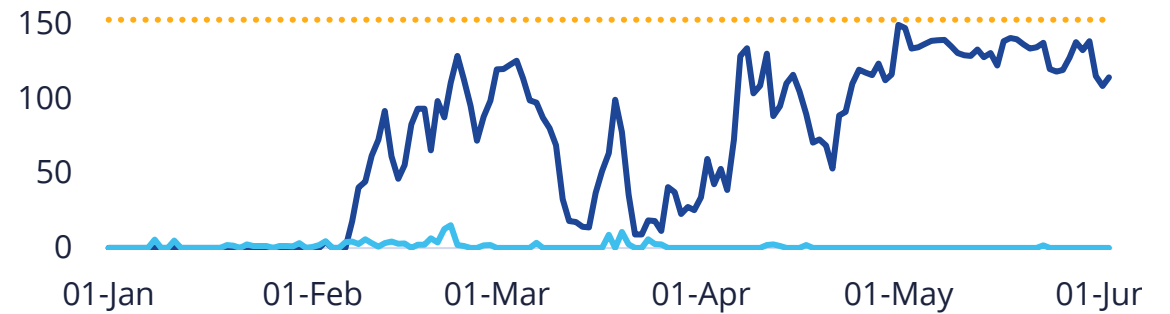
### Italy-Austria (GWh/d)



### VIP Oberkappel (Germany-Austria) (GWh/d)



### Austria-Hungary (GWh/d)



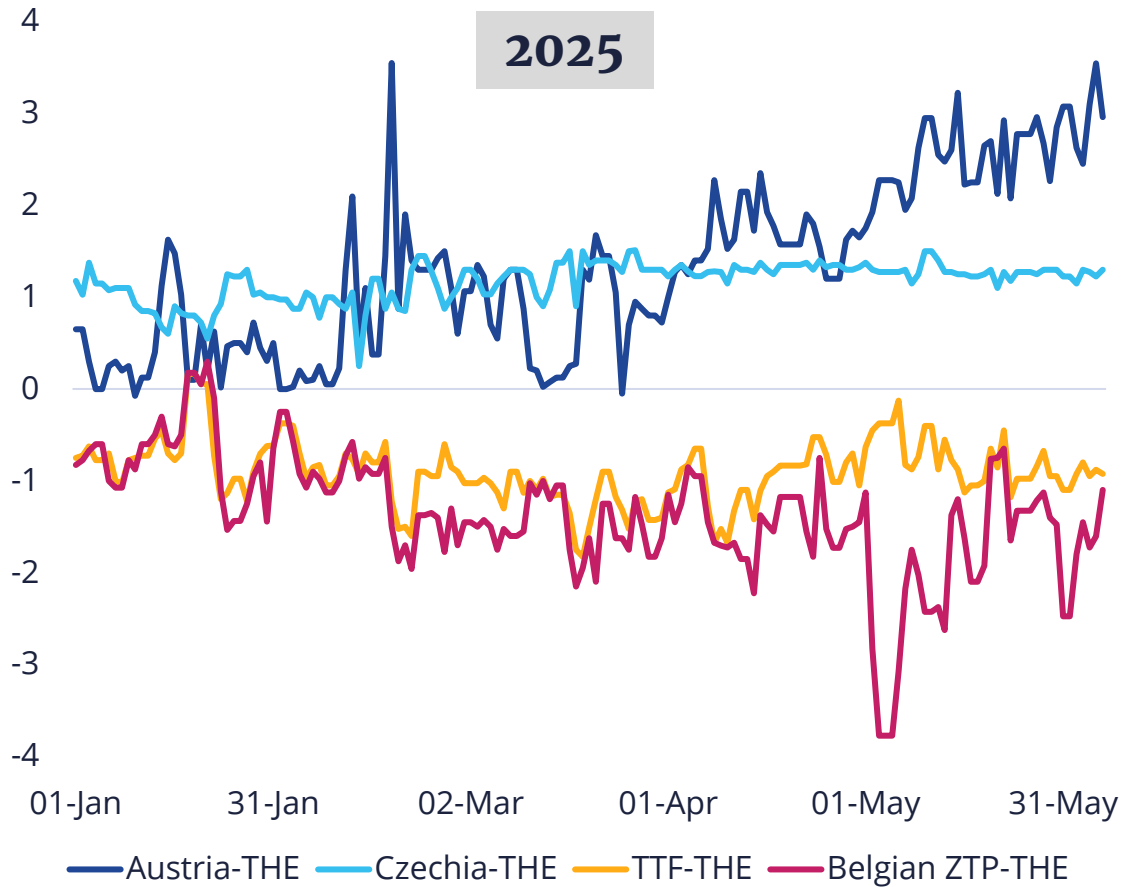
— 2025 flows — 2024 flows ..... Capacity

— 2025 flows — 2024 flows ..... Capacity

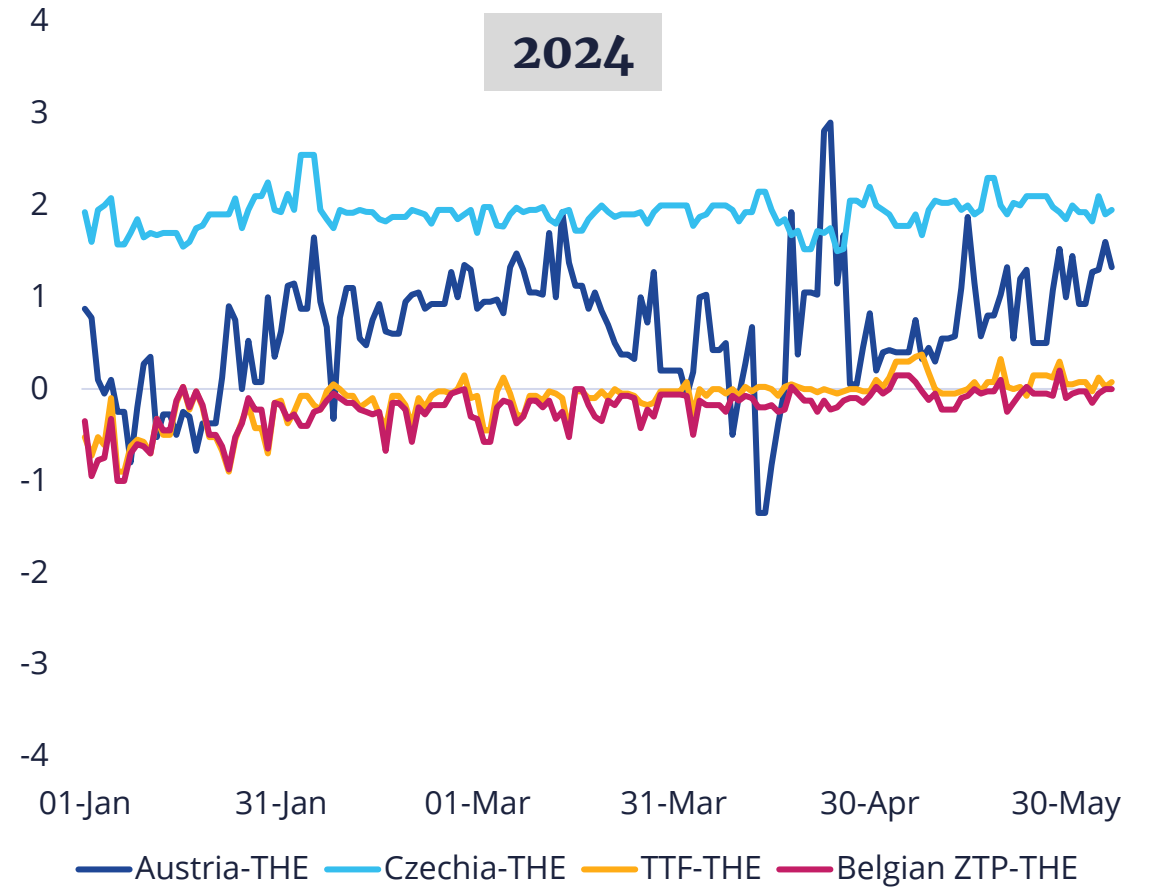
Source: TSOs

# Which has driven geographical price spreads wider

Spot price spreads to Germany's THE (€/MWh)



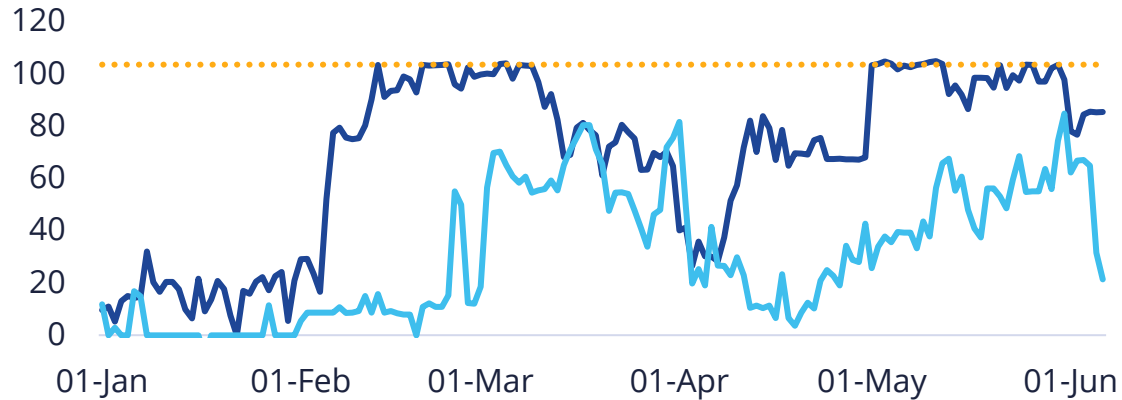
Spot price spreads to Germany's THE (€/MWh)



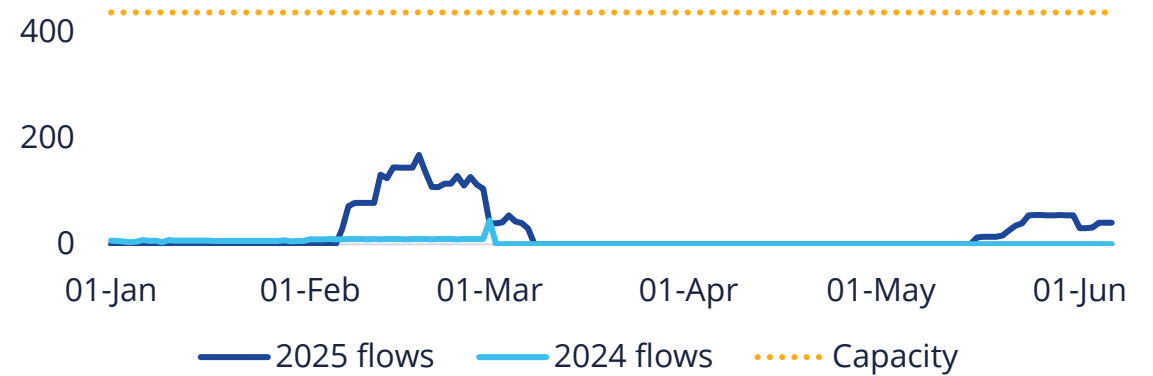
Source: Argus

# Ukraine too must draw gas from the west this summer

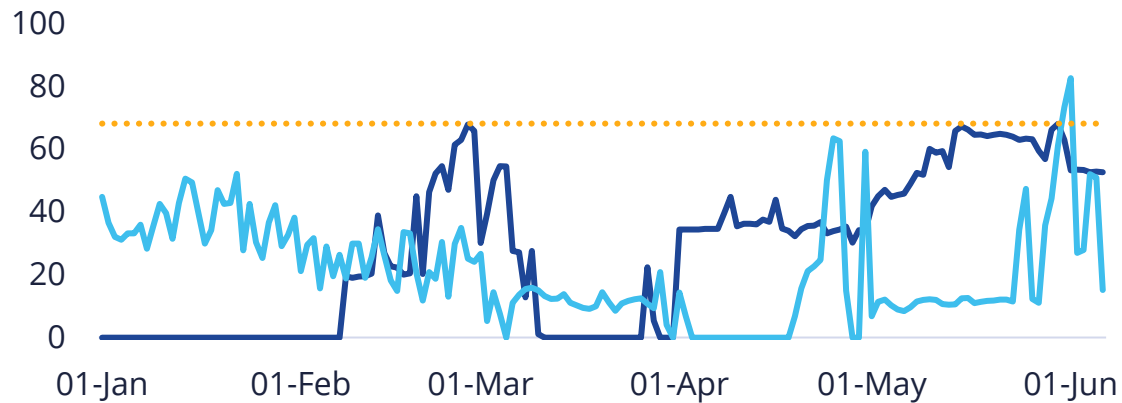
Hungary-Ukraine (GWh/d)



Slovakia-Ukraine (GWh/d)



Poland-Ukraine (GWh/d)

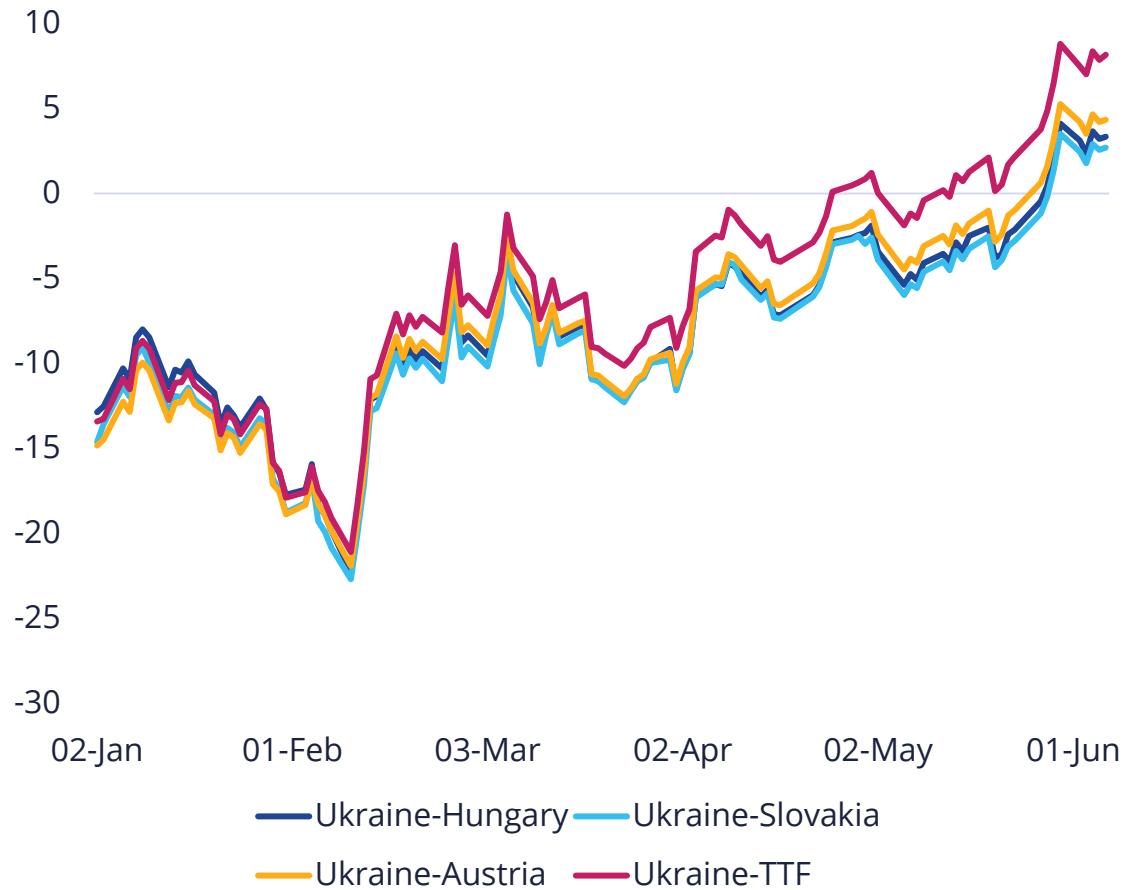


Border point	EU monthly exit tariff, July	Ukraine monthly entry tariff, July
Bereg VIP (Hungary-Ukraine)	€0.34/MWh	€1.20/MWh
GCP Gaz-System-UA (Poland-Ukraine)	~€0.93/MWh	
Budince (Slovakia-Ukraine)	~€2.40/MWh	

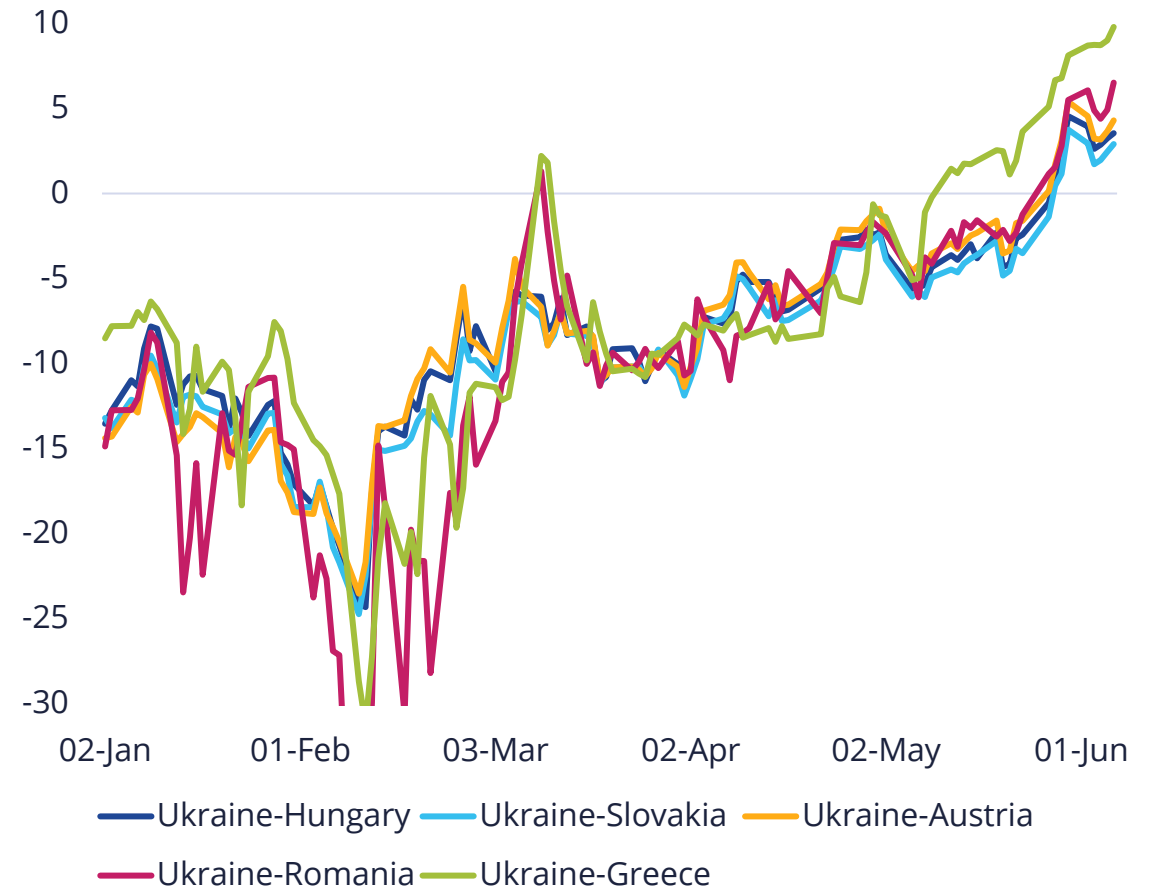
Source: Argus, TSOs

# Ukrainian gas prices move closer to import parity

Ukraine front-month v EU markets (€/MWh)



Ukraine balance-of-month v EU day-ahead (€/MWh)



Source: Argus

# | Conclusions

- Three years on from the start of full-scale war in Ukraine, Europe's gas prices remain volatile because the market is structurally short on flexibility.
- Eastern Europe and Ukraine's need to draw in gas from the west this summer is complicated by high tariffs and infrastructure constraints.

# Thank you

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