# Gas & Coal Weekly Report

*18 July 2025*

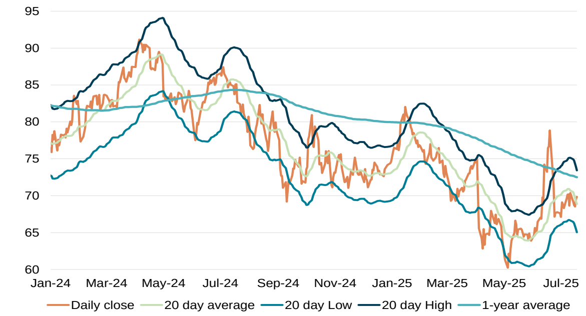
**European gas prices have found an equilibrium around oil prices for now**

## Oil prices remained almost stable. API2 coal prices eventually fell.

Oil prices remained relatively stable week-on-week.
Prices dropped at the beginning of the week after U.S. President Donald Trump's 50-day deadline for Russia to end the war in Ukraine and avoid sanctions eased concerns about any immediate supply disruption.
They rebounded in the second half of the week, supported in particular by drone attacks on Iraqi Kurdistan oil fields, which pointed to continued risk in the volatile region.
However, worries of potential oil demand declines amid uncertainty in U.S. tariff policy contributed to limit the upside potential.

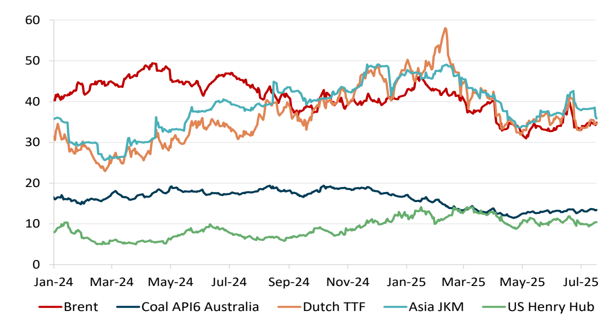
Overall, Brent month-ahead prices maintain a slight bearish bias, trading around the falling 20-day average and still below the falling 1-year average.
And they continue to be the pivot point around which Asian and European gas prices currently trade.

**Brent ICE month-ahead prices ($/b)**




Source: ICE & ENGIE Global Markets

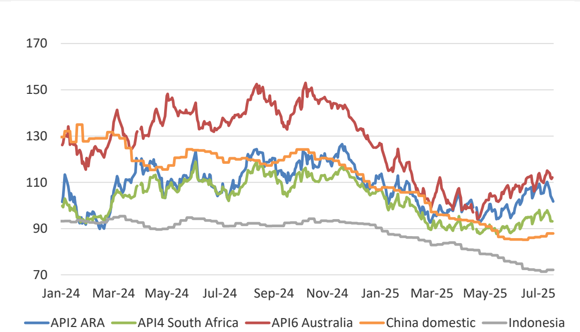
**Month-ahead energy prices (€/MWh)**




Source: ICE & ENGIE Global Markets

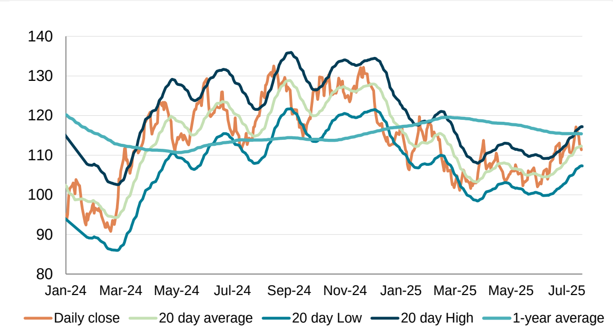
On the coal market, China coal production rose by 3% y-o-y to 421.07 Mt in June, even as safety and environmental checks curbed production in major mining regions.

**Month-ahead coal prices ($/t)**




Source: ICE, McCloskey & ENGIE Global Markets

**Coal API2 Cal 2026 prices ($/t)**




Source: ICE & ENGIE Global Markets

As this robust pace of production is not matched by demand from China coal-fired power generation (up only 1.1% y-o-y in June to 493 TWh, and down 2.4% in the first half of the year to 2,941 TWh), it was imports that continued to fall sharply: -26% y-o-y in June to 33.04 Mt (after -18% y-o-y in May).

In India, coal stocks at power plants started to fall, due to monsoon rains that slow loadings from mines and impacts railcar turnaround. But nothing to worry about at this stage: they remain sharply up y-o-y.

In Europe, low water levels on parts of the Rhine continued to restrict coal barge loading capacity to under 50%. ARA coal stocks rebounded slightly in the past days, to 2.94 Mt. According to market sources, European utilities have bought between 0.6 Mt and 0.9 Mt of Colombian thermal coal for delivery during the third quarter to replenish stocks.

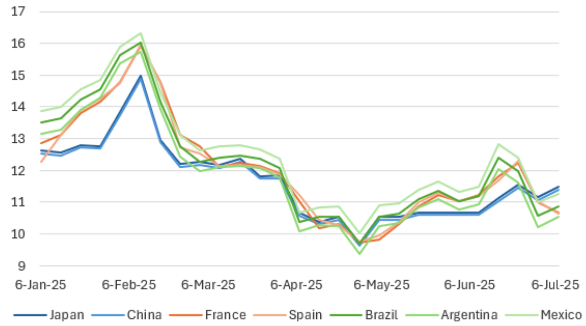
Overall, China domestic coal prices have continued their (moderate) rebound in recent days, supported by higher demand for domestic coal and by strong power demand for air-conditioning due to extreme heat. On 16 July, the national electricity load set a new record of 1.506 TW. This was the third time in July that electricity load records were broken, following previous peaks at 1.465 TW on 4 July and then 1.467 TW on 7 July, and represented an increase of 55 GW compared to last year's maximum load, according to the National Energy Administration.

Low import interests from China, higher supply from Colombia, the United States and South Africa, technical selling: API2 prices finally dropped, ending (temporarily?) their bullish momentum.
What is certain is that the strong divergence between China domestic prices and global prices does not seem sustainable.

## Competition for U.S. LNG is expanding, limiting the room for maneuver of European buyers

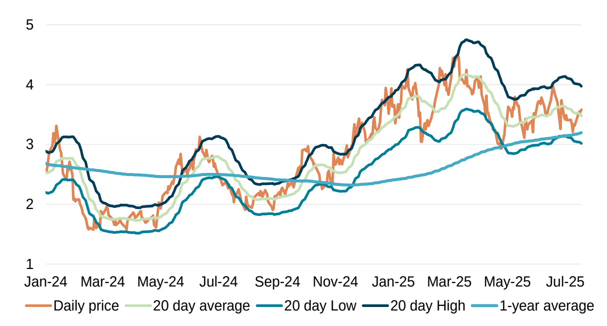
U.S. Henry Hub prices increased this week, supported by both higher power demand in the country due to hot weather and higher LNG exports.
It is worth remembering that U.S. LNG buyers should monitor closely the United States's ability to export more LNG (especially on spot markets), which can potentially be impacted by the level of domestic demand.

**US Sabine Pass LNG netbacks (USD/MMBTU)**




Source: Engie Global Markets

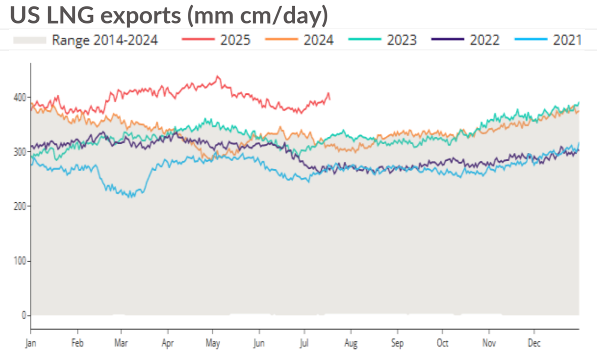
**Henry Hub Nymex month-ahead ($/MMBTU)**




Source: Nymex & Engie Global Markets

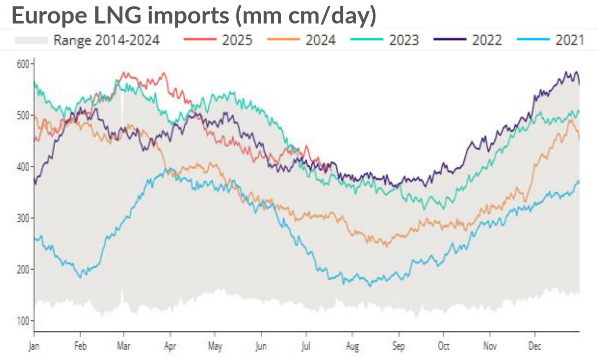
For the moment, U.S. LNG exports remain high.
Europe continues to capture the majority of them.
But the graph above shows that while netbacks to Europe tend to fall, those to Asia and Latin American countries tend to rise, which could penalize LNG exports to Europe in the coming weeks.

**US LNG exports (mm cm/day)**




Source: KPLER

**Europe LNG imports (mm cm/day)**




Source: KPLER

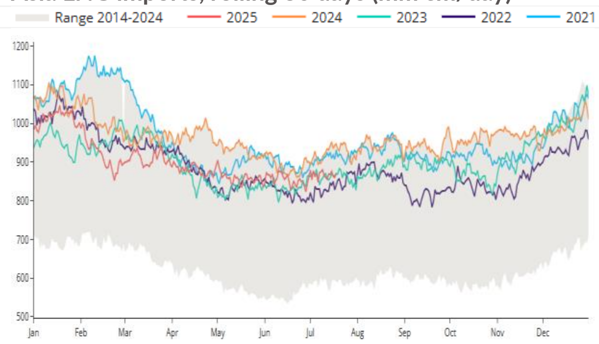
This competition to attract LNG cargoes comes at a time when Europe needs to maximize its LNG imports to improve its storage situation.

On 16 July, EU gas stocks were 63.88% full on average, compared to 81.59% last year.
In Germany, stocks were only 56.09% full, compared to 85.85% last year. And the situation may be difficult to improve given the difficulty storage operators have in selling storage capacity. In particular, German gas storage operator SEFE Storage failed to sell much capacity at the Rehden storage facility for the storage year 2025/2026 during the last auctions. Rehden has a technical storage capacity of 44.7 TWh (18% of Germany's total storage capacity) and is currently filled to just 4.4% of capacity, with only 2 TWh of gas in stock.

Moreover, due to external power failures, throughput at the Nyhamna and Kollsnes gas processing plants collapsed on 16 and 17 July, leaving total Norwegian flows at just 258 mm cm/day on average, compared to 314 mm cm/day on 16 July.

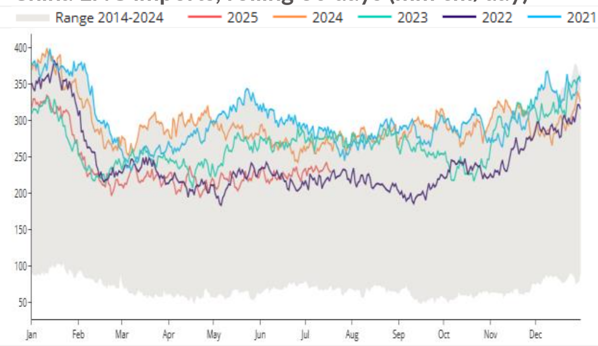
This unplanned outage on Norwegian supply has contributed to further reducing European net gas storage injections and increasing concerns about stock levels.

**Asia LNG imports, rolling 30 days (mm cm/day)**




Source: KPLER

**China LNG imports, rolling 30 days (mm cm/day)**




Source: KPLER

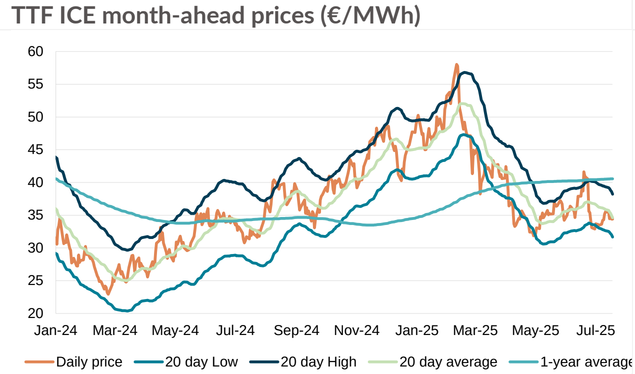
Fortunately for Europe, Asia LNG imports remain moderate for the time being, particularly those from China, which benefits from alternatives less expensive than LNG (domestic coal and gas production, gas pipeline imports).
It is this moderation that allows European prices to remain moderate because European buyers do not need to overbid too much.

## Equilibrium around oil prices for now

TTF prices remained relatively stable this week, continuing to trade around Brent prices.
Indeed, to avoid a tightening, the European gas balance needs LNG imports to remain as high as possible. And for this, other regions (Asia, Latin America, Middle East) must limit their LNG imports by using more oil (physically or via indexation).

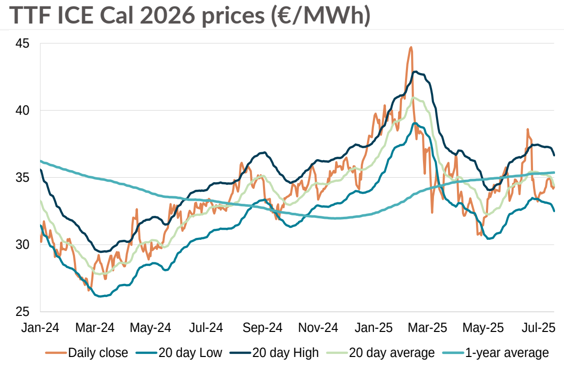
It is therefore not surprising that the market is satisfied with the current equilibrium around Brent prices.

**TTF ICE month-ahead prices (€/MWh)**




Source: ICE & ENGIE Global Markets

**TTF ICE Cal 2026 prices (€/MWh)**




Source: ICE & ENGIE Global Markets

## TTF prices (€/MWh)

| | 17 JUL 2025 | 1-D CHANGE | 1-D % | 7-D CHANGE | 7-D % | YTD % |
|---|---|---|---|---|---|---|
| D+1 | 34.24 | 0.18▲ | 0.53 | -0.46▼ | -1.32 | -31.99▼ |
| M+1 | 34.46 | -0.24▼ | -0.69 | -0.73▼ | -2.08 | -29.15▼ |
| Q3 25 | 34.47 | -1.43▼ | -3.98 | -7.59▼ | -18.05 | -28.01▼ |
| Q4 25 | 35.81 | -0.34▼ | -0.93 | -0.85▼ | -2.32 | -21.39▼ |
| WIN 25 | 35.99 | -0.31▼ | -0.86 | -0.79▼ | -2.15 | -19.13▼ |
| SUM 26 | 33.38 | -0.08▼ | -0.23 | -0.47▼ | -1.40 | -10.78▼ |
| WIN 26 | 33.91 | 0.00= | 0.01 | -0.32▼ | -0.93 | -6.73▼ |
| CAL 2026 | 34.20 | -0.09▼ | -0.27 | -0.53▼ | -1.54 | -11.74▼ |
| CAL 2027 | 30.32 | 0.02▲ | 0.06 | -0.25▼ | -0.83 | -2.61▼ |
| CAL 2028 | 26.52 | 0.05▲ | 0.18 | -0.08▼ | -0.29 | 1.30▲ |

Source: ICE

## Global coal prices ($/t)

| | 17 JUL 2025 | 1-D CHANGE | 1-D % | 7-D CHANGE | 7-D % |
|---|---|---|---|---|---|
| API2 Rotterdam ICE Month-Ahead | 102.70 | -0.70▼ | -0.68 | -6.70▼ | -6.12 |
| API2 Rotterdam ICE Year-Ahead | 111.36 | -0.85▼ | -0.76 | -4.10▼ | -3.55 |
| API2 Rotterdam ICE Quarter-Ahead | 105.35 | -1.15▼ | -1.08 | -5.40▼ | -4.88 |
| API4 Richards Bay ICE Month-Ahead | 93.15 | -0.10▼ | -0.11 | -3.75▼ | -3.87 |
| API4 Richards Bay ICE Year-Ahead | 103.85 | -1.50▼ | -1.42 | -3.69▼ | -3.43 |
| API4 Richards Bay ICE Quarter-Ahead | 95.07 | 0.82▲ | 0.87 | -3.61▼ | -3.66 |
| API6 Newcastle ICE Month-Ahead | 112.10 | 0.60▲ | 0.54 | -1.40▼ | -1.23 |
| API6 Newcastle ICE Year-Ahead | 123.24 | 0.08▲ | 0.06 | -1.98▼ | -1.58 |
| API6 Newcastle ICE Quarter-Ahead | 115.95 | -0.40▼ | -0.34 | -2.55▼ | -2.15 |

Source: ICE

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(iii) agrees that a copy of the recording of the conversations and communications referred to herein will be available upon request from the date of the conversation or communication for a period of five years, and, where requested by a competent authority, for a period of up to seven years, and

(iv) agrees, to the extent permitted or required by applicable law, that recordings may be submitted as evidence in any dispute or other proceedings in relation to this Agreement or any transactions, including in relation to any enquiry by any competent authority.