Energy Intelligence

REPRINT
VOL. 37, NO. 32
AUGUST 11, 2026
WWW.ENERGYINTEL.COM

WORLD GAS INTELLIGENCE®



# Mideast LNG Disruptions Spur Record EU Gas Trading Volumes

Increased hedging activity prompted by the volatility caused by the near-closure of the Strait of Hormuz pushed European natural gas trading volumes to record highs during the first half of the year, trading data compiled by Energy Intelligence shows.

Whether this strong trading performance continues into the second half of the year will depend on risk management appetite as Europe refills its low underground storage facilities and helps attract spot LNG cargoes ahead of and during the high-demand winter season.

Total European natural gas trading volumes, both executed bilaterally and through exchanges, in the first half of 2026 grew 19% year on year to 67,542 terawatt hours (6.08 trillion cubic meters), according to data from trading platform Trayport. Some 70% of those trades were executed via exchanges during the first half.

The increased activity has been in part attributed to the hedging needs to manage the disruption to Qatari and Emirati LNG exports following the breakout of the Mideast war at the end of February. A cold snap and strong storage withdrawals earlier in 2026 also drove trading volumes earlier in the year.

"While geopolitical events such as the US-Iran conflict further boosted activity later in the period, trading volumes were already elevated at the beginning of the year, reflecting increased market participation and more active risk management," Balint Koncz, head of gas trading at Swiss-based trader Met International, tells Energy Intelligence. "Higher traded volumes should not be interpreted as higher physical gas demand but rather as increased liquidity and risk transfer."

Koncz notes that "continued geopolitical uncertainty, active portfolio risk management and Europe's ongoing reliance on LNG imports" should support trading volumes for the rest of 2026.

## TTF Remains King

Record trading volumes on the Dutch TTF gas hub continue to showcase its role as a global gas benchmark as it attracts physical and financial trading interest to hedge global LNG volumes and as a pricing reference for spot and term LNG contracts.

Total TTF gas traded over-the-counter (OTC) and through exchanges rose to 51,558 TWh in the first half of 2026, up 23% from the same period last year, according to data from Dutch hub and grid operator Gasunie Transport Services (GTS).

Monthly TTF trades hit record volumes in January and surpassed subsequently in March, GTS data shows. Trayport puts the first-half increases at 21% year on year.

Record trading volumes on the TTF comes from a combination of factors, including price volatility encouraging "more active hedging, portfolio optimization and short-term position adjustments across a broader range of market participants, including utilities, LNG players and financial institutions and commodity funds," Koncz says.

"There has been a lot of volatility in both outright prices and spreads, meaning that ... trading opportunities have [been] better for speculative traders, and ... asset-backed trading increases for physical traders with optionality in their portfolio," a European LNG trader says.

Traders with sufficient diversion flexibility can, for example, unwind hedges on the TTF once the price arbitrage to Asia opens and go into a hedge on the Asian de facto LNG benchmark hub JKM, the trader says. If the price arbitrage to Asia closes, then the trader can similarly unwind its JKM hedges and go into a TTF hedge.

"The more this [price arbitrage] flips, the more hedging/rehedging activity you'll have," he notes.

>> continued on page 2

## Mideast >> continued from page 1

Around 80% of all European gas trading took place on the TTF in 2025, compared to 72% in 2020 and 47% in 2016, according to GTS.

Traded TTF volumes on the Intercontinental Exchange (ICE) also reached records in the first half at 79.3 million contracts, a 30% increase year on year, according to data supplied to Energy Intelligence by the exchange.

Open interest in natural gas futures and options contracts for the TTF on ICE was 8% higher year on year by the end of June at 4.7 million contracts, the data shows. Open interest corresponds to the number of outstanding derivatives contracts that have not been settled. It is used as an indicator for trading liquidity in commodity markets, as well as of the level of appetite for risk management and hedging by market players.

"Natural gas molecules that were expected to flow are not flowing, the tightness has been extended, and in tight markets the distribution of outcomes widens materially," ICE's managing director of utility markets, Gordon Bennett, tells Energy Intelligence. "When uncertainty is high, demand for both risk management and flexibility increases."

Europe's next two largest hubs, the UK's NBP and Germany's THE, both reported 5% year-on-year increases in the first half of 2026, Trayport data shows. Hub operator Trading Hub Europe puts THE's first-half trading volumes 8% higher than the same period in 2025.

### High Correlation, Price Ladder Emerges

Price correlation between the TTF and other European gas trading hubs has increased since 2024 despite the emergence of a "price ladder" last year reflecting the stoppage of Russian piped gas transit via Ukraine at the start of 2025, according to a recent report from the Oxford Institute for Energy Studies (OIES).

From April 2025, European gas hubs started to reflect the additional costs of importing natural gas from Northwest European LNG import terminals and transporting it to Central and Eastern Europe, the report said. The French, Belgian, British and Dutch hubs were the cheapest in Europe, followed by the German hub, with the most expensive in Czechia, Austria and Slovakia.

"Looking at [first-half] 2026, the correlation was maintained, even at and immediately after the outbreak of the US-Iran conflict; as the situation stabilized, despite not being resolved, the correlation was maintained but the hubs started to diverge once more," OIES report author Patrick Heather wrote.

"The comparative price order has remained as it was prior to the conflict with the 'end of the line' Central European countries paying the most and the Belgian and Dutch hubs paying the least."

### ZTP Ascendant

The increased need for LNG imports into Europe and the rise of west-to-east piped flows following the stoppage of the Russian transit of gas through Ukraine has also resulted in a boon for Belgium's natural gas trading hub.

Total trading volumes on Belgium's ZTP hub rose by 108% year over year to 789.8 TWh over the first half, Trayport data shows.

Belgium's gas hubs had struggled to build liquidity for years until 2025 when it started "reflecting its key geographical position in importing LNG, receiving pipeline gas, and being a transit route from France to transport the gas eastwards," Heather wrote in the report. ZTP traded volumes grew over 165% year on year in 2025, the OIES report showed.

Belgium is home to one of Europe's busiest LNG import terminals at Zeebrugge, with 11.3 million tons per year of capacity, also a major destination for Qatari LNG volumes.

Zeebrugge has been Europe's second-largest recipient of Qatari LNG volumes after Italy's Rovigo from 2018 until 2025, when it was displaced to third place by Poland's terminal at Swinoujscie, data from commodity analytics firm Kpler shows.

In 2019, a subsidiary of Qatar Petroleum — now QatarEnergy — signed a long-term deal with Zeebrugge operator Fluxys Belgium subscribing unloading slots for the full capacity of the terminal from 2023-44.

"Since Qatar has a lot of slots at Zeebrugge, there's probably been a lot of unwinding of hedges there once their cargoes got canceled," the European LNG trader says.

The OIES said the 2025 rise in ZTP trades "could signal a new era for this hub as Belgium becomes a more important entry point for pipeline and LNG gas into Europe."

Belgium's Zeebrugge physical and ZTP virtual gas trading hubs merged into a single ZTP hub in October 2023 in order to simplify wholesale trading and increase liquidity, Fluxys Belgium said in a statement.

Jaime Concha, Copenhagen and Daniel Stemler, Madrid