Chart of the Week #2022-08
Are GazProm's Natural Gas Volumes Increasing Through Ukraine and Slovakia as Some Claim?

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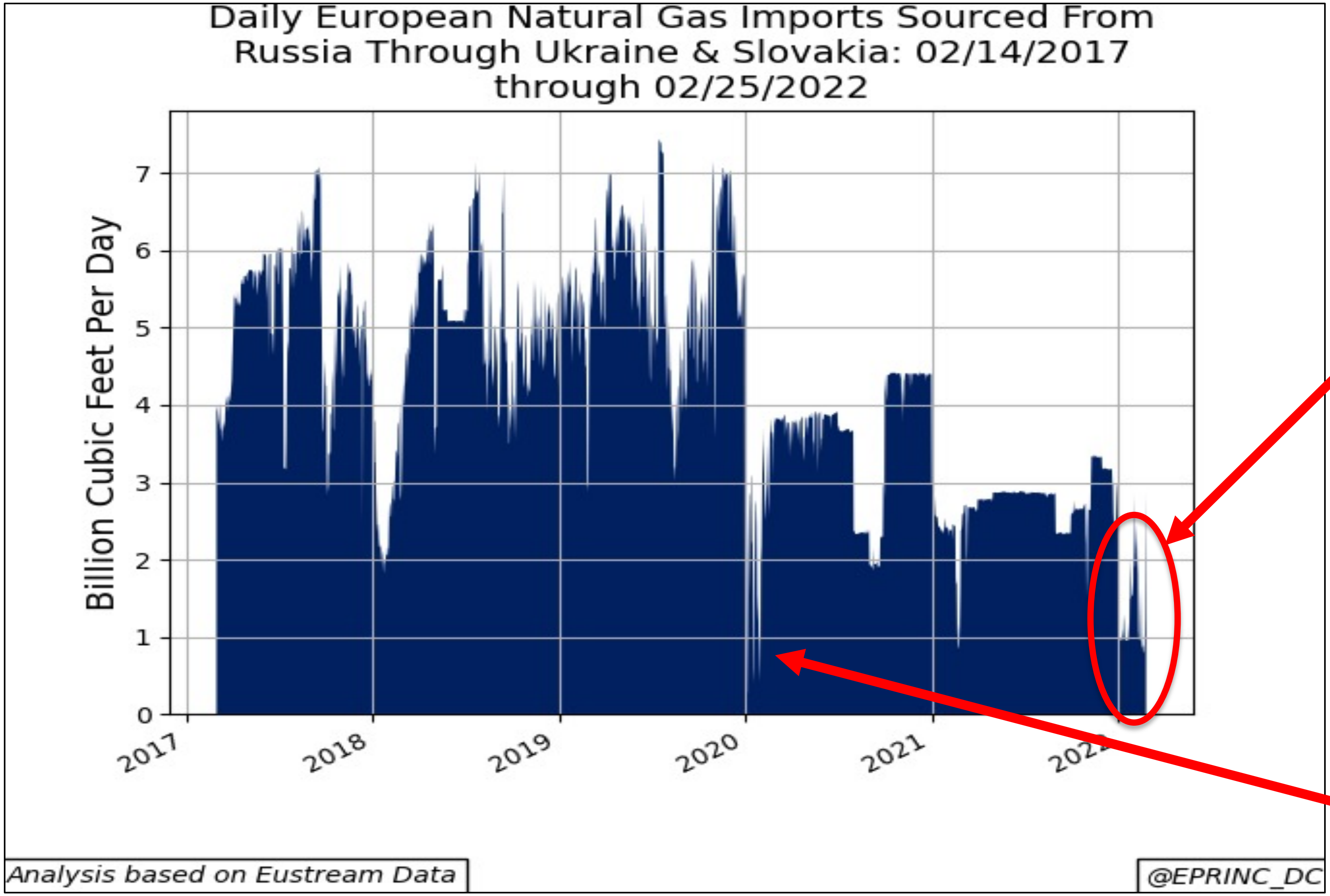
Washington, DC



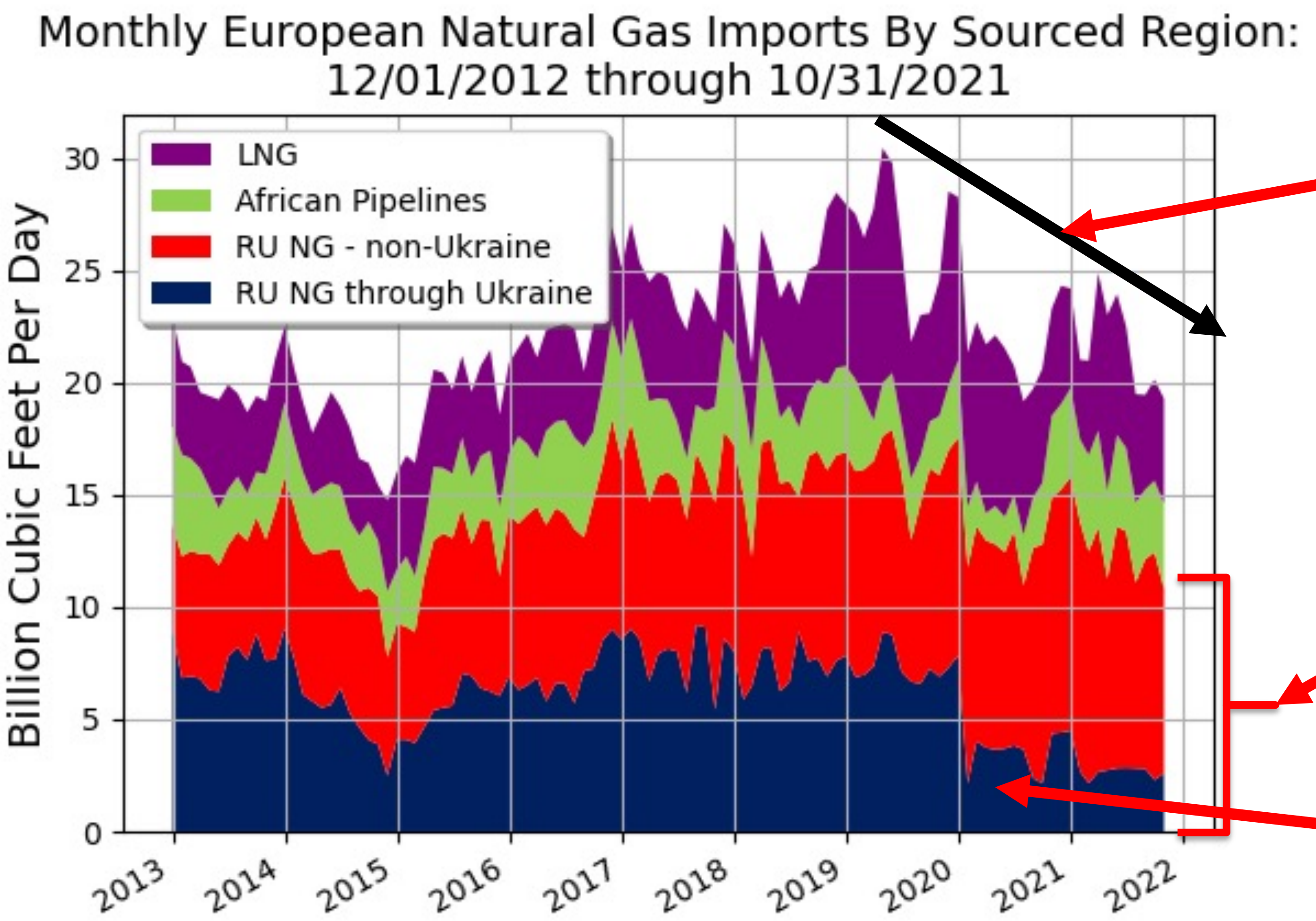
Despite recent claims to the contrary, GazProm Volumes through Ukraine and Slovakia, the largest capacity European system, continue to decline, according to EUStream Data.

New GazProm-NaftoGaz transit agreement was enacted at beginning of 2020 led to lower imports through Ukraine

Are GazProm's Natural Gas Volumes Increasing Through Ukraine and Slovakia as Some Claim?

- **Recent reports have claimed that GazProm is sending more volumes through Ukraine and Slovakia's natural gas pipeline system, the largest capacity system (15 billion cubic feet per day – BCF/d) of Europe's transit systems.**
- **Despite these claims, daily transit volumes continue to be low at Slovakia's Velke Kapusany compressor station according to the most recent available data from EUSTREAM, the country's pipeline operator.**
- **Volumes in February 2022 have ranged between 1 to 2 BCF/d, considerably lower than 2020's average of 4 BCF/d.**
- **European natural gas storage volumes are also considered to be at extremely low levels far below the five-year range.**
- **While Northwestern European (TTF) natural gas prices are off their peaks, they continue to still be high.**
- **This slide deck is available at: https://eprinc.org/chart-of-the-week/**
- **For more information on this chart, please contact Max Pyziur (maxp@eprinc.org).**

Additional Slides



Analysis based on Eurostat, JODI, and IEA Data

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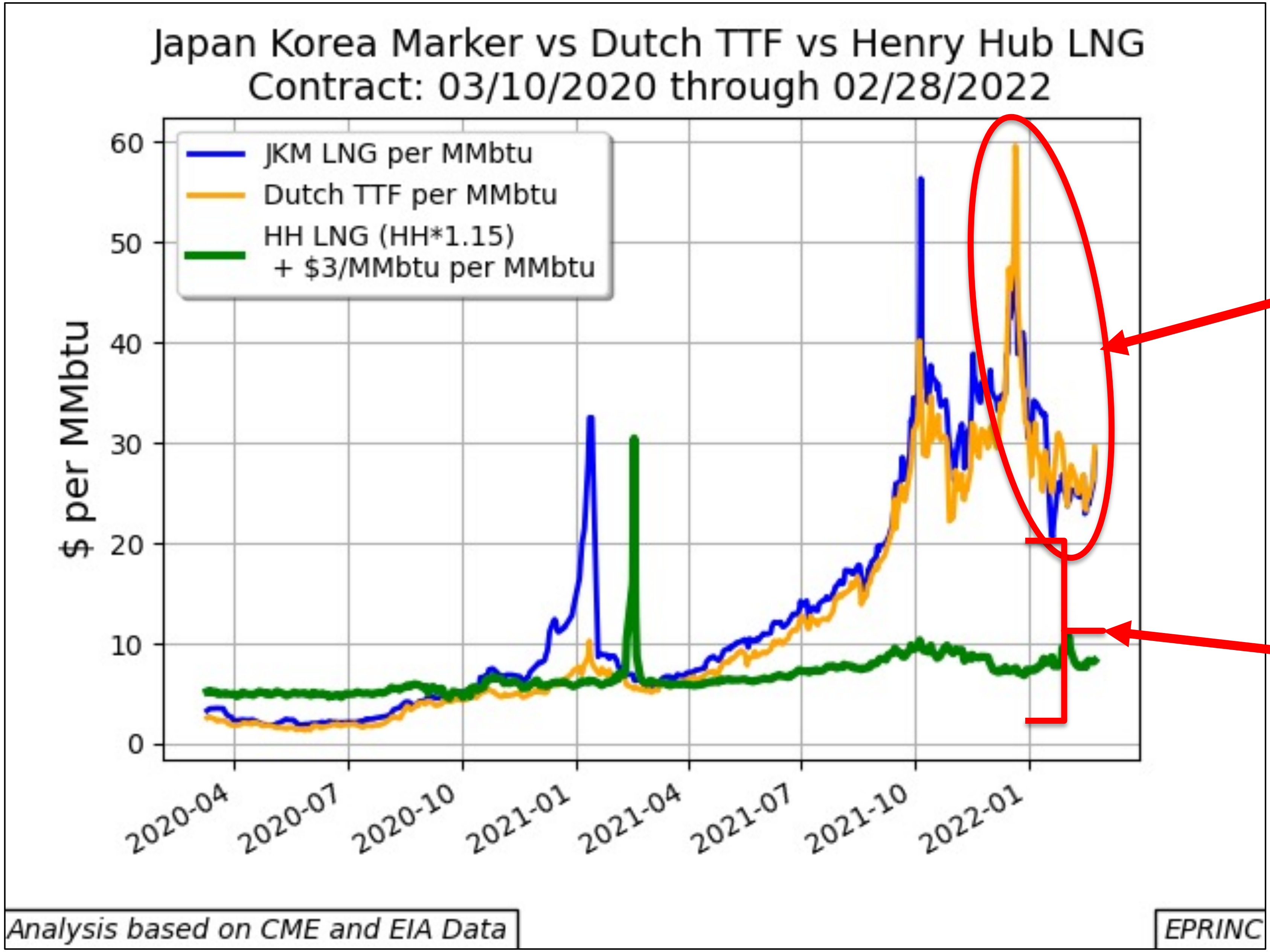
Note the overall drop in European natural gas imports during the last two years.

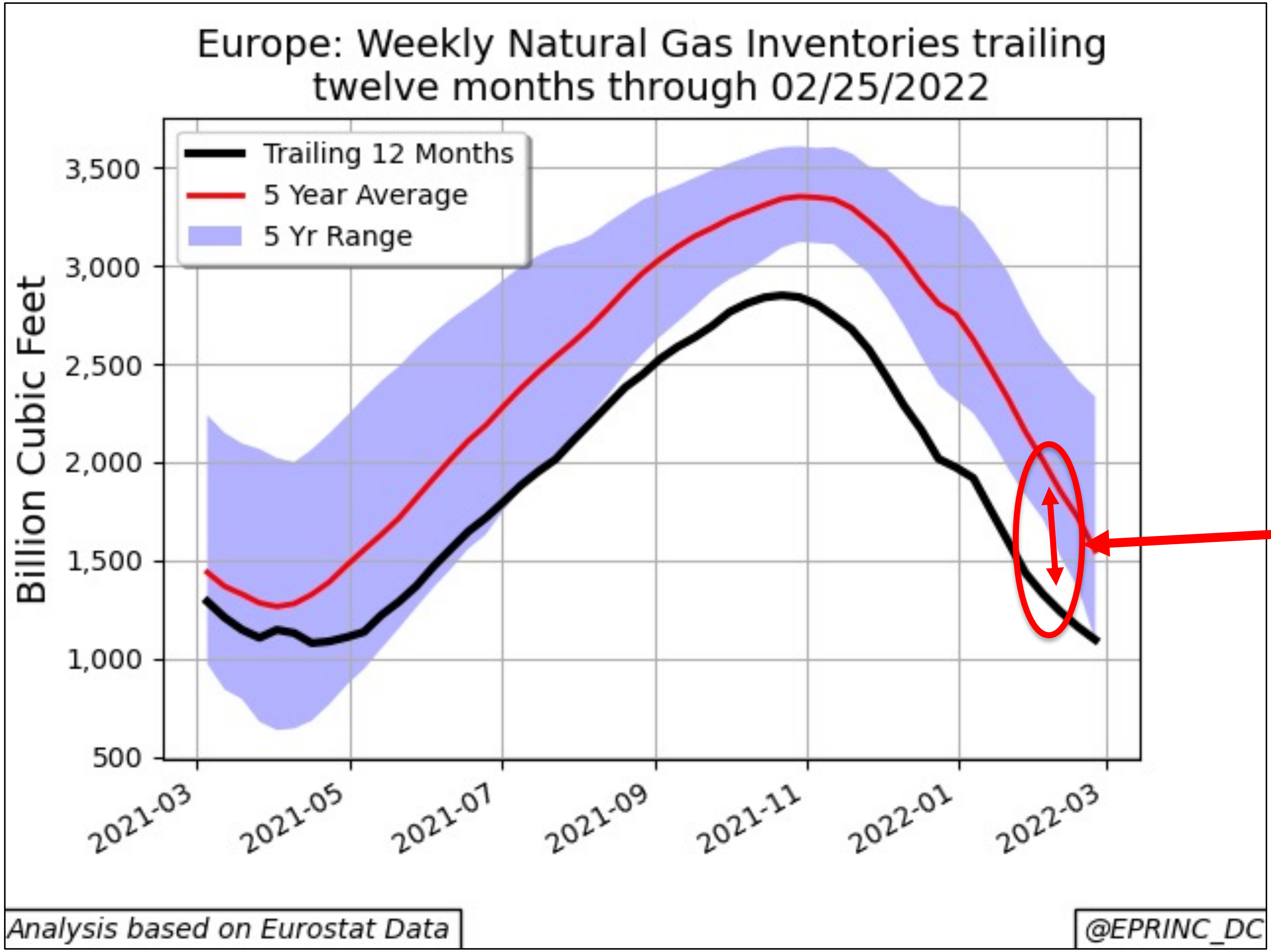
Russian pipeline imports are 40-50% of European natural gas imports

New GazProm-NaftoGaz transit agreement was enacted at beginning of 2020 leading to lower imports through Ukraine



East Asian (JKM) and European (TTF) natural gas spot prices are off peaks, but they continue to still be high.

Those USGC LNG traders with no destination clause restrictions can take advantage of significant arbitrage opportunities, making it commercially attractive to send cargoes to Europe.



Europe's natural gas inventories continue to be at critically low levels.