

The production drop of 25 % recorded since the beginning of April is much higher than the natural decline in production, which stands at 3 % by ANRE estimate, and was caused by the collapse of consumption as a result of measures to quarantine the economy and population. Domestic gas production continued its sharp decline in early May, falling by about 13 % in just a few days, after the drop by another 14 % in April. CFO of Austrian OMV Group Reinhard Florey said that the group is expecting that the production of its Romanian subsidiary OMV Petrom will drop in 2021 as a result of reduced upstream investment. The decrease in consumption led to a widening of the imbalance between supply and demand, which led to an accelerated fall in prices. Gas prices on the spot markets, both intraday and day-ahead, fell for the first time below 9.45 euros/MWh since the liberalization of the gas market, while forward contracts for the next month also fell below 10.4 euros/MWh.