LNG Market Tracker

LNG JOURNAL'S WEEKLY LNG MARKET TRENDS REPORT 22 MAY 2023

Germany Persists with FSRU Capacity Expansion Plans

The German government is considering halving planned LNG import capacity in the Baltic amid opposition from residents and environmental groups but insists expansion must continue to ensure energy supply security even as import growth has slowed recently. German economy minister Robert Habeck has urged his federal state counterpart in Mecklenburg-Vorpommern to support planned projects in the Baltic to make use of spare transmission capacity left available by Nordstream's demise.

The German government has been considering halving planned LNG import capacity in the Baltic, according to Reuters, as Berlin is weighing up the benefits of installing additional capacity against local resistance and an easing of winter's energy crisis.

RWE exit

Moreover, German utility RWE has pulled out of two state-leased FSRU projects offshore the island of Ruegen, stating last month it was not interested in operating LNG infrastructure long-term. Bloomberg reported a lack of agreement between local and federal authorities that led to the frequent stalling of key decisions may have been a significant factor in RWE's decision.

Federal call for support

Nevertheless, the German government still intends to persist in expanding the country's FSRU capacity, particularly in the Baltic. In a letter dated 5 May seen by the LNG Journal, Robert Habeck, Germany's federal economy minister, has urged his federal state counterpart in Mecklenburg-Vorpommern to support the development of additional FSRU capacity in his state to ensure gas supply security. Habeck highlighted that the European Union still relies to some extent on Russian pipeline gas, but for which there could be no guarantee in the coming winter.

Adjust but don't scrap

Accordingly, two additional floating terminals remain in planning by the German government even as their combined annual capacity could potentially be halved from roughly 13 million tonnes per annum (mtpa) to 7mtpa. They are to be located offshore the small industrial port of Mukran at Sassnitz, a Ruegen resort town.

Currently, Germany has one active terminal in the Baltic: The Deutsche ReGas-operated Deutsche Ostsee terminal that hosts the TotalEnergies-controlled Neptune FSRU. Deutsche Ostsee is Germany's only privately funded LNG terminal. At the time of writing, it had imported a total of 0.42mmt since its commissioning cargo in December 2022. After RWE's withdrawal, Deutsche ReGas was also tapped to become the operator of the two planned state-leased FSRUs. The company highlighted the German government would include the projects in its LNG Acceleration Act.

Use available capacity

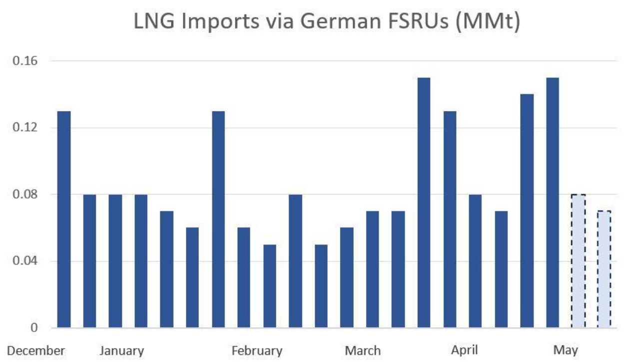
The two state-leased FSRUs would be located close to the floating LNG capacity already installed by Deutsche ReGas and regasified LNG would be fed into the German transmission system at Lubmin same as the LNG currently landed via the Neptune. Notably, Lubmin was also the gateway for Russian gas via the Nordstream pipelines. This is a key factor in the German government's focus on the Baltic as the transmission system in northwestern Germany is already at capacity, according to Habeck's letter.

State- and private funding

Meanwhile, Deutsche ReGas still intends to expand its Deutsche Ostsee terminal by installing an additional FSRU and relocating the Neptune FSRU from its current moorings at Lubmin harbour to further out at sea, according to its website at the time of writing. This Phase II expansion would increase Deutsche Ostsee's capacity to roughly 9.7mtpa by summer 2024. Phase II has been on Deutsche ReGas' books since before the announcement it would take over from RWE in the Baltic. It now remains to be seen whether Deutsche ReGas will press ahead with installing three FSRUs.

Public debate

Notably, the growth rate of cumulative LNG imports via German FSRU terminals has slowed



Source: LNG Journal

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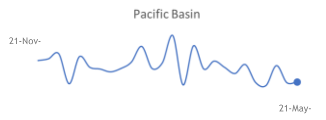
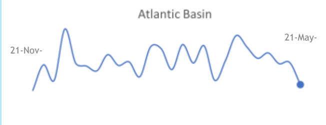
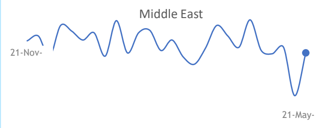
LNG EXPORTS (MMT)



Week-on-week	0.01	0pct
Six-month change	-0.38	-12pct

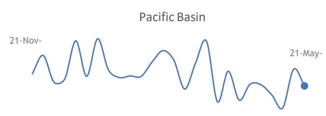


Week-on-week	-0.37	-12pct
Six-month change	0.10	4pct

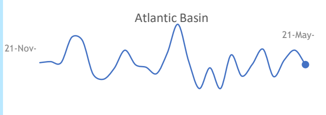


Week-on-week	0.53	39pct
Six-month change	-0.15	-7pct

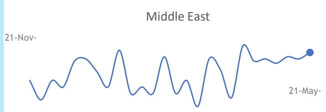
LNG IMPORTS (MMT)



Week-on-week	-0.42	-8pct
Six-month change	-0.30	-6pct



Week-on-week	-0.28	-9pct
Six-month change	-0.04	-1pct



Week-on-week	0.03	11pct
Six-month change	0.13	72pct

considerably from up to 38pct week-on-week in January to around 7pct in May, our data show. As we have reported previously, this has prompted German pressure groups to warn of the wilful installation of overcapacity to the detriment of the environment. Nevertheless, Klaus Müller, head of Germany's federal grid regulator Bundesnetzagentur highlighted that warnings of overcapacity missed the bigger picture as they were made in the context of a relatively mild winter. "To this extent, we should learn the lesson that previously we had insufficiently considered resilience, preparation and [structural] redundancies", he said in February. In his May letter, Habeck also cites the Bundesnetzagentur as saying that without additional capacity at Lubmin, Germany's gas storage levels are at risk of becoming critically low in case of a cold winter. ◆

Expected Deliveries this Week

China leading imports with 1.11mmt at current market visibility

Pacific Basin

LNG Imports in the Pacific Basin are likely to amount to 4.75mmt, according to our data at the time of writing, constituting a decrease of 29pct compared to the previous week's total of 4.61mmt. The Pacific's imports this week are likely going to be led by China (1.11mmt), Japan (0.92mmt) and South Korea (0.91mmt) whilst five cargoes totalling 0.38mmt had yet to confirm their destination but were broadly directed to within the Basin at the time of writing.

China

Current market visibility indicates the largest share of LNG destined to arrive in China by Sunday is derived from Australia via eight cargoes totalling 0.54mmt. Australia's shipments to China have sailed via, inter alia, the CESI LianYungAng, the Grace Acacia and the Methane Julia Louise. Our analysis indicates these deliveries will have been completed by Friday. Concurrently, our market visibility highlights that the Guangdong Dapeng LNG and Jiangsu LNG terminals will be China's busiest this week on imports of 0.25mmt (23pct) and 0.22mmt (20pct), respectively. In addition to Australia's shipments, we are also expecting China to receive eight cargoes totalling 0.57mmt from, inter alia, Malaysia, Qatar and Papua New Guinea. Our data thus indicate China's expected cumulative LNG imports of 1.11mmt this week are likely to have decreased by 0.46mmt (-29pct) from 1.57mmt last week but remain broadly steady year-on-year.

Japan

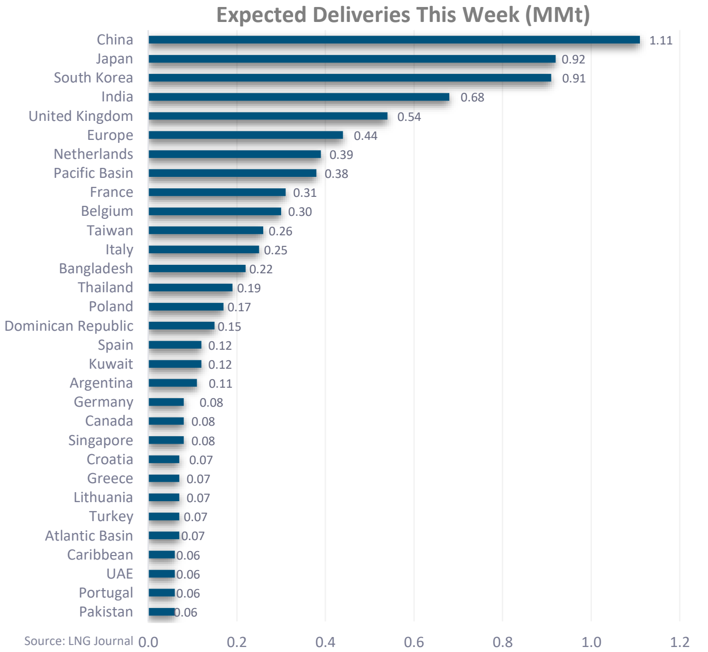
The most significant origin of LNG destined to arrive in Japan by volume this week is also Australia via five cargoes totalling 0.35mmt. Australia's shipments to Japan have sailed, inter alia, via the Asia Energy, the Asia Venture and the Flex Enterprise. We are currently expecting these shipments to arrive by Friday, with the Futtsu and Senboku terminals set to be Japan's busiest this week on imports of 0.13mmt (19pct) and 0.13mmt (19pct), respectively. In addition to Most of Australia's shipments, we are currently tracking ten cargoes totalling 0.57mmt led by Russia, Malaysia and Brunei, which we expect to arrive in Japan by Sunday. We, therefore, think Japan's weekly LNG offtake is likely to have remained broadly steady compared to last week and decreased by 0.35mmt (-28pct) from 1.27mmt year-on-year.

South Korea

Meanwhile, the largest share of expected deliveries to South Korea is coming from Australia via five cargoes totalling 0.29mmt this week. Most of Australia's volumes have sailed from Gladstone LNG via the Hanjin Pyeongtaek, the SK Sunrise and the LNG Kolt. We expect these South Korea-bound shipments to arrive by Sunday. We are also expecting ten cargoes totalling 0.62mmt from, inter alia, Malaysia, Indonesia and Qatar to arrive in South Korea this week, with the Incheon and Gwangyang terminals set to be the busiest on imports of 0.22mmt (29pct) and 0.13mmt (17pct), respectively. Based on our market visibility, we expect the country's weekly imports to have increased by 0.13mmt (17pct) from 0.78mmt last week but decreased by 0.10mmt (-10pct) from 1.01mmt year-on-year.

Atlantic Basin

Demand in the Atlantic Basin is likely to reach 3.41mmt this week, our data indicated at the time of writing, constituting an increase of 16pct from the 2.95mmt of regional imports last week. At least 45pct are destined for the United Kingdom (0.54mmt), the Netherlands (0.39mmt) and France (0.31mmt) whilst 0.65mmt remain without a confirmed destination but were broadly directed to within the Basin at the time of writing.



United Kingdom

Our market visibility indicates the most prominent origin of LNG destined to arrive in the United Kingdom this week is Qatar, based on three cargoes totalling 0.33mmt. The bulk of these shipments have sailed from Ras Laffan (0.33mmt, 61pct) via, inter alia, the Zarga and the Al Ghariya. Our data peg their delivery horizon at 27 May. Apart from Qatar's exports, we are also expecting the United Kingdom to receive three additional cargoes totalling 0.21mmt from the United States by the end of the week. Concurrently, our market visibility indicates the South Hook LNG and Isle of Grain terminals will be the United Kingdom's busiest this week on imports of 0.33mmt (61pct) and 0.15mmt (28pct), respectively. Our data thus suggest the United Kingdom's cumulative LNG offtake this week is likely to have increased by 0.14mmt (35pct) week-on-week and by 0.4mmt (286pct) year-on-year.

The Netherlands

Our current market visibility further indicates the most significant source of supply of LNG to the Netherlands this week is the United States via five cargoes totalling 0.39mmt. The United States' volumes shipped from Sabine Pass LNG, inter alia via the LNGShips Athena and the GasLog Wellington, and from Corpus Christi LNG via the Hellas Athina. They are due at the Rotterdam and Eemshaven terminals. We are not expecting cargoes from other origins in the Netherlands this week. Accordingly, the Netherlands are likely to see week-on-week offtakes remain steady and increase by 0.24mmt (160pct) year-on-year from 0.15mmt this time last year.

France

Meanwhile, our data indicate all expected deliveries to France this week are equally going to be coming from the United States via four cargoes totalling 0.31mmt. The United States' shipments sailed from Cameron LNG via the Minerva Amorgos and the LNG Adventure as well as from Sabine Pass LNG via the BW Pavilion Leeara and Calcasieu Pass LNG via the Minerva Amorgos. The vessels are due to arrive at the Montoir-de-Bretagne, Fos-sur-Mer and Dunkerque Le Clipton LNG terminals. France is not expecting cargoes from elsewhere this week, our data suggested at the time of writing. We are expecting the Montoir-de-Bretagne and Dunkerque Le Clipton terminals to lead France's imports this week with 0.15mmt (48pct) and 0.08mmt (26pct), respectively. Our data thus indicate French LNG demand is going to decrease by 0.11mmt (-26ct) week-on-week following imports of 0.42mmt last week, and by 0.12mmt (-28pct) year-on-year, the country having imported 0.43mmt this time last year.

Middle East

Our data also indicate demand in the Middle East is likely to reach 0.24mmt this week via four cargoes, constituting a decrease of 23pct from the 0.31mmt of regional imports last week.

Kuwait is looking to lead regional demand with expected imports of 0.12mmt via two cargoes aboard the Gorgon LNG-derived LNG Mars and the Bonny Island-sailed LNG Benue. These anticipated deliveries indicate Kuwait is likely to see weekly demand decrease by 0.07mmt (-37pct) from 0.19mmt last week and by 0.16mmt (-57pct) from 0.28mmt this time last year.

In addition, our data point to the UAE's Dubai FSRU terminal receiving a shipment of 0.06mmt via the Das Island-derived Umm Al Ashtan this week. Dubai is thereby likely to see a 0.06mmt increase from no offtakes last week and this time last year.

Finally, our data point to Pakistan's Port Qasim terminal receiving a shipment of 0.06mmt via the Ras Laffan-derived Al Thakhira. Pakistan is this likely to see its weekly demand decrease by 0.06mmt (-50pct) from 0.12mmt last week and by 0.12mmt (-67pct) from 0.18mmt this week last year ◆

LNG in Transit

Currently, 15.71mmt of LNG have a delivery horizon of 25 June

Total LNG volumes currently in transit amount to 15.71mmt, representing a decrease of 3.26mmt (-17pct) week-on-week. Current market visibility pegs the delivery horizon at 25 June.

Pacific Basin

Our current market visibility indicates 7.68mmt are destined for the Pacific Basin, whereby India's Dahej terminal is in the lead with 0.46mmt and a delivery horizon of 1 June currently set by the LNG Imo. Of the 7.68mmt currently in transit, 2.43mmt (32pct) have yet to have a firm destination, which are broadly destined for the Pacific region by 21 June.

At the time of writing, NWS LNG topped the list of export plants in the Pacific with 0.55mmt currently in transit, followed by Malaysia LNG with 0.52mmt and Wheatstone LNG with 0.43mmt via, inter alia, the Celsius Copenhagen, the Aman Sendai and the Flex Enterprise, respectively. The delivery horizon for Pacific in-transit exports by the Basin's leading three plants was 17 June at the time of writing.

Atlantic Basin

The Atlantic Basin, meanwhile, is due to receive 4.20mmt by 4 June, our data indicates. Firmed-up Atlantic deliveries are led by 0.60mmt destined for Netherlands's Maasvlakte Gate terminal with a delivery horizon of 4 June.

As with the Pacific Basin, there remain 1.39mmt of in-transit LNG cargoes that have yet to confirm their destinations. Around 1.39mmt are currently broadly destined for Europe by 5 June.

Among Atlantic exporters with LNG deliveries currently pending, Sabine Pass LNG was the lead with 1.64mmt, followed by Yamal LNG with 1.03mmt and Freeport LNG with 0.85mmt. These cargoes are aboard, inter alia, the Barcelona Knutsen, the Boris Vilkitsky and the BW Lesmes. The delivery horizon for all in-transit exports by Atlantic Basin plants was 25 June at the time of writing.

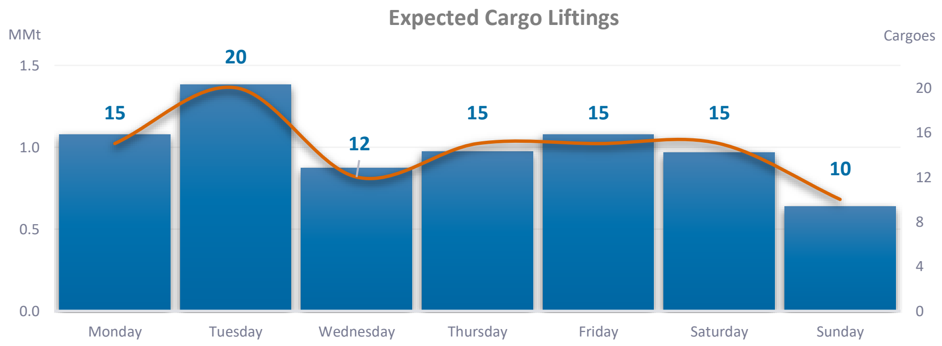
Middle East

Meanwhile, our data indicate there is a total of five cargoes - 0.3mmt - currently headed for Kuwait, Dubai and Pakistan. In addition to the cargoes scheduled for arrival this week as outlined above, Pakistan's Port Qasim LNG terminal is expecting one cargo of 0.06mmt aboard the Bonny Island-sailed LNG Ogun, which had a delivery horizon of 6 June at the time of writing.

In terms of Middle Eastern cargoes underway to destinations outside the Basin, 4.05mmt have a delivery horizon of 15 June, including 3.07mmt that originated in Qatar, with a further 0.39mmt coming from Oman's Qalhat terminal and 0.24mmt from the UAE's Das Island facility. Egypt's Idku LNG plant, meanwhile, had no shipments at sea at the time of writing.. Neighbouring Damietta LNG had six cargoes totalling 0.35mmt underway at the time of writing ◆

Expected Cargo Liftings

102 cargo liftings estimated this week



Source: LNG Journal

Based on our shipping data and nominal vessel capacities, we are currently expecting 102 cargo liftings amounting to 7.00mmt by the end of this week.

Pacific Basin

Our data indicate the Pacific Basin will account for 40 of this week's liftings, meaning that roughly 2.57mmt are exported throughout the Basin by Sunday.

In Australia, we are expecting NWS LNG to lead the continent's exports with four cargoes amounting to 0.27mmt, according to nominal vessel capacity. Concurrently, LNG Journal data points to Prelude FLNG shipping three cargoes (0.21mmt), followed by three cargoes (0.21mmt) from Wheatstone LNG. Meanwhile, Australia Pacific LNG, Gorgon LNG, Queensland Curtis LNG, Gladstone LNG and Darwin LNG are expected to ship a total of ten cargoes amounting to 0.71mmt by the end of the week.

In Southeast Asia, our shipping data points to Malaysia LNG exporting up to six cargoes amounting to 0.29mmt. In neighbouring Indonesia, we think this week's exports will amount to eight cargoes totalling 0.47mmt from its Tangguh, Bontang and Donggi-Senoro LNG plants. Additionally, based on our market visibility, we are expecting Brunei LNG to ship one cargo of 0.07mmt via the Amadi this week.

The remaining LNG export plants within the Pacific, namely Russia's Sakhalin-2 LNG at Prigorodnoye on Sakhalin Island and PNG LNG in Papua New Guinea are going to export up to four cargoes totalling 0.25mmt, according to our market visibility.

Atlantic Basin

Meanwhile, our analysis indicates the Atlantic Basin will see 35 cargo loadings, with around 2.48mmt exported throughout the Basin.

In the United States, we are expecting a total of 15 cargoes (1.14mmt) to be lifted. These exports are likely to be led by Cameron LNG with 0.31mmt, inter alia via the BW Magnolia (0.08mmt), the Castillo de Santisteban (0.08mmt) and the LNGShips Empress (0.08mmt). Concurrently, Sabine Pass LNG is going to ship 0.31mmt via four cargo liftings, our data suggests, whilst we expect Freeport LNG, Corpus Christi LNG, Cove Point LNG and Calcasieu Pass LNG to ship a total of 0.52mmt via seven cargo liftings.

In South America and the Caribbean, market visibility indicated one cargo lifting of 0.08mmt at Trinidad's Atlantic LNG via the Santander Knutsen this week.

On the other side of the Atlantic, we think up to 22 cargoes (1.39mmt) will be lifted by Sunday. In West- and North Africa, we are expecting Nigeria's Bonny Island facility to export four cargoes amounting to 0.27mmt whilst our market visibility further suggests Algeria will ship up to seven cargoes amounting to 0.42mmt from its Arzew and Skikda plants by Sunday. We are also expecting Angola's Soyo plant to export two cargoes whilst our data point to seven shipments from Equatorial Guinea's EG LNG. We are, however, not expecting a shipment from Cameroon's FLNG facility offshore Kribi this week.

In the Arctic, we are currently anticipating Norway's Snøhvit LNG to ship a cargo via the Meanwhile, our shipping data suggests Novatek's Yamal LNG is going to load up to three cargoes amounting to 0.22mmt by Sunday.

Middle East

Finally, we are expecting a total of 27 Middle Eastern cargo liftings totalling 1.95mmt by the end of the week, most of which (1.43mmt) would take place at Qatar's Ras Laffan LNG complex, inter alia via the Al Deebel and the Al Hamla. Market visibility currently also suggests to us Oman is looking to load up to three cargoes amounting to 0.20mmt via the Hyundai Aquapia, the LNG Juno and the YK Sovereign. In addition, we are expecting ADNOC's Das Island plant in the UAE to ship four cargoes totalling 0.25mmt via the Ghasha, the Mubaraz, the Seri Balhaf and the Shahamah. Our shipping data also indicate two shipments from Egypt's LNG plants this week.

The current schedule therefore suggests peak loading activity of 20 cargoes on Tuesday, followed by 15 on Monday, whilst Sunday is looking to be the least active with ten liftings ◆

Estimated Cargo Liftings (MMt)

Country	Plant	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Algeria	Arzew	0.08	0.14	-	-	-	-	0.06
	Skikda	-	0.03	0.08	-	-	0.03	-
Angola	Angola LNG	-	-	0.07	-	0.07	-	-
Australia	Australia Pacific LNG	-	-	-	0.08	0.08	-	-
	Darwin LNG	-	-	-	0.07	-	-	-
	Gladstone LNG	-	0.06	-	-	-	-	0.06
	Gorgon LNG	-	-	-	0.07	-	0.08	-
	Ichthys LNG	-	0.07	-	-	-	-	-
	NWS LNG	0.08	-	0.07	-	0.06	0.06	-
	Pluto LNG	-	-	-	-	-	-	-
	Queensland Curtis	0.08	-	-	-	0.07	-	-
	Wheatstone LNG	-	0.07	-	-	0.14	-	-
	Prelude FLNG	-	0.14	-	-	-	0.07	-
Brunei	Brunei LNG	-	-	-	0.07	-	-	-
Cameroon	Cameroon FLNG	-	-	-	-	-	-	-
E. Guinea	EG LNG	-	-	-	-	-	-	-
Egypt	Damietta SEGAS LNG	-	-	-	0.07	-	-	-
	Idku LNG	-	-	-	-	-	0.07	-
Indonesia	Bontang	-	-	-	-	0.06	0.01	-
	Donggi-Senoro LNG	-	-	-	-	-	0.06	-
	Tangguh	-	-	0.06	0.06	0.08	0.06	0.07
Malaysia	Malaysia LNG	0.12	-	0.07	0.01	-	0.06	0.04
	PFLNG Satu	-	-	-	-	-	-	-
	PFLNG Dua	-	-	-	-	-	-	-
Mozambique	Coral Sul FLNG	-	-	-	-	-	-	-
Nigeria	Bonny Island	-	0.14	-	-	0.06	0.07	-
Norway	Snøhvit LNG	-	-	-	-	-	-	-
Oman	Oman LNG	-	0.14	-	-	0.06	-	-
Peru	Pampa Melchorita	-	-	-	-	-	-	-
PNG	PNG LNG	-	-	-	0.07	-	0.06	-
Qatar	Ras Laffan	0.28	0.16	0.24	0.13	0.25	0.09	0.28
Russia	Sakhalin-2 LNG	-	0.06	-	0.06	-	-	-
	Yamal LNG	0.08	-	-	0.07	-	-	-
	Portovaya LNG	0.08	-	-	-	-	-	-
Singapore	Singapore LNG	-	-	-	-	-	-	-
Trin. & Tobago	Atlantic LNG	-	0.08	-	-	-	-	-
UAE	Das Island	-	0.06	-	0.06	0.06	-	0.07
United States	Elba Island LNG	-	-	-	-	-	-	-
	Cove Point LNG	0.08	-	-	-	-	-	-
	Cameron LNG	-	0.15	-	0.15	-	-	-
	Freeport LNG	0.08	-	0.08	-	-	0.08	-
	Sabine Pass LNG	0.08	0.08	0.08	-	-	0.08	-
	Corpus Christi LNG	0.06	-	-	-	-	0.08	-
	Calcasieu Pass LNG	-	-	0.07	-	-	-	-
	Total	**1.08**	**1.38**	**0.80**	**0.98**	**1.00**	**0.97**	**0.58**

Source: LNG Journal

Trade Last Week

Global LNG trade stood at 7.38mmt last week

Last week's global LNG flows stood at 7.38mmt, having thus increased by 0.17mmt (2pct) from 7.21mmt the week prior.

Pacific Basin

The Pacific ended last week with 2.73mmt in exports, resulting in a 0.01mmt (0.3pct) trade increase from 2.72mmt recorded for the week before last. This, in turn, translated into capacity utilisation of 85pct. Meanwhile, week-on-week demand in the Pacific region - including domestic re-exports in Malaysia, Indonesia and China - decreased by 0.42mmt (-8pct) from 5.03mmt to 4.61mmt. As a result, last week's Pacific import capacity utilisation contracted by 5pp to 52pct.

Atlantic Basin

Concurrently, trade in the Atlantic Basin had amounted to 2.76mmt by midnight on Sunday, a 0.37mmt (-12pct) decrease compared to the 3.13mmt recorded for the prior week. This in turn translated into regional export capacity utilisation of 79pct for last week, a decrease of 11pp week-on-week. The Basin's imports, meanwhile, had decreased by 0.28mmt (-9pct) to 2.95mmt by Sunday. As a result, Atlantic import capacity utilisation stood at 53pct for the week, a decrease of 5pp over the week prior.

Middle East

As for the Middle East, the region's exports had seen positive weekly trade growth of 0.53mmt to 1.89mmt by midnight on Sunday. This represented a 39pct increase from the 1.36mmt seen the week before last. As such, regional export capacity utilisation also grew to 86pct for the week, up 24pp over the week before. Meanwhile, Middle Eastern imports saw positive weekly growth, increasing by 0.03mmt (11pct) to 0.31mmt. The region's import capacity utilisation thus stood at 28pct for the week, constituting an increase of 3pp over the prior week.

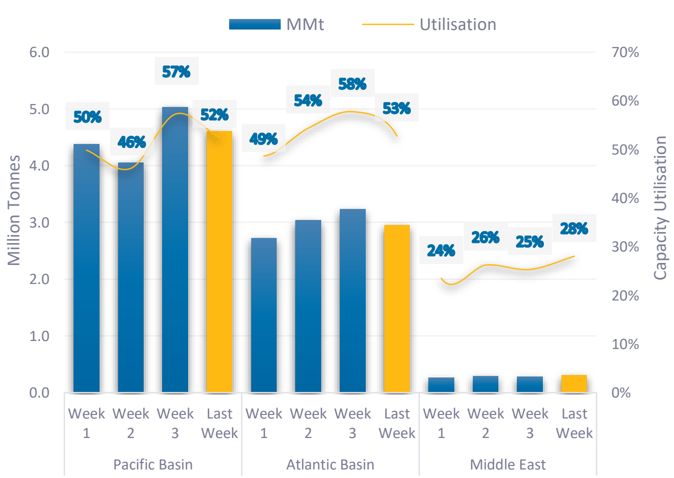
Pacific Exports – Australia

The Pacific Basin's most significant exporter by volume - Australia - shipped 1.61mmt last week, increasing exports by 0.31mmt (24pct) from the 1.30mmt shipped the week prior. On a year-on-year basis, the country thus also grew LNG shipments by 0.08mmt (5pct) from 1.53mmt.

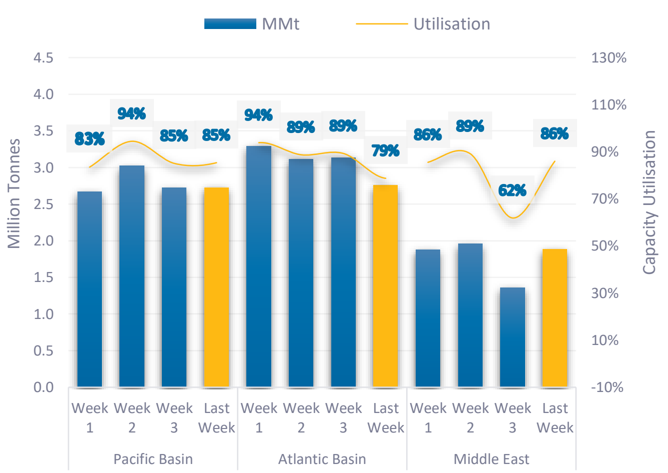
Southeast Asia

Meanwhile, the Pacific's second-largest exporter by capacity - Malaysia - shipped 0.43mmt last week, and thereby decreased exports by 0.22mmt (-34pct) week-on-week, whilst its neighbour Indonesia saw an increase of 0.09mmt (42pct) to 0.30mmt over the same period. On a year-on-year basis, however, Malaysia's exports thus also remained broadly steady at 0.44mmt whilst Indonesia's year-on-year shipments by 0.11mmt (58pct) from 0.19mmt. Elsewhere in the region, in the north of Kalimantan, there was one LNG shipment of 0.05mmt from Brunei LNG. The plant thus decreased exports by 0.02mmt (-29pct) from 0.05mmt the week prior whilst on a year-on-year basis it decreased exports by 0.01mmt (-17pct).

Imports & Capacity Utilisation Last Week



Exports & Capacity Utilisation Last Week



Other Pacific Exporters

The remaining Pacific LNG exports had amounted to 0.34mmt by the end of last week compared to 0.41mmt the week prior, resulting in a reduction of 0.07mmt (-17pct) week-on-week. This was due to Russia's Sakhalin-2 LNG decreasing exports by 0.06mmt (-24pct), having shipped 0.25mmt the week prior. Concurrently, Papua New Guinea's PNG LNG decreased exports by 0.01mmt (-6pct) to 0.15mmt whilst Singapore's terminal and Peru's Pampa Melchorita LNG were not seen in the market.

Far Eastern Demand

In contrast to higher weekly Pacific exports, Pacific demand decreased by 0.42mmt (-8pct) last week, which was led by a 0.14mmt (22pct) offtake increase from 0.64mmt to 0.78mmt in South Korea. However, the country's demand was down by 0.23mmt (-23pct) year-on-year. South Korea's busiest LNG terminal last week was the Pyeongtaek facility with 0.27mmt, followed by the Tongyeong terminal with 0.26mmt. Concurrently, LNG demand in Taiwan grew by 0.05mmt week-on-week, which nonetheless meant that on an annual basis, the country's offtake was down by 0.11mmt (-27pct). Taiwan's offtakes were led by the Yung-An terminal with 0.18mmt, followed by the Taichung facility with 0.12mmt. Moreover, India saw weekly demand decline of 59pct, down by 0.35mmt to 0.24mmt from 0.59mmt the week prior. On a year-on-year basis, the country's imports were thus also down by 0.05mmt (-17pct) from 0.29mmt. In Japan, weekly imports decreased by 0.42mmt (-30pct) from 1.39mmt to 0.97mmt whilst the country's imports had decreased by 0.30mmt (-24pct) year-on-year. Meanwhile, we recorded a small demand increase in China last week, where offtakes went up by 0.04mmt (3pct) to 1.57mmt from 1.53mmt the week prior. Accordingly, China's imports had also increased by 0.46mmt (41pct) year-on-year from 1.11mmt.

Concurrently, the roster of smaller Pacific Basin buyers typically consisting of Chile, Singapore, Mexico, Malaysia, Indonesia, Thailand, Myanmar and Bangladesh boosted its collective weekly imports by 0.12mmt (19pct) to 0.75mmt. The demand increase was driven by offtake growth of 0.08mmt (114pct) in Chile. Bangladesh, Singapore, Indonesia and Malaysia also increased LNG offtakes by 0.13mmt (52pct) to 0.38mmt overall. These increases were only tempered by lower demand in Thailand, which together imported 0.09mmt less last week, as well as the ongoing market absences of Myanmar and Mexico.

Atlantic Exports – West Africa

In the Atlantic Basin, West African exporters slightly decreased their overall shipped volumes by 0.04mmt (-6pct) to 0.60mmt last week. Algeria shipped cut LNG exports by

0.12mmt (-40pct) from 0.30mmt the week prior alongside a lack of exports from Equatorial Guinea following a shipment of 0.08mmt the week prior. Although Nigeria increased weekly exports by 0.16mmt (84pct) to 0.35mmt, this did not materially change the overall picture as supply from Angola merely remained steady at 0.07mmt. Cameroon was not seen in the market last week.

United States

In the United States, export plants saw the total of shipped LNG volumes contract by 0.24mmt (-15pct) from 1.65mmt to 1.41mmt last week. US LNG export performance was mainly due to absent exports from Cove Point LNG. The plant had shipped 0.14mmt the week prior. This was compounded by an export reduction of 0.08mmt (-25pct) at Corpus Christi LNG, the plant having shipped 0.32mmt the week prior. Calcasieu Pass LNG, meanwhile, exported only 0.09mmt following shipments of 0.11mmt the week prior, a week-on-week reduction of 0.02mmt (-18pct). Elba Island LNG was again not seen in the market whilst Freeport LNG and Cameron LNG maintained broadly steady output at 0.31mmt and 0.15mmt, respectively. The resulting net decrease was thus only cushioned by an export increase of 0.02mmt (3pct) to 0.62mmt at Sabine Pass LNG. As such, US LNG shipments did not outperform their year-on-year equivalent of 1.82mmt, leaving a gap of 0.41mmt (-23pct) year-on-year.

Other Atlantic Exporters

Further south, Atlantic LNG on Trinidad saw three exports totalling 0.20mmt. Concurrently, in the Arctic, Novatek's fleet lifted 0.35mmt via five shipments from Yamal LNG. Russian LNG exports in the Atlantic Basin thereby increased by 0.16mmt (84pct) from 0.56mmt the week prior. Snøhvit LNG in Norway did not ship LNG last week, unchanged from the week prior.

European Demand

European buyers curtailed imports by 0.60mmt (-34.5pct) to 2.34mmt last week. Notably, Spain, France and the United Kingdom saw a significant combined weekly demand decrease of 0.59mmt to 0.98mmt. Concurrently, offtakes decreased in Lithuania, Croatia, Greece, the Netherlands and Portugal by 0.29mmt overall. These decreases were only tempered by increases totalling 0.28mmt (85pct) to 0.61mmt among the remaining European importers led by a 0.16mmt increase in Belgium. Among European terminals, imports in northern Europe were led by the Isle of Grain terminal in the United Kingdom with 0.32mmt whilst in southern Europe, France's Fos-sur-Mer terminal was in the lead with 0.19mmt.

Other Atlantic Buyers

Meanwhile, Atlantic buyers in North- and South America, as well as the Caribbean, saw week-on-week import growth of 0.24mmt in Panama, Colombia, Jamaica, Puerto Rico, Argentina and Brazil. These demand increases meant LNG exports in the Americas were up 0.33mmt week-on-week, tempered only by reductions amounting to 0.09mmt in the Dominican Republic and the United States. We did not record LNG demand elsewhere in the Americas last week.

Middle Eastern Exports

In the Middle East, Qatar shipped 1.49mmt last week and thereby saw robust week-on-week export growth of 0.43mmt (41pct) from the 1.06mmt seen the week prior. The country also increased exports by 0.11mmt (8pct) from the 1.38mmt shipped this time last year. Meanwhile, Oman decreased weekly exports by 0.02mmt (-11pct) to 0.16mmt whilst the UAE doubled shipments to 0.12mmt. On a year-on-year basis, Oman decreased exports by 0.01mmt (-6pct) whilst the UAE's shipments were down by 0.07mmt (-37pct). Egypt, meanwhile, also doubled exports to 0.12mmt last week whilst also showing an export decrease of 0.02mmt (-14pct) year-on-year.

Middle Eastern Demand

Completing the Middle East's LNG trade picture last week were Kuwait and Pakistan, which together imported 0.31mmt via five cargoes. These shipments were all supplied by Qatar's Ras Laffan LNG complex, Nigeria's Bonny Island LNG and Oman LNG. As such, the region's week-on-week demand had increased by 0.03mmt (11pct) from 0.28mmt the week prior. Regional demand was, however, down by 0.15mmt (-33pct) from 0.46mmt year-on-year ◆