NEW

LNG Monthly Markets

LNG JOURNAL'S COMPREHENSIVE MONTHLY LNG DATA REPORT 15 MAY 2020

Summary & Highlights

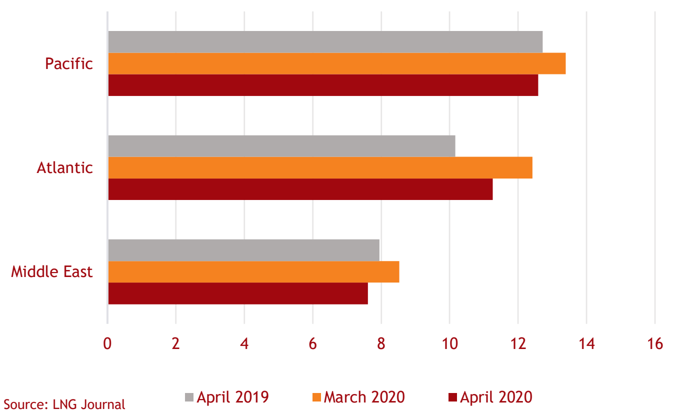
Monthly trade noticeably decreased by 2.88mmt in April following steep demand reductions in Japan, India and Europe

Global conventional LNG trade saw a notable decrease in April, decreasing by 2.88mmt to 31.46mmt (-8.4%) from the 34.34mmt seen in March. Nonetheless, trade performance in April 2020 marks an increase of 0.63mmt over 2019, equating to 2.0% of year-on-year growth. At the time of writing, 1.18mmt (3.7%) of the exported 31.46mmt in April remain to be delivered; their current delivery horizon is 30 June.

Trade varied significantly by basin. As such, the April month-on-month performance drop in terms of volume was primarily due to the Atlantic Basin, where trade was down 1.16mmt (-9.3%) to 11.26mmt on March's 12.42mmt. Coming in second by volume drop was the Middle East, where trade decreased by 0.92mmt (-10.8%) to 7.61mmt from 8.53mmt in March. Meanwhile, Pacific Basin trade decreased by 0.80mmt (-6.0%)month-on-month to 12.59mmt, compared to March's 13.39mmt. Notably, only Atlantic Basin trade thus saw an increase year-on-year, whereby April 2020 volumes were 1.10mmt higher than in April 2019, representing a 10.8% trade increase for that Basin. Concurrently, Pacific LNG trade decreased slightly by 0.13mmt (-1.0%) whilst Middle Eastern trade decreased more noticeably by 0.34mmt (-4.3%) year-on-year.

The decrease in trade in April was mainly due to a significant demand decrease in Europe and Asia following government measures targeting the COVID-19 outbreak. Fortunately, China's LNG demand rebound in March continued in April, with strong monthly demand growth one of the few market bright spots. A notable LNG trade development in April was the increased isolation of LNG cargoes within their respective basins. Historically, LNG shipped by Pacific Basin suppliers has for the most part remained within the region. However, we observed an increasing amount of LNG cargo remaining within the Atlantic Basin, too, as the protracted low-price environment weighed on netbacks, making longer journeys increasingly unviable from an economic perspective. The most visible impact of the low-price environment could be seen in the utilisation of FLNG capacity, which dropped sharply in April. Whilst Prelude was still officially undergoing maintenance in April, other facilities such as Malaysia's PFLNG 1 also did not export a cargo.

LNG Trade in April (MMt)



Source: LNG Journal

In essence, it was down to Chinese demand growth in April that prevented the global LNG market from undergoing a much more substantial slump as Japan in particular saw imports drop by 1.56mmt month-on-month in April. Decreasing Japanese demand at this time is particularly significant since the period of late April to early May has typically marked the starting point of the country's second high demand season when electricity demand rises once more. However, fear of a second wave of COVID-19 infections has prompted the government to extend restrictive lockdown measures until 31 May. The measures oblige non-essential industry to shut down and include major metropolises such as Tokyo and Osaka, which have been labelled high-risk areas and are affected by particularly strict measures.

Following the enforcement of the Disaster Management Act, which risks senior company management being held responsible for any COVID-19 contraction by staff, large swathes of Indian industry also remained effectively mothballed in April. Industrial shutdowns were particularly prevalent in Gujarat state, India's second-largest coronavirus hotspot and home to several energy intensive industries, including fertilizer production, petrochemicals, ceramics and glass manufacturing. As Gujarat is also the site of three of the country's LNG receiving terminals, including the largest at Dahej, it is unsurprising that the country's demand also nosedived by 0.92mmt in April. Gujarat State Petroleum Corp (GSPC) was among three Indian LNG offtakers

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issuing force majeure notices to suppliers in late March.

A particular benefactor of Chinese demand growth was Australian LNG capacity, which overall managed to maintain broadly steady output in April, supported by a 0.62mmt (25%) rise in exports to China. In contrast, US LNG exporters significantly reduced the amount of LNG shipped, both to the Atlantic and the Pacific Basins. In our view, the protracted low-price environment took its toll on US LNG exports. At the same time, European gas storage became saturated, which made bunkering at Zeebrugge a less viable interim solution, in our view. Imports by the Belgian terminal decreased drastically by 0.62mmt in April. Notably, Atlantic intra-basin trade also decreased significantly by 0.93mmt (-7.31%) in April.

As such, the influx of LNG into Europe weakened considerably by 1.36, resulting in significantly in a month-on-month re-export decrease of 0.15mmt (-21.1%). Notably, we also did not see any April reloads ♦

Inter- & intra-regional Trade

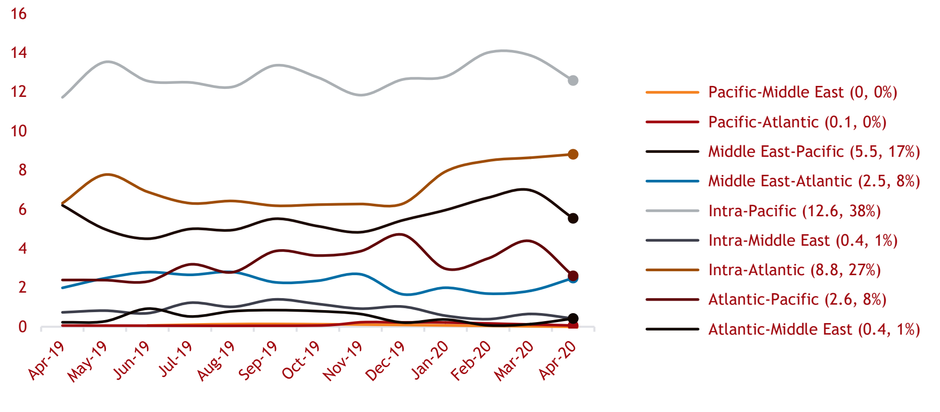
Trade patterns were impacted significantly by inter-regional trade in April

Trade patterns were impacted significantly by inter-regional trade in April. Whereas in March the amount of LNG shipped from one Basin to another increased by 1.38mmt (12.44%) to 12.47mmt from 11.09 in February, that amount decreased by 1.76mmt (-14.11%) to 10.71mmt in April. Meanwhile, the single largest general trading pattern, intra-basin trade within the Pacific, also saw a significant reduction by 0.84mmt (-6.6%) in line with the broader decrease in April trade.

Whilst Pacific routes supplying the Atlantic Basin and the Middle East continued to lay dormant as Peru's Pampa Melchorita plant only exported to Pacific buyers, inter-basin trade between the Middle East and the Pacific Basin continued to see significant month-on-month decline in the form of a 1.61mmt (-12.65%) reduction, mainly due to Japan slashing imports from the Middle East; the market absence of Egypt's Idku LNG plant compounded the situation. However, the continued decline of Middle Eastern exports to the Pacific manifested itself predominantly in terms of Qatari exports, whilst Oman managed to stave off drastic month-on-month decline and the Das Island plant in the UAE even managed to grow exports to the Pacific in April. Middle Eastern exports to the Atlantic Basin, meanwhile, continued to see the growth trend that began in December last year as Europe continued in its role of LNG sink for excess cargoes. Middle Eastern cargoes to Europe were up 0.36mmt (13.9%). Meanwhile, Middle Eastern intra-basin trade also continued to gather pace and grew by 0.39mmt (3.06%) to 1.0mmt.

Although Atlantic Basin trade was still led by intra-basin shipments in terms of volume, these decreased by 0.93mmt (-7.31%) month-on-month in April. Notably, Russian shipments to Europe fell by 0.20mmt (-10%). Meanwhile, US LNG exports to Europe also saw a significant decline of 0.46mmt (-18.6%) as portfolio players broadly maintained exports to the Far East whilst also increasing shipments to the rest of the Pacific. Nevertheless, inter-basin trade from the Atlantic to the Pacific still suffered significant decline of 0.34mmt (-13.23%) as several smaller Atlantic producers such as Angola and Cameroon reduced exports to the Pacific as lower LNG prices weighed on long-journey netbacks. The reduced output at Yamal LNG also impacted April's cargo volume going to the Pacific. Inter-basin trade from the Atlantic to the Middle East also decreased by 0.17mmt (-39.5%) month-on-month from 0.43mmt in March to 0.29mmt in March on account of absent out of Algeria and Angola to the region ♦

Regional Trade Flows in April (MMt)



Source: LNG Journal

Gas on the Water

Roughly 6.54mmt of LNG in transit at the time of writing

There were 6.54mmt of LNG in transit from the Atlantic Basin at the time of writing. Roughly 45% of that (2.92mmt) originated in the United States, with 72.3% (2.11mmt) currently seen on routes to destinations in the Pacific Basin led by Japan. There were two U.S. cargoes en route to Chinese destinations with a delivery horizon in June. Both cargoes derived from Freeport LNG, with one cargo aboard the Nohshu Maru destined for Zhoushan LNG and the second aboard the Diamond Gas Sakura currently en route to Tianjin. U.S. Exports to the Atlantic region are amounting to 0.81mmt, led by Spain and the Netherlands with 0.15mmt and 0.08mmt, respectively. We currently see no U.S. cargo en route to the Middle East. Atlantic LNG exports in transit at the time of writing also consisted of 1.26mmt (19.21%) that have sailed out of Nigeria's Bonny Island facility since 16 April. Roughly 0.49mmt (38.9%) of Nigerian LNG is currently travelling to the Atlantic, led by two cargoes totalling 0.14mmt we expect to arrive at the Montoir-de-Bretagne and the Dunkerque Le Clipton terminals in France by 27 May. The bulk of in-transit Atlantic LNG is completed with a further 9.8% (0.61mmt) coming from Russia's Yamal LNG and 5.39% (0.34mmt) from Trinidad & Tobago's Atlantic LNG.

Pacific cargoes

Meanwhile, Pacific exporters currently have 4.51mmt of LNG in transit, with destinations exclusively located within the Basin. These cargoes have an overall delivery horizon of 21 June determined by a PNG and an Australian cargo aboard the LNG Ebisu and the LNG Jupiter currently headed to Himeji in Japan. Australia is leading the roster with 2.65mmt (58.8%), the bulk of which is headed to Japan (0.89mmt) and China (0.57mmt). Leading exporters of Australian in-transit LNG at the time of writing were NWS LNG followed by Gorgon LNG, which accounted for a total of 1.06mmt of shipped Australian gas. Notably, Australia's Prelude FLNG still barge had no cargo at sea at the time of writing (see FLNG section below). Another significant share of deliveries will materialise from Indonesia, Malaysia and Papua New Guinea, which had combined shipments of 0.74mmt (16.5%) of Pacific LNG at sea. Concurrently, Russia, Peru and Brunei had a total of 0.39mmt (8.64%) at sea, which are mainly headed for China, South Korea and other destinations within the Pacific Basin.

Middle Eastern cargoes

In the Middle East, Qatar is leading the roster of in-transit cargoes with 3.93mmt (89.7 %) out of a total of 4.38mmt. Of those Qatari cargoes, roughly 1.65mmt (37.7%) are headed for the Atlantic Basin, led by the United Kingdom as prime destination with 0.31mmt. In addition, we currently anticipate Italy and Portugal to receive one cargo each by 9 June. Meanwhile, 2.04mmt of Qatari LNG are destined for the Pacific Basin and the Far East, led by South Korea and Japan with 0.66mmt and 0.32mmt, respectively. Notably, 0.14mmt of Qatar LNG is also en route to Pakistan with another 0.10mmt to Kuwait, forming the current intra-basin picture with a delivery horizon of 31 May. Concurrently, 1.79mmt of Qatari LNG currently en route to buyers have yet to show a firm destination, though we expect LNG headed for the Atlantic Basin to arrive in Europe (1.20mm) and the cargoes headed for the Pacific, inter alia aboard the Lijmiliya, the Aamira and the Broog to travel to the Far East.

Concurrently, Oman and the UAE have shipments totalling 0.45mmt on the water, with the former having exported 0.12mmt to South Korea and 0.07mmt to China whilst the latter has two cargo totalling 0.12mmt en route to Japan. Notably, Egypt's Idku LNG had no shipment on the water at the time of writing, our data shows. Market visibility at the time of writing indicated a delivery horizon for in-transit Middle Eastern cargoes of 14 June ♦

Exports & Utilisation

Pacific Exports

Decline in Japanese demand weighed on overall performance

The Pacific Basin ended the month of April 0.91mmt (-6.6%) down in exports compared to March, which decreased capacity utilisation by 6pp to 96%.

Australia

Its biggest exporter – Australia – shipped 0.02mmt (-0.3%) less month-on-month, effectively maintaining output in April. Chinese demand continued to grow in April, with positive knock-on effects for Australian exports. In the Pilbara region, NWS LNG increased exports by 0.07mmt (4.6%) to 1.58mmt – considerably less growth than in March that was induced by the plant having had had to curtail shipments by 0.32mmt in February. Concurrently, Gorgon LNG managed to increase output by 0.21mmt (15.7%) to 1.55mmt. However, Pluto saw an export reduction of 0.06mmt (-13.6%) to 0.38mmt whilst Wheatstone accounted for the continent's most significant monthly export reduction of 0.22mmt (-28.6%) in April. In Australia's Northern Territories, Ichthys LNG once again saw export growth but by less than one cargo to 0.71mmt (1.4%) whilst neighbouring Darwin LNG saw April output decline by 0.12mmt (-40%) to 0.18mmt as Japanese demand saw a significant reduction. In Queensland, where exporters are particularly reliant on Chinese LNG demand, Australia Pacific LNG and Gladstone LNG both managed to increase shipments by 0.08 and 0.07mmt, respectively whilst neighbouring Queensland Curtis LNG saw shipments decrease by one cargo month-on-month to 0.71mmt. Meanwhile, Shell's offshore Prelude FLNG barge did not export a cargo in April.

Southeast Asia

North of Australia, Papua New Guinea saw shipments increase by 0.06mmt (8.6%) to 0.76mmt due to the demand growth in China. However, plants in neighbouring Indonesia saw cargo loadings decline by 0.07mmt overall. The COVID pandemic impacted domestic demand →

Table: Monthly Pacific Basin Exports Compared

Country	Plant	Import Basin			April	March	% Change m/m
		Atlantic	Middle East	Pacific			
Australia	Australia Pacific LNG	-	-	0.85	0.85	0.77	10.4%
	Darwin LNG	-	-	0.18	0.18	0.30	-40.0%
	Gladstone LNG	-	-	0.66	0.66	0.59	11.9%
	Gorgon LNG	-	-	1.55	1.55	1.34	15.7%
	Ichthys LNG	-	-	0.71	0.71	0.70	1.4%
	NWS LNG	-	-	1.58	1.58	1.51	4.6%
	Pluto LNG	-	-	0.38	0.38	0.44	-13.6%
	Queensland Curtis LNG	-	-	0.71	0.71	0.77	-7.8%
	Wheatstone LNG	-	-	0.55	0.55	0.77	-28.6%
	Prelude FLNG	-	-	-	0.00	-	-
Brunei	Brunei LNG	-	-	0.55	0.55	0.61	-9.8%
Indonesia	Bontang	-	-	0.41	0.41	0.49	-16.3%
	Donggi-Senoro LNG	-	-	0.19	0.19	0.25	-24.0%
	Tangguh	-	-	0.73	0.73	0.66	10.6%
Malaysia	Malaysia LNG	-	-	1.72	1.72	2.29	-24.9%
	PFLNG 1	-	-	-	0.00	0.14	-100.0%
P. N. Guinea	PNG LNG	-	-	0.76	0.76	0.70	8.6%
Peru	Pampa Melchorita LNG	-	-	0.28	0.28	0.38	-26.3%
Russia	Sakhalin-2 LNG	-	-	1.04	1.04	1.05	-1.0%
	Total	0.00	0.00	12.85	12.85	13.76	-6.6%

Source: LNG Journal

→ considerably, and thus weighed on Bontang exports, whilst plants such as Tangguh were able to benefit from the restart of the Chinese economy. Donggi-Senoro LNG, meanwhile, saw a decrease in exports by 0.06mmt (-24%) to 0.19mmt in April.

Like Indonesia, Malaysia also saw export fall month-on-month in April, though more drastically than its neighbour. Petronas' giant Malaysia LNG complex saw negative export growth of 0.57mmt (-24.9%) to 1.72mmt in April. Exports to Japan fell particularly fast, retreating by 73% month-on-month, a development we already observed in March. Although Chinese imports of Malaysian gas grew by 0.10mmt and Thailand added 0.18mmt of its own demand, these could not compensate. Meanwhile, Malaysia also shipped one cargo of 0.07mmt less to South Korea. Consignments shipped by Petronas' FLNG barge PFLNG 1 did not export a cargo in April, our data shows.

Russia and Peru

Elsewhere in the Pacific, Russia's Sakhalin-2 LNG saw exports remain broadly steady at 1.04mmt in April compared to 1.05mmt in March (-1%). The plant managed to offset a demand reduction for its gas in Japan with greater exports to Taiwan and China. Monthly trade with Japan continued the decline seen in March, falling by 0.19mmt (-47.5%) in April, whilst Sakhalin-2's shipments to Taiwan grew by 68% to 0.32mmt. The LNG flow from the Russian peninsula to China, meanwhile, doubled to 0.14mmt ♦

Atlantic Exports

Western half of Atlantic Basin continued to see much steeper export reduction than eastern half

Africa & Russia

The amount of LNG exported within the eastern part of the Atlantic Basin – comprising Africa, Europe and Russia – saw a reduction of 0.33mmt (-5.2%) month-on-month in April. Although Nigeria saw significant growth that month by increasing exports by 0.21mmt to 1.82mmt (13%), followed by broadly steady exports from Norway, Angola and Algeria, Russia's Yamal LNG weighed on overall exports. The plant in the Russian arctic region saw shipments fall by 0.20mmt (-10%) in April. Concurrently, Equatorial Guinea's EG LNG saw shipments decrease by 0.04mmt (-14%). The overall export reduction for the eastern part of the Basin was sealed by slashing of Cameroon FLNG shipments by 53% to 0.07mmt.

United States

In the western half of the Basin, exports fell by 1.05mmt (15.7%) to 5.64mmt, which was particularly due to a production decrease in the United States where monthly exports fell by 0.88mmt (-19%) in April. The monthly reduction in US shipments was led by Freeport LNG, where exports retreated by 40% to 0.60mmt. Following suit in similarly dramatic fashion, Cove Point LNG curtailed output by 0.15mmt (-0.30%). The plant at Corpus Christi also reduced exports by 0.16mmt (-17%). Sabine Pass LNG, meanwhile, once again drecreased its month-on-month exports, amounting to 0.17mmt (-8%) less in shipments from the plant. Cameron LNG, on the other hand, maintained steady April exports 0.74mmt. US LNG export growth in April was also hindered somewhat by the continued absence of Elba Island LNG, which was still undergoing construction work in April but had exported 0.13mmt in January.

South America

In South America, Atlantic LNG in Trinidad & Tobago also saw exports decrease significantly by 0.17mmt (-13%) month-on-month in April as shipments to Brazil Canada, the United States, Brazil and Europe saw a net decline of 0.17mmt (-19%). Trinidad's shipments to the Middle East and the Pacific Basin, meanwhile, remained steady month-on-month. Argentina's Tango FLNG barge, meanwhile, did not load a cargo. Consequently, as the Atlantic Basin's overall shipped LNG decreased by 1.22mmt (-10%) month-on-month in April, export utilisation also fell by10pp to 87% whilst still showing significant year-on-year growth of 10pp ♦

Table: Monthly Atlantic Basin Exports Compared

Country	Plant	Import Basin			April	March	% Change m/m
		Atlantic	Middle East	Pacific			
Algeria	Arzew	0.72	0.06	0.15	0.93	0.95	-2%
	Skikda	-	-	-	-	-	-
Angola	Angola LNG	0.28	-	0.14	0.42	0.42	0%
Argentina	Tango FLNG	-	-	-	-	0.06	-
Cameroon	Cameroon FLNG	-	-	0.07	0.07	0.15	-53%
E. Guinea	EG LNG	0.08	-	0.16	0.24	0.28	-14%
Nigeria	Bonny Island	1.09	0.06	0.67	1.82	1.61	13%
Norway	Snohvit LNG	0.43	-	-	0.43	0.41	5%
Russia	Yamal LNG	1.64	-	0.07	1.71	1.91	-10%
T. & Tobago	Atlantic LNG	0.89	0.07	0.14	1.10	1.27	-13%
United States	Cove Point LNG	0.21	-	0.14	0.35	0.50	-30%
	Sabine Pass LNG	0.80	0.07	1.18	2.05	2.22	-8%
	Corpus Christi LNG	0.51	-	0.29	0.80	0.96	-17%
	Cameron LNG	0.51	-	0.23	0.74	0.74	0%
	Elba Island LNG	-	-	-	-	-	-
	Freeport LNG	0.20	-	0.40	0.60	1.00	-40%
	Total	7.36	0.26	3.64	11.26	12.48	-10%

Source: LNG Journal

Middle Eastern Exports

Middle Eastern exporters scaled back April exports significantly

Middle Eastern LNG exporters decreased activity considerably in April, decreasing monthly shipments by 0.86mmt (-10%) to 7.67mmt. However, the performance was skewed by a continued strong reduction in Qatari shipments following the high activity season of winter. Notably, the Basin's operational export utilisation capacity (i.e. excluding Yemen) remained robust at 99% in April.

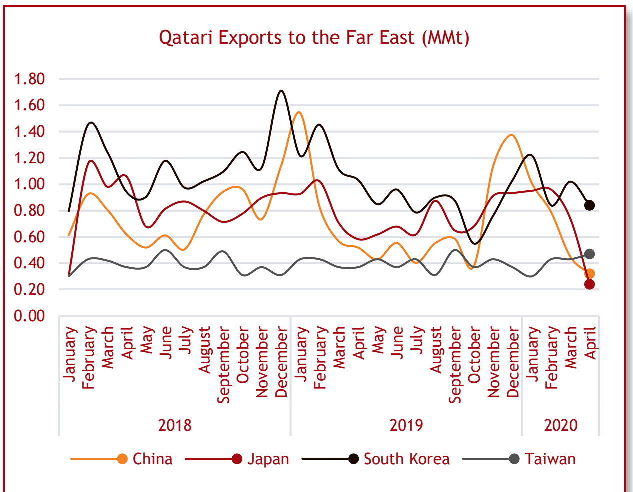
Qatar

As per usual, Middle Eastern supply shifts were by and large driven by a change in Qatar's exports. The country accounted for all of the Basin's monthly export decrease in April after its shipments fell by 0.93mmt (-13%). Exports from the Ras Laffan LNG complex to the Atlantic Basin continued to grow significantly, with shipments to the United Kingdom up by 0.50mmt (61%). Qatar's shipments within the Middle East, meanwhile, received a significant boost through the more than doubling in offtakes by Kuwait, which more than compensated for a reduction in Qatari shipments to Pakistan (see FSRU section below). Overall, intra-Middle Eastern shipments from Ras Laffan showed saw growth of 0.40mmt (74%), increasing by roughly the same amount as Qatari exports to Europe (0.43mmt, 17.1%). Qatar's shipments to the Pacific, meanwhile, plummeted by 1.76mmt (-41.1%). This was due to a continued significant overall reduction in offtakes by its three most significant buyers – Japan, South Korea and China. Whilst the latter grew its Qatari supply slightly by 0.01mmt to 0.44mmt (2.3%) month-on-month, Japan reduced its monthly imports by 0.19mmt (-39.6%) to 0.29mmt. South Korea, meanwhile, slashed imports from Qatar by 0.60mmt (-52.6%), underscoring a continued pivot by the Middle Eastern LNG powerhouse away from the Far East in April. Nevertheless, whilst that pivot increasingly manifests itself in Qatari trade patterns, Ras Laffan's overall plant utilisation remained robust at slightly above full capacity in April.

Oman and UAE

The remaining two producers in the Persian Gulf – Oman and the UAE – saw exports increase by 0.02mmt (3%) and 0.12mmt (33%), respectively. Consequently, both reduced their exports to below nameplate capacity, with Oman's capacity utilisation at 94.6% and the UAE's at 95.5%.

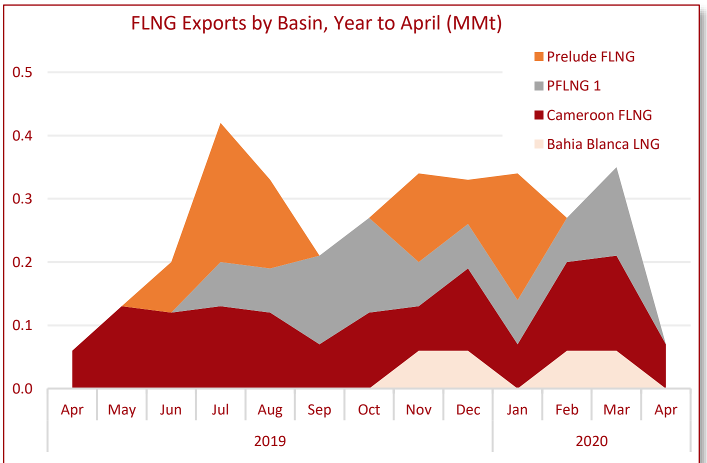
Egypt's Idku LNG, meanwhile, did not export a cargo in April as the protracted low-price environment makes these shipments increasingly unattractive0.15mmt ♦



Source: LNG Journal

FLNG

Technical difficulties at Prelude weighed on robust performance in Cameroon



Source: LNG Journal

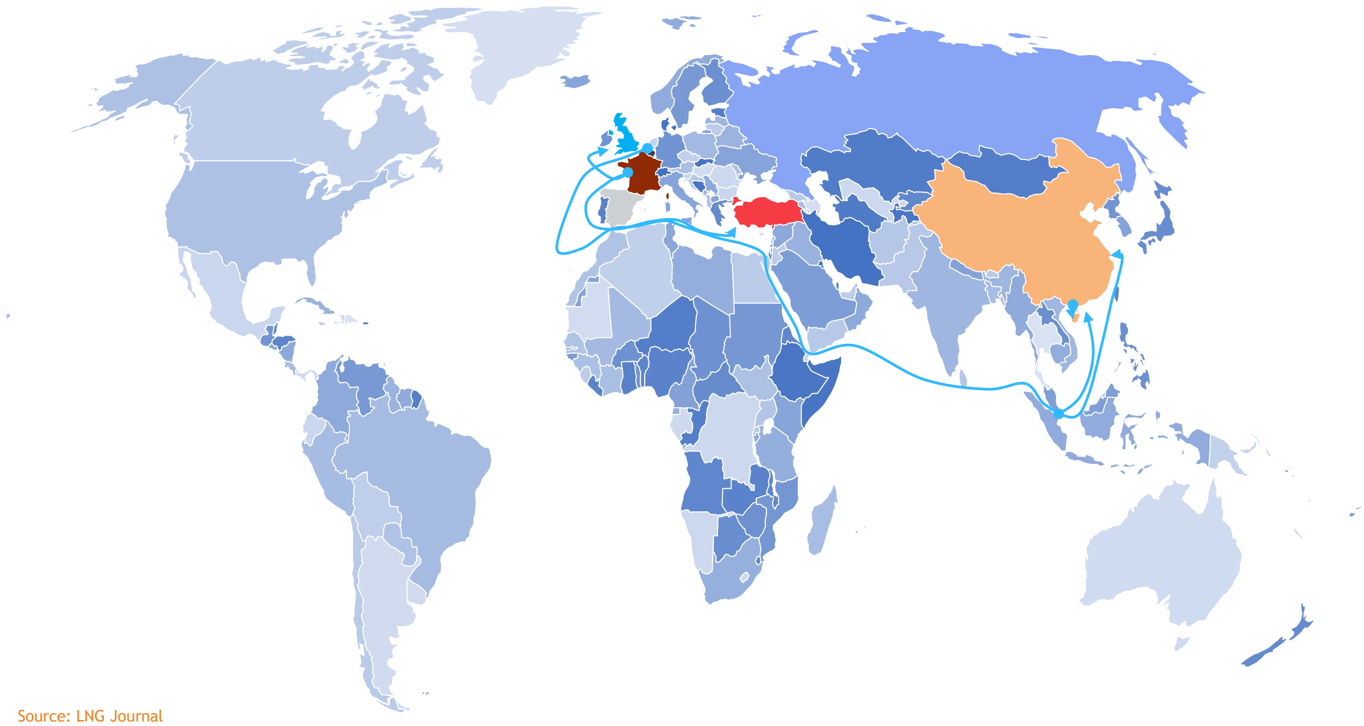
Global exports from FLNG plants plummeted to just 0.07mmt in April, representing a significant decrease in exports by 0.28mmt (-80%) month-on-month. Consequently, global FLNG capacity utilisation also decreased from 52.2% in March to 10.4% in April. Notably, only the Hilli Episeyo stationed offshore Kribi in Cameroon shipped a cargo in April, which also represented a 0.08mmt (-53.3%) decrease month-on-month. Meanwhile, Shell's Australian Prelude barge, Malaysia's PFLNG 1 and Argentina's Tango FLNG at Bahia Blanca did not ship LNG. Whilst we do not regard it as unusual for Tango FLNG not to ship a cargo in a given month – its limited capacity only allows for relatively few shipments throughout the year – the continued absence of Prelude and PFLNG as well as reduced exports out of Cameroon point to the unsustainably high costs of floating LNG production at times of rock-bottom LNG prices. Shell was forced to suspend its FLNG shipments from Prelude following an electrical fault in February and there had been no indication the supermajor was keen to restart production in April ♦

Re-exports & re-loads

Global re-export activity decreased significantly to 0.56mmt in April from 0.71mmt in March

Global re-export activity decreased significantly by 0.15mmt (-21.1%) to 0.56mmt in April from 0.71mmt in March, with cumulative monthly re-exports also decelerating. The majority of re-exports – comprising 0.33mmt – were destined for the Far East, with Belgium's Zeebrugge terminal remaining the driver of such shipments globally with 0.14mmt. Nevertheless, this still constituted a decrease of 0.06mmt (-36.4%) month-on-month for the terminal. Rotterdam and China's Beihai LNG also re-exported one cargo each whilst France's Montoir-de-Bretagne terminal re-exported two cargoes. Singapore topped the list of re-exporters in terms of quantity with four shipments. The shipments out of Singapore and Beihai LNG belong to the regular roster of re-exports, with the LNG Lerici delivering three Singaporean cargoes to Dongguan LNG whilst the Hai Yang Shi You 301 delivered four cargoes to Hainan. The remaining Singaporean cargo was shipped via the Saga Dawn. Yamal LNG, however, did not execute a reload in April, our data shows ♦

Map of re-exports (light blue) and re-load (red) routes in April



Source: LNG Journal

Imports & Domestic Trade

Monthly Pacific imports decrease accelerated in April compared to March and February

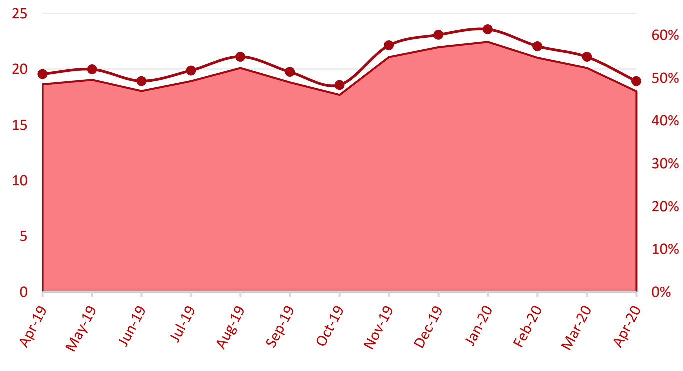
Pacific Imports

The Pacific Basin's April imports continued to decrease significantly and at 10% considerably faster than the 7% seen in February and the 4% reduction seen in March. Overall, the Pacific's April imports decreased by 2.08mmt month-on-month whilst import capacity utilisation decreased by 6pp to 49%. As in March, Chinese monthly demand growth of 0.94mmt constituted the major bright spot for the Basin whilst other major buyers slashed offtakes. As such Japan curtailed monthly LNG imports by 1.56mmt (-24%) whilst South Korea also saw reduced LNG demand by 0.55mmt (-14.9%). Taiwan, meanwhile, kept imports steady month-on-month at 1.31mmt.

Also significant for overall Basin demand were a roster of typically price-conscious buyers led by India. Whilst some benefitted from historically low prices, induced by both low Brent and demand, others formed part of the low demand picture and continued to curtail imports. India in particular saw negative monthly growth of nearly a million tonnes with a 0.92mmt (-40%) reduction following an almost complete lockdown of the national economy in response to the coronavirus. Petronet and GSPC were still declaring force majeure on some of their suppliers. Notably, whereas India still saw year-on-year LNG demand growth of 0.53mmt (30%) in March, this growth vanished in April with a drop of 0.73mmt (-34.6%). Thailand also decreased offtakes, but only by a relatively modest 0.05mmt (-9.4%).

In contrast, Chile, Bangladesh and Mexico all managed month-on-month import growth in April. Chile increased imports relatively modestly by 0.03mmt (15.8%) whilst Mexico and Bangladesh raised imports by one cargo each to 0.21 and 0.41mmt. Mexico widened its roster of suppliers from Sabine Pass LNG in the United States to Equatorial Guinea and Indonesia. Bangladesh, meanwhile, took in an Algerian cargo via the Golar Bear in addition to the usual supply from Qatar.

Pacific Imports & Capacity Utilisation in April (MMt)



Source: LNG Journal

Indonesia, one of the few LNG producing countries shipping LNG within its own borders, meanwhile increased domestic trade by 0.20mmt to 0.35mmt in April. In total two cargoes left Tangguh LNG to supply the Arun plant and the PGN FSRU off Lampung whilst a total of six cargoes departed Bontang to also supply Jakarta as well as the mini-FSU off Bali. Neighbouring Malaysia, however, saw domestic trade of 0.19mmt, which constituted a month-on-month reduction of0.19mmt (-50%). The majority of Malaysian LNG demand was covered by two Australian shipments to Pengerang's petrochemical plants (0.14mmt, 66.7%) whilst the remaining cargo of 0.07mmt supplied the Sungai Udang FSRU ♦

Table: Monthly Pacific Basin Imports Compared

Country	Plant	Export Basin			April	March	% Change m/m
		Atlantic	Middle East	Pacific			
Bangladesh	Maheshkhali FSRU	-	-	-	-	0.15	-
Chile	Mejillones LNG	0.08	-	-	0.08	0.08	0%
	Quintero	0.14	-	-	0.14	0.11	27%
China	Beihai LNG	-	-	0.33	0.33	-	-
	Caofeidian LNG	-	0.06	0.19	0.25	0.43	-42%
	Dalian LNG	-	-	0.20	0.20	0.13	54%
	Dongguan LNG	-	-	-	-	-	-
	Fujian LNG	-	-	0.18	0.18	0.18	0%
	Guangdong Dapeng LNG	-	0.06	0.62	0.68	0.49	39%
	Hainan LNG	-	-	0.07	0.07	0.08	-13%
	Hainan Transfer Station	-	-	0.02	0.02	-	-
	Jiangsu LNG	-	0.11	0.20	0.31	0.37	-16%
	Jieyang LNG	-	-	0.14	0.14	0.07	100%
	Qidong LNG	0.06	-	0.13	0.19	0.06	217%
	Qingdao LNG	-	-	0.54	0.54	0.45	20%
	Shanghai (Yangshan) LNG	-	-	0.26	0.26	0.28	-7%
	Shanghai Peak-Shaving	-	-	0.08	0.08	0.12	-33%
	Tianjin LNG	0.07	-	0.21	0.28	0.42	-33%
	Zhejiang LNG	-	0.09	0.44	0.53	0.39	36%
	Zhuhai LNG	-	-	0.20	0.20	0.06	233%
	Zhoushan LNG	-	0.09	0.06	0.15	0.12	0.25
	Shenzhen Peak-Shaving	-	-	0.03	0.03	0.06	-0.50
	Tianjin - Nangang LNG	0.22	-	0.44	0.66	0.45	0.47
	Shenzhen Diefu LNG	-	-	-	-	-	-
India	Cochin	-	0.05	-	0.05	0.07	-29%
	Dabhol	0.07	0.08	-	0.15	0.31	-52%
	Dahej	0.21	0.48	-	0.69	1.45	-52%
	Ennore LNG	-	0.06	-	0.06	-	-
	Hazira	0.19	0.04	-	0.23	0.38	-39%
	Mundra LNG	0.08	0.12	-	0.20	0.09	122%
Indonesia	Arun Conversion	-	-	0.11	0.11	-	-
	Benoa LNG	-	-	0.02	0.02	0.01	100%
	Lampung LNG	-	-	0.06	0.06	0.06	0%
	West Java FSRU	-	-	0.16	0.16	0.08	100%
Japan	Chita	0.08	-	0.30	0.38	0.74	-49%
	Fukuoka	-	-	-	-	-	-
	Futtsu	0.13	0.11	0.32	0.56	0.76	-26%
	Hachinohe	-	-	-	-	0.06	-
	Hatsukaichi	-	-	0.01	0.01	0.03	-67%
	Hibiki LNG	-	-	0.06	0.06	0.06	0%
	Higashi-Ogishima	-	0.12	0.37	0.49	0.51	-4%
	Himeji	0.07	-	0.41	0.48	0.60	-20%
	Hitachi LNG	-	-	0.05	0.05	0.12	-58%
	Ishikari LNG	-	-	0.12	0.12	0.07	71%
	Joetsu LNG	0.05	-	0.20	0.25	0.26	-4%
	Kagoshima	-	-	-	-	-	-
	Kawagoe	0.05	-	0.13	0.18	0.14	29%
	Matsuyama LNG	-	-	-	-	-	-
	Mizushima	-	-	0.06	0.06	0.06	0%
	Nakagusuku LNG	-	-	0.07	0.07	-	-
	Nagasaki LNG	-	-	-	-	-	-
	Negishi	-	0.05	0.24	0.29	0.28	4%
	Niigata	-	0.06	0.10	0.16	0.31	-48%
	Ogishima	0.07	-	0.25	0.32	0.30	7%
	Oita	-	-	0.06	0.06	0.07	-14%
	Sakai	-	-	0.13	0.13	0.25	-48%
	Sakaide	-	-	-	-	0.06	-

	Senboku	-	0.06	0.29	0.35	0.49	-29%
	Shin Sendai	-	-	0.08	0.08	0.12	-33%
	Sodegaura	-	0.06	0.40	0.46	0.56	-18%
	Sodeshi Shimizu	-	-	0.07	0.07	0.19	-63%
	Soma LNG	-	-	-	-	-	-
	Takamatsu LNG	-	-	-	-	-	-
	Tobata Ward	-	-	-	-	0.12	-
	Toyama LNG	-	-	-	-	0.06	-
	Yanai	-	0.06	0.12	0.18	0.10	80%
	Yokkaichi	-	0.06	-	0.06	0.17	-65%
	Shinsendai Power Plant	-	-	-	-	-	-
	Japan						
Malaysia	Pengerang LNG	-	-	0.13	0.13	0.25	-48%
	Sungai Udang FSRU	-	-	0.06	0.06	0.13	-54%
Mexico	Energia Costa Azul	-	-	0.06	0.06	-	-
	Manzanillo	0.15	-	-	0.15	0.13	15%
Singapore	Singapore LNG	0.07	-	0.20	0.27	0.44	-39%
South Korea	Boryeong	0.07	-	0.17	0.24	0.31	-23%
	Gwangyang	0.21	-	0.06	0.27	0.27	0%
	Incheon	0.21	0.24	0.34	0.79	1.33	-41%
	Pyeongtaek	0.15	0.19	0.42	0.76	0.93	-18%
	Samcheok	0.21	0.05	0.16	0.42	0.19	121%
	Tongyeong	-	0.46	0.21	0.67	0.67	0%
Taiwan	Taichung	-	0.33	0.23	0.56	0.58	-3%
	Yung-An	0.12	0.08	0.55	0.75	0.73	3%
Thailand	Map Ta Phut LNG	0.08	-	0.40	0.48	0.53	-9%
	Total	**2.91**	**3.51**	**11.58**	**18.00**	**20.08**	**-10%**

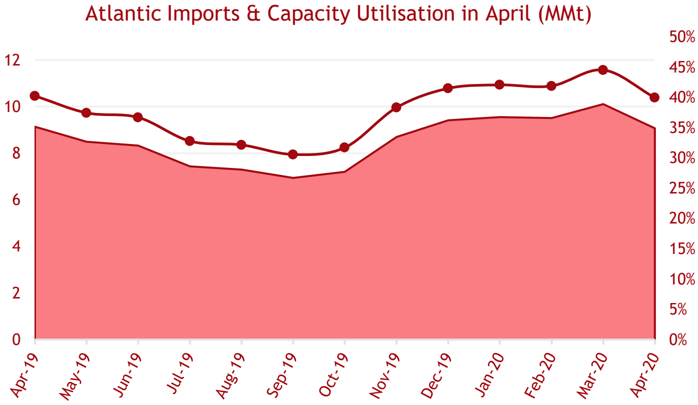
Source: LNG Journal

Atlantic Imports

European buyers such as the Belgium, Turkey and Spain curtailed monthly offtakes by 1.58mmt overall

Atlantic imports decreased by 1.14mmt (-11%) month-on-month in April as key European buyers such as the Belgium, Turkey and Spain curtailed monthly offtakes by 1.58mmt overall. Accordingly, the Basin's overall capacity utilisation decreased by 5pp to 40%. Belgium saw the most significant monthly import reduction at 0.62mmt (-44.6%) to 0.77mmt. Usually we see around 50% of LNG deliveries to Zeebrugge shipped from Yamal LNG, which meant that the decrease in output at the Russian plant in April had a significant effect on Belgian imports, too. Turkey continued to reduce offtakes drastically by 0.51mmt (-35.7%) to 0.92mmt due to a seasonal demand shift.Spain, meanwhile, curtailed imports by 0.45mmt (-31%) to 1.0mmt concurrent to Lithuania reducing offtakes by 0.07mmt (-58.3%).

Atlantic Imports & Capacity Utilisation in April (MMt)



Source: LNG Journal

Elsewhere in Europe, France continued to see significant import growth, increasing offtakes by 0.36 (23.1%) in April concurrent to a 0.13mmt (65%) increase seen in Poland. The United Kingdom, Italy, the Netherlands and Greece also saw increased month-on-month demand and imported roughly one additional cargo each compared to March. The former saw robust demand growth of 0.11mmt (7.5%) to 1.58mmt whilst Italy increased offtakes by 0.08mmt (11.3%) to 0.79mmt, the Netherlands by 0.06mmt (9.7%) to 0.68mmt and Greece by 0.04mmt (26.74%) to 0.19mmt.

In the western half of the Atlantic, Canada and the United States maintained broadly steady month-on-month imports at roughly one cargo each though volumes have begun their seasonal decline. As such, Canada's offtakes decreased by 0.02mmt (-25%) whilst imports in the United States were reduced by 0.01mmt (-16.7%). The Caribbean and South America - including Jamaica, Puerto Rico, the Dominican Republic, Panama and Colombia - meanwhile also saw steady month-on-month LNG demand, whereby only Colombia's SPEC LNG increased offtakes by 0.01mmt (16.7%). Notably, Brazil remained absent from the market, making no imports in April, our data shows ♦

Table: Monthly Atlantic Basin Imports Compared

Country	Plant	Export Basin			April	March	% Change m/m
		Atlantic	Middle East	Pacific			
Argentina	GNL Escobar GasPort	-	-	-	-	-	-
Belgium	Zeebrugge	0.37	0.40	-	0.77	1.39	-45%
Brazil	Bahia de Guanabara FSRU	-	-	-	-	-	-
	Bahia de Todos FSRU	-	-	-	-	0.21	-
	Port Pecem FSRU	-	-	-	-	0.12	-
	Porto de Sergipe FSRU	-	-	-	-	0.07	-
Canada	Canaport LNG	0.06	-	-	0.06	0.08	-25%
Colombia	SPEC LNG	0.07	-	-	0.07	0.06	17%
Dominican Republic	Andres LNG	0.08	-	-	0.08	0.07	14%
France	Dunkerque Le Clipton	0.59	-	-	0.59	0.21	181%
	Fos-sur-Mer	0.38	0.20	-	0.58	0.54	7%
	Montoir-de-Bretagne	0.75	-	-	0.75	0.81	-7%
Greece	Revithoussa	0.19	-	-	0.19	0.15	27%
Italy	Panigaglia	0.17	-	-	0.17	0.13	31%
	Rovigo Adriatic LNG	-	0.41	-	0.41	0.30	37%
	Toscana Terminal	0.21	-	-	0.21	0.28	-25%
	Montego Bay	0.07	-	-	0.07	-	-
Jamaica	Port Esquivel FSU	0.05	-	-	0.05	-	-
Lithuania	Klaipeda LNG	0.05	-	-	0.05	0.12	-58%
Malta	Delimara LNG	0.06	-	-	0.06	-	-
Mexico	Altamira LNG	-	-	-	-	-	-
Netherlands	Maasvlakte Gate Terminal	0.68	-	-	0.68	0.62	10%
Panama	AES Costa Norte LNG	0.01	-	-	0.01	0.01	0%
Poland	Swinoujscie LNG	0.15	0.18	-	0.33	0.20	65%
Portugal	Sines	0.32	-	-	0.32	0.31	3%
Puerto Rico	Penuelas	0.02	-	-	0.02	0.02	0%
Spain	Bahia de Bizkaia LNG	0.30	-	-	0.30	0.36	-17%
	Barcelona	0.13	0.06	-	0.19	0.37	-49%
	Cartagena	0.11	-	-	0.11	0.30	-63%
	Huelva	0.12	-	-	0.12	0.36	-67%
	Mugardos	0.14	-	-	0.14	-	-
	Sagunto	0.14	-	-	0.14	0.06	133%
Turkey	ETKI LNG	0.26	-	-	0.26	0.18	44%
	Izmir	-	0.18	-	0.18	0.48	-63%
	Marmara Ereglisi	0.33	0.09	-	0.42	0.57	-26%
	Iskenderun FSRU	0.06	-	-	0.06	0.20	-70%
United Kingdom	Dragon LNG	0.08	0.09	-	0.17	0.48	-65%
	Isle of Grain	0.26	0.11	-	0.37	0.39	-5%
	South Hook LNG	0.07	0.97	-	1.04	0.60	73%
United States	Everett Marine Terminal	-	-	-	-	0.06	-
	Total	6.28	2.69	0.00	8.97	10.11	-11%

Source: LNG Journal

Middle Eastern Imports

Steady demand in April primarily supported by Pakista but strong growth seen in Kuwait

Middle Eastern LNG demand remained steady at 0.84mmt in April following significant growth in March. Whilst Pakistan imported only 0.50mmt in April compared to 0.53mmt in March - down slightly by 0.03mmt (-6%) month-on-month - there continued to be significant additional demand in Kuwait, which imported four cargoes compared to only one offtake in February and three in March. The additional cargo derived from Angola via the Malanje and pushed Kuwait's total offtakes to 0.27mmt in April, facilitating month-on-month demand growth of 0.09mmt (50%). Concurrently, Jordan also took in a cargo of 0.07mmt, maintaining steady imports vis-à-vis March, whilst Israel did not import LNG in April. Consequently, Middle Eastern import capacity utilisation stood at 28% in April, unchanged compared to March. However, the Basin still showed significantly lower utilisation of 15pp on a year-on-year basis, as imports fell by 0.44mmt compared to April 2019 due to a significant year-on-year demand reduction of 0.33mmt in Pakistan due to coronavirus measures ♦

FSRU/FSU

FSRU capacity utilisation discontinued recent growth trajectory

Overall LNG imports by FSRUs did not continue on their growth trajectory seen between January and March, decreasing by 0.35mmt (-13.4%) month-on-month and by 0.30mmt (-11.8%) year-on-year. In contrast to global imports, Pacific imports via FSRUs were up by 0.13mmt (25%), pegging regional FSRU capacity utilisation at 47% as the number of cargoes arriving at an FSRU increased from 10 to 12 shipments. Meanwhile, FSRU capacity utilisation in the Atlantic Basin amounted to 20.4%, down 13pp month-on-month, on 0.76mmt in imports. This translated into a monthly reduction of 0.48mmt (-38.7%) in April as Brazil – which imports all of its LNG via FSRUs – did not enter the market in April. Turkey, Italy and Argentina also reduced their April imports via FSRUs by one cargo each. Meanwhile, Middle Eastern FSRU utilisation primarily relied on the two units installed at Pakistan's Port Qasim LNG and Kuwait's Mina al Ahmadi facility. The two countries respectively slightly reduced and significantly grew their imports via FSRUs as outlined in the demand section above, which resulted in steady monthly FSRU capacity utilisation of 28.4% for the region in April ◆