NEW

LNG Monthly Markets

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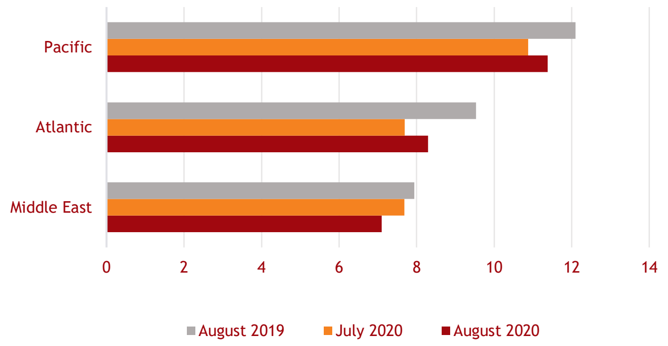
Summary & Highlights

August LNG trade continues to improve on Far Eastern demand growth

August LNG trade improved marginally on the back of higher Atlantic and Pacific exports to cover additional demand in Asia. Meanwhile, US LNG's previous market retreat reached a preliminary stop and thereby lifted Atlantic performance. However, monthly Qatari output continued to decrease and thus once more hampered Middle Eastern supply performance, our Markets Editor Alexander Wilk reports.

After global LNG trade had stabilised at 26.22 million tonnes (mmt) on marginal month-on-month growth of 0.05mmt (0.2 percent) in July, our data for August shows more substantial growth of 0.52mmt (2 percent) to 26.77mmt. This growth was predominantly due to Japan and China increasing offtakes robustly, thus outweighing major reductions in Argentina and Italy. Meanwhile, renewed growth in US LNG exports together with Russian seasonal shipments via the Northern Sea Route to China also supported results. However, Middle Eastern exports still could not move past a significant export reduction by Qatar even as Oman boosted shipments. Although the Middle Eastern LNG powerhouse continued to expand exports to South Korea, it substantially decreased shipments to Japan and Bangladesh. As such, despite the second consecutive month of growth since March, overall trade performance in August 2020 still represented a decrease of 2.80mmt (-9.5 percent) compared to August 2019. On the other hand, the negative gap on year-on-year trade has begun to shrink since the difference was more than 14 percent in July ◆

LNG Trade in August (MMt)



Inter- & intra-regional Trade

Trade volumes were driven by intra-basin growth

The shape of LNG trade – including re-exports – was determined by faster intra-basin trade in August. LNG shipped and received within the same Basin saw a month-on-month increase of 0.50mmt (3.21 percent) to 16.09mmt whilst inter-basin trade grew slower by 0.18mmt (1.66 percent) to 11.02mmt. The intra-basin increase was led by the Pacific Basin, where volumes grew by 0.40mmt (4 percent), followed by an increase of 0.30mmt (8 percent) to 3.98mmt in the Atlantic Basin. Middle Eastern intra-basin trade, however, did not follow suit and instead decreased by 0.20mmt (-27 percent) to 0.73mmt.

Accordingly, fewer Middle Eastern shipments also weighed on inter-basin trade performance as shipments to the Pacific region decreased by 0.23mmt (-5.1 percent). Their equivalent to the Atlantic decreased by 0.15mmt (-8.2 percent). August export increments by Oman and the UAE notwithstanding, Qatar's monthly LNG exports decreased to all three Basins to pull the total of shipped Middle Eastern LNG into a net negative.

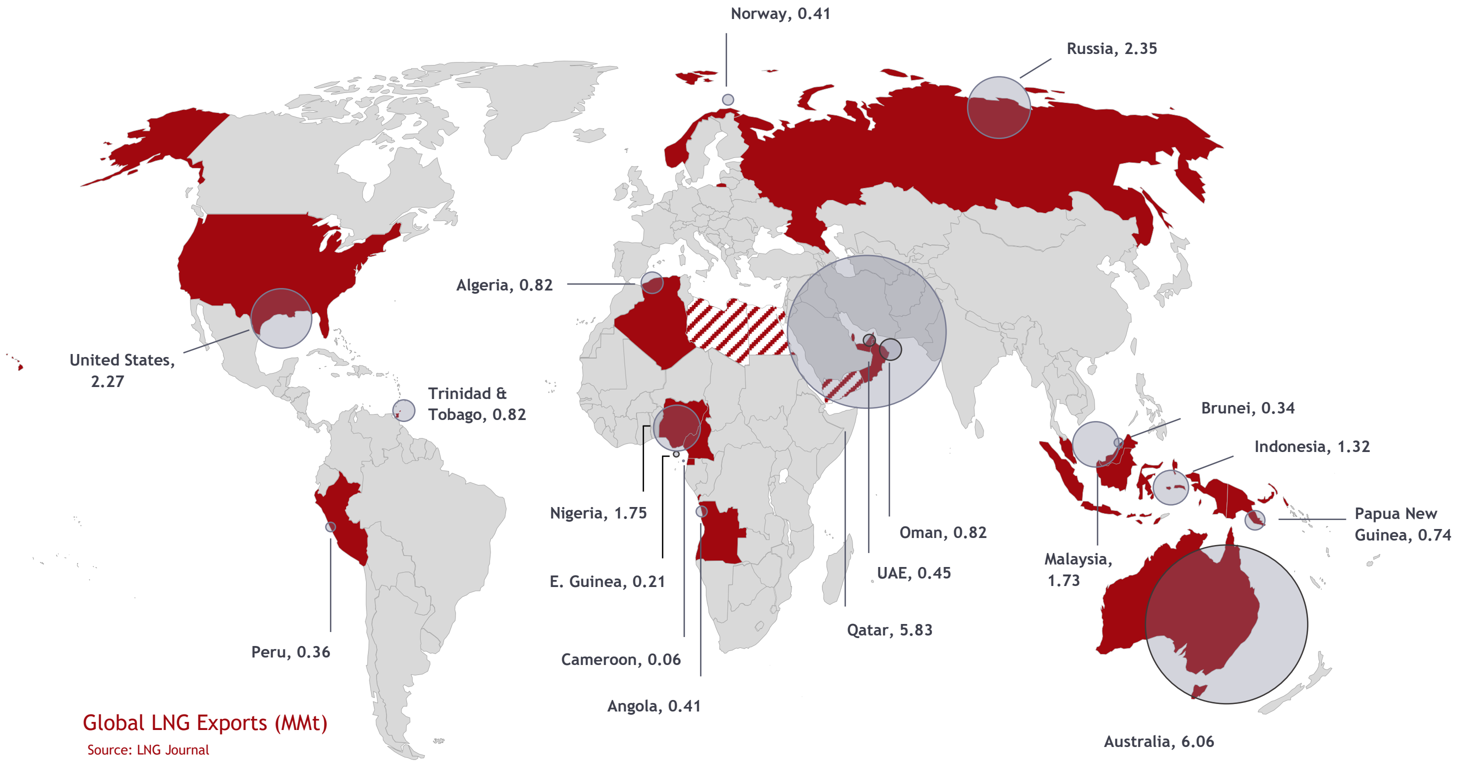
Concurrently, Atlantic Basin trade was negatively impacted by a decrease in trade with the Middle East. Accordingly, shipped volumes decreased by 0.11mmt (-16.9 percent) month-on-month to 0.65mmt in August. Meanwhile, trade between the Atlantic Basin and the Pacific Basin increased by 0.61mmt (15.5 percent) to 3.94mmt as the United States increased exports to the Pacific by 0.50mmt (47 percent).

Unlike in July, when no LNG that originated in the Pacific found its way to the Atlantic Basin or the Middle East, a Malaysia LNG cargo was delivered to Port Qasim LNG in Pakistan aboard the Methane Rita Andrea. Notably, LNG produced in the Pacific typically remains within the Basin ◆

CONTENTS

Exports & Utilisation

Growth in Far Eastern demand particularly supported by higher Australian exports



Global LNG Exports (MMt)

Source: LNG Journal

Pacific Exports

The Pacific Basin ended the month of August 0.48mmt (4.4 percent) up in exports compared to July, which increased capacity utilisation by 4pp to 85 percent.

Australia

The Basin's biggest exporter – Australia – shipped 0.51mmt (9.2 percent) more month-on-month, and thereby reversed the month-on-month decrease in exports seen in June and July, when shipments had dropped by 0.55mmt and 0.07mmt, respectively, due to maintenance and lower South Korean demand. Australia's improved performance was supported by significantly higher production levels at NWS LNG and the continued resurgence of demand in Japan. Despite having extended the deadline for completion of urgent maintenance, Gorgon LNG also managed to increase its monthly exports by 0.11mmt (12.9 percent) to 0.96mmt whilst Ichthys LNG, benefitting from robust Japanese demand growth, increased exports by 0.12mmt (22.6 percent). However, smaller Australian plants saw some production losses, led by Pluto LNG with a month-on-month decrease of 0.13mmt (-26.5 percent). The plant frequently exports gas to Taiwan, but which saw a significant drop in monthly demand in August. On the other hand, smaller plants usually supplying Japan, i.e. Darwin LNG, or benefitting from a wider portfolio as in the case of Gladstone LNG, managed to increase shipments by roughly one cargo each. Finally, Wheatstone LNG also increased exports by 0.05mmt (6.7 percent) in August via an additional shipment to China, but which was 'lost' from Queensland Curtis LNG's monthly balance.

Southeast Asia

North of Australia, Papua New Guinea's PNG LNG saw shipments grow by 0.07mmt (10.4 percent) to 0.74mmt even as the number of cargoes shipped remained steady due to higher load levels among those vessels, based on our data and calculations. PNG LNG supplies China, Japan and Taiwan. A similar effect in terms of number of shipments could be observed in neighbouring Indonesia, where exports were slanted towards China and away from domestic destinations. However, Malaysia saw a substantial month-on-month export decrease of 0.16mmt in August as it did not manage to capitalise on the demand increases in China and Japan. Malaysia LNG operator Petronas had indicated earlier this year that LNG exports would be subject to continuous adjustments in response to market conditions. In similar vein, Brunei LNG slashed August shipments by 0.21mmt (-38.2 percent) to 0.34mmt as it lost market share in Japan.

Russia and Peru

Elsewhere in the Pacific, Russia's Sakhalin-2 LNG saw exports increase once more by 0.07mmt (9.5 percent) to 0.81mmt in August compared to 0.74mmt in July. Notably, that growth mainly derived from an increase in exports to Japan by 0.34mmt, which, however, was tempered by lower demand for Russian LNG in South Korea and Taiwan. Concurrently, Peru's Pampa Melchorita plant also increased exports by 0.04mmt (12.5 percent), helped by higher Japanese demand ♦

Table: Monthly Pacific Basin Exports Compared

Country	Plant	Import Basin: Atlantic	Import Basin: Middle East	Import Basin: Pacific	August	July	% Change m/m
Australia	Australia Pacific LNG	-	-	0.58	0.58	0.65	-10.8%
	Darwin LNG	-	-	0.26	0.26	0.20	30.0%
	Gladstone LNG	-	-	0.41	0.41	0.33	24.2%
	Gorgon LNG	-	-	0.96	0.96	0.85	12.9%
	Ichthys LNG	-	-	0.65	0.65	0.53	22.6%
	NWS LNG	-	-	1.55	1.55	1.18	31.4%
	Pluto LNG	-	-	0.36	0.36	0.49	-26.5%
	Queensland Curtis LNG	-	-	0.49	0.49	0.57	-14.0%
	Wheatstone LNG	-	-	0.80	0.80	0.75	6.7%
	Prelude FLNG	-	-	-	0.00	-	-
Brunei	Brunei LNG	-	-	0.34	0.34	0.55	-38.2%
Indonesia	Bontang	-	-	0.32	0.32	0.24	33.3%
	Donggi-Senoro LNG	-	-	0.21	0.21	0.16	31.3%
	Tangguh	-	-	0.79	0.79	0.76	3.9%
Malaysia	Malaysia LNG	-	0.06	1.67	1.73	1.82	-4.9%
	PFLNG 1	-	-	-	0.00	0.07	-100.0%
P. N. Guinea	PNG LNG	-	-	0.74	0.74	0.67	10.4%
Peru	Pampa Melchorita LNG	-	-	0.36	0.36	0.32	12.5%
Russia	Sakhalin-2 LNG	-	-	0.81	0.81	0.74	9.5%
Singapore	Singapore LNG	-	-	-	0.00	-	-
	Total	0.00	0.06	11.30	11.36	10.88	4.4%

Source: LNG Journal

Atlantic Exports

US LNG exports return to growth

The Atlantic Basin's overall shipped LNG increased noticeably by 0.60mmt (8 percent) month-on-month in August, leading to growth in export capacity utilisation of 4pp to 64 percent

Europe, Africa & Russia

The amount of LNG exported within the eastern part of the Atlantic Basin - comprising Europe, Russia and Africa - saw a considerable overall net increase of 0.26mmt (4.3 percent) month-on-month in August. That growth was facilitated by increments of 0.15mmt, 0.16mmt

Table: Monthly Atlantic Basin Exports Compared

Country	Plant	Import Basin: Atlantic	Import Basin: Middle East	Import Basin: Pacific	August	July	% Change m/m
Algeria	Arzew	0.59	-	-	0.59	0.69	-14%
	Skikda	0.23	-	-	0.23	0.04	475%
Angola	Angola LNG	0.07	0.21	0.13	0.41	0.42	-2%
Argentina	Tango FLNG	-	-	-	-	-	-
Cameroon	Cameroon FLNG	-	-	0.06	0.06	0.12	-50%
E. Guinea	EG LNG	0.14	-	0.07	0.21	0.28	-25%
Nigeria	Bonny Island	0.68	0.06	1.01	1.75	1.75	0%
Norway	Snohvit LNG	0.41	-	-	0.41	0.26	58%
Russia	Yamal LNG	0.81	0.08	0.65	1.54	1.38	12%
T. & Tobago	Atlantic LNG	0.50	0.07	0.25	0.82	0.81	1%
United States	Cove Point LNG	0.14	0.08	0.21	0.43	0.43	0%
	Sabine Pass LNG	0.13	0.07	0.43	0.63	0.61	3%
	Corpus Christi LNG	0.14	-	0.28	0.42	0.19	121%
	Cameron LNG	0.07	0.08	0.34	0.49	0.64	-23%
	Elba Island LNG	-	-	0.07	0.07	-	-
	Freeport LNG	-	-	0.23	0.23	0.07	229%
	Total	3.91	0.65	3.73	8.29	7.69	8%

Source: LNG Journal

and 0.19mmt at Algeria's Skikda plant, Norway's Snøhvit LNG and Russia's Yamal LNG, respectively. As we reported in August, Skikda LNG resumed production in late July following a prolonged maintenance period. Concurrently, Norway continued to benefit from demand growth in Spain and Poland whilst Yamal LNG's export growth was both supported by Chinese demand and boosted by offtakes in France, including transshipments to Argentina and the UAE. Taking advantage of warmer summer climate, the plant made use of the Northeast Passage in the Arctic to ship gas to the Beijing area and the island of Hainan. However, a total of 0.32mmt of Yamal gas also went into the Maasvlakte Gate Terminal in Rotterdam and Belgium's Zeebrugge terminal, much of which we suspect was bunkered, ready to be re-exported at a later date. Notably, we continued to detect relatively little scope for arbitrage in August as re-exports remained relatively low at 0.34mmt (they stood at almost twice that amount in June), although there was also a substantial improvement over the 0.18mmt seen in July.

Net African LNG exports were down slightly by 0.05mmt (-1.5 percent) month-on-month in August, led by continued subdued supply from Algeria's Arzew plant, which curtailed shipments by 0.10mmt (-14.0 percent). The FLNG vessel Hilli Episeyo stationed offshore Kribi in Cameroon also could not maintain monthly output, reducing shipments by 0.06mmt (-50.0 percent). In addition, Equatorial Guinea's EG LNG cut output by 0.07mmt (-25.0 percent) to 0.21mmt whilst Angola LNG barely kept month-on-month production steady at 0.41mmt. Fortunately, these decreases were tempered by robust month-on-month export growth due to the restart of Algeria's Skikda plant.

United States

In the western half of the Basin, exports discontinued the tumble seen earlier in the summer by increasing shipments by 0.34mmt (12.4 percent) from 2.75mmt in July to 3.09mmt in August. The rate of monthly decline had already more than halved in July although US LNG exports had continued to suffer heavy net export reductions at the time. This trend found a preliminary stop in August, although US LNG exports in September are likely to suffer once more due to severe weather. Whilst Cameron LNG decreased shipments by 0.15mmt (-23 percent), Cove Point LNG manged to maintain its monthly exports at 0.43mmt. The remaining US LNG plants – led by Corpus Christi LNG – saw shipments increase. As such, Corpus Christi LNG's loadings were up 0.23mmt (121 percent) followed by Freeport LNG with 0.16mmt (229 percent). Notably, Sabine Pass LNG, which had led the decline in US LNG loadings with a drop of 0.77mmt (-55 percent) in June, managed to drastically slow that decline to just 0.03mmt (-5 percent) in July and reverse it with a marginal increase of 0.02mmt (3 percent) in August. In addition, Elba Island LNG was seen in the market with a shipment aboard the Maran Gas Hector travelling to Quintero in Chile. Market visibility at the time of writing indicated these volumetric increases were supported by US LNG regaining some lost market share in China and Japan alongside demand growth for US LNG in Europe (e.g. Italy) and South America (mainly Chile and Argentina). However, we highlight that roughly 0.57mmt were still en route to the Pacific without confirmed destinations but with estimated arrivals towards the end of September so that the eventual composition of demand for US LNG – but not overall volumes shipped – had yet to transpire at the time of writing.

South America

In South America, Atlantic LNG in Trinidad & Tobago also reversed a decreasing trend in shipments by maintaining broadly steady exports of 0.82mmt in August as Caribbean demand returned. Argentina's Tango FLNG barge, meanwhile, did not load a cargo ♦

Middle Eastern Exports

Middle Eastern exports weighed down by fewer shipments from Qatar

In contrast to July, when Middle Eastern LNG exporters kept activity broadly steady, exports decreased substantially by 0.58.mmt (-8 percent) to 7.10mmt in August. The performance was underpinned by a strong decrease in Qatari shipments, which was only tempered by an increase out of Oman and the UAE. As such, the Basin's utilisation of operational export capacity (i.e. excluding Yemen and Egypt) decreased by 7pp to 92 percent in August from 99 percent in July.

Qatar

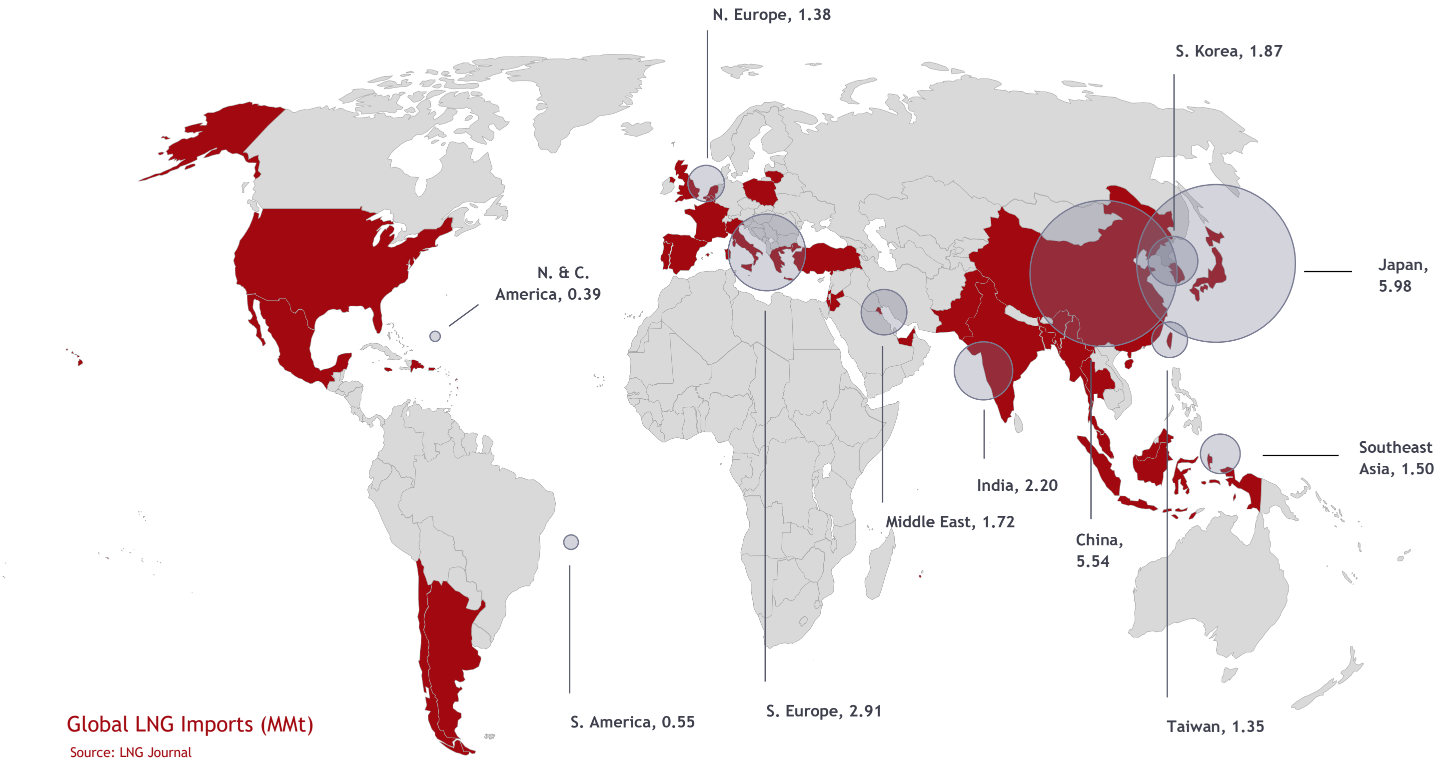
Owed to the massive size of the Ras Laffan LNG complex, LNG supply from Middle East was determined by changes to Qatar's exports. Not considering Idku LNG's continued market absence following a one-off shipment in July, Qatar accounted for all of the Basin's monthly export reduction in August. The Persian Gulf state's shipments decreased by 0.71mmt (-11 percent) month-on-month. Whilst shipments to both the Atlantic and Middle East decreased by c. 0.15mmt, the majority of Qatar's export reduction was due to lower demand for its gas in the Pacific. Although Qatar's market share in China remained broadly steady, shipments to Bangladesh and Japan in particular decreased noticeably by a total of 0.56mmt (-46 percent).

Oman and UAE

The other active producers on the Arabian Peninsula – Oman and the UAE – saw an overall export increase of 0.18mmt (16.5 percent) led by Oman. The country benefitted significantly from demand growth in Japan, which boosted Omani LNG exports by 0.11mmt in August. Additionally, the country shipped one cargo more to South Korea. The UAE, meanwhile, compensated for a decrease of 0.06mmt in exports to India with a 0.06mmt export from Abu Dhabi's Das Island plant to Dubai and a 0.07mmt shipment to Pakistan ♦

Imports & Domestic Trade

Monthly Pacific imports increased in August on higher Japanese and Chinese demand



Global LNG Imports (MMt)

Source: LNG Journal

LNG imports in August were also determined by the Atlantic Basin, where imports were down by 0.87mmt (-14 percent) over July to reach just 5.59mmt in August. This was contrasted by relatively minor demand growth in the Pacific Basin and the Middle East, where offtakes increased by 0.14mmt (1 percent) and 0.28mmt (19 percent), respectively.

Pacific Imports

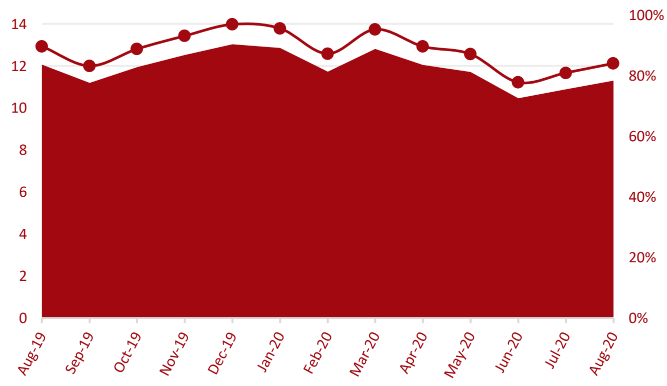
Pacific Basin imports grew in August, increasing slightly by 0.14mmt (1 percent) to 18.87mmt from the 18.74mmt seen in July. The commensurate import capacity utilisation thereby also increased by 1pp to 51 percent. Overall Pacific demand continued to be buoyed by Japanese demand growth of 0.40mmt (7.1 percent) whilst South Korea once again was leading the demand curtailment within the Basin, cutting back on LNG offtakes by 0.25mmt (-11.8 percent). Meanwhile, China increased offtakes by 0.38mmt (7.4 percent) to 5.54mmt.

As a prominent emerging LNG demand centre in the Pacific Basin, India's demand stood out by showing only relatively little month-on-month growth of 0.09mmt (4.3 percent). Although this still represented stronger month-on-month demand growth than in July, as we predicted last month, the nonetheless flattish demand profile in August stood in stark contrast to the robust growth seen in May and June. In May, demand rebounded quickly after a brief interim in April when the country was put under one of the strictest lockdowns seen at the time.

In Southeast Asia, Indonesian demand decreased at a much slower pace to 0.13mmt in August, coming in 0.01mmt (-7.3 percent) below the 0.14mmt in July. Indonesian legislators had previously extended their Large-Scale Social Restrictions measures until end-July as infection rates threatened to accelerate and the country's LNG demand consequently more than halved that month. We highlight that Indonesia is re-imposing a citywide lockdown on Jakarta – the country's major LNG demand centre – starting 14 September to contain a new outbreak. We therefore expect relatively weak Indonesian demand in September, too. In contrast, neighbouring Malaysia saw domestic demand increase by 0.08mmt (47.1 percent) to 0.25mmt. Malaysian LNG demand was covered by two Australian shipments via Gladstone LNG delivered to Pengerang's petrochemical plants as well as two Brunei LNG shipments totalling 0.13mmt to the Sungai Udang FSRU.

The roster of typically price-conscious Asian buyers – including Bangladesh, Thailand, Chile, Mexico, Singapore and Myanmar – collectively slashed imports by 0.31mmt. This was primarily due to Thailand curtailing its monthly LNG intake by 0.24mmt (-38.7 percent) from 0.62mmt to 0.38mmt as the country had boosted offtakes in July. Bangladesh and Mexico also decreased imports by 0.05mmt (-12.5 percent) and 0.06mmt (-33.3 percent), respectively. The Pacific's latest demand-side addition, Myanmar, saw August imports grow by 0.01mmt (112.6 percent), although our shipping

Pacific Exports & Capacity Utilisation in August (MMt)



Source: LNG Journal

data highlights this was not due to an increase in structural demand but instead due to scheduling. Finally, an increase of 0.04mmt (12.1 percent) in Singapore compensated for a decrease of 0.04mmt (11.1 percent) in Chile.

The roster's demand decrease - specifically that of Bangladesh - also had a negative impact on FSRU utilisation in the Pacific by importing 0.05mmt less month-on-month through these floating terminals. This weighed on FSRU utilisation within the Basin, pulling it down by almost 4pp to 39.9 percent. As highlighted in the Atlantic and Middle East sections below, overall FSRU utilisation across all three basins thus also decreased even as FSRU capacity utilisation increased robustly in the Middle East ♦

Table: Monthly Pacific Basin Imports Compared

Country	Plant	Export Basin			August	July	% Change m/m
		Atlantic	Middle East	Pacific			
Bangladesh	Maheshkhali FSRU	0.14	0.26	-	0.40	0.25	60%
Chile	Mejillones LNG	0.12	-	-	0.12	0.08	50%
	Quintero	0.24	-	-	0.24	0.20	20%
China	Beihai LNG	-	-	0.20	0.20	0.13	54%
	Caofeidian LNG	-	0.11	0.13	0.24	0.22	9%
	Dalian LNG	-	0.11	0.07	0.18	0.16	13%
	Dongguan LNG	-	0.01	0.01	0.01	-	-
	Fujian LNG	-	-	0.18	0.18	0.24	-25%
	Guangdong Dapeng LNG	0.21	0.08	0.37	0.66	0.70	-6%
	Hainan LNG	-	-	0.06	0.06	0.07	-14%
	Hainan Transfer Station	-	-	0.01	0.01	0.01	0%
	Jiangsu LNG	0.21	-	0.19	0.40	0.25	60%
	Jieyang LNG	-	-	0.07	0.07	0.07	0%
	Qidong LNG	-	-	0.26	0.26	0.20	30%
	Qingdao LNG	-	-	0.56	0.56	0.57	-2%
	Shanghai (Yangshan) LNG	-	-	0.25	0.25	0.28	-12%
	Shanghai Peak-Shaving	-	-	0.10	0.10	0.12	-19%
	Tianjin LNG	0.07	-	0.25	0.32	0.18	78%
	Zhejiang LNG	0.07	0.08	0.21	0.36	0.51	-29%
	Zhuhai LNG	0.07	0.05	0.20	0.32	0.42	-24%
	Zhoushan LNG	-	0.09	0.07	0.16	0.08	1.00
	Shenzhen Peak-Shaving	-	-	0.09	0.09	0.05	0.80
	Tianjin - Nangang LNG	0.15	-	0.58	0.73	0.82	-0.11
	Shenzhen Diefu LNG	-	-	-	-	0.06	-
India	Cochin	0.05	-	0.07	0.12	-	-
	Dabhol	-	-	-	-	-	-
	Dahej	0.43	0.95	-	1.38	1.40	-1%
	Ennore LNG	0.12	-	-	0.12	-	-
	Hazira	0.14	0.17	-	0.31	0.54	-43%
	Mundra LNG	0.12	-	-	0.12	0.07	71%
Indonesia	Arun Conversion	-	-	0.06	0.06	0.12	-50%
	Benoa LNG	-	-	0.02	0.02	0.01	100%
	Lampung LNG	-	-	-	-	0.06	-
	West Java FSRU	-	-	0.06	0.06	0.12	-50%
Japan	Chita	-	0.22	0.41	0.63	0.40	58%
	Fukuoka	-	-	-	-	-	-
	Futtsu	0.11	0.19	0.34	0.64	0.48	33%
	Hachinohe	-	-	0.07	0.07	-	-
	Hatsukaichi	-	-	0.03	0.03	0.04	-26%
	Hibiki LNG	-	-	0.06	0.06	-	-
	Higashi-Ogishima	0.05	0.06	0.37	0.48	0.49	-2%
	Himeji	-	0.11	0.33	0.44	0.29	52%
	Hitachi LNG	-	-	0.06	0.06	0.12	-50%
	Ishikari LNG	-	-	0.10	0.10	0.11	-9%
	Joetsu LNG	-	-	0.19	0.19	0.17	12%
	Kagoshima	-	-	0.05	0.05	-	-
	Kawagoe	0.05	-	0.23	0.28	0.35	-20%
	Matsuyama LNG	-	-	-	-	-	-
	Mizushima	-	0.05	-	0.05	0.06	-17%
	Nakagusuku LNG	-	-	-	-	0.06	-
	Nagasaki LNG	-	-	-	-	-	-

	Negishi	-	0.12	0.08	0.20	0.10	100%
	Niigata	0.08	-	0.24	0.32	0.06	433%
	Ogishima	0.14	-	0.16	0.30	0.37	-19%
	Oita	-	-	0.15	0.15	0.17	-12%
	Sakai	0.06	-	0.19	0.25	0.27	-7%
	Sakaide	-	-	0.06	0.06	-	-
	Senboku	0.08	0.06	0.10	0.24	0.44	-45%
	Shin Sendai	-	0.06	0.07	0.13	0.15	-12%
	Sodegaura	-	-	0.65	0.65	0.41	59%
	Sodeshi Shimizu	-	-	0.06	0.06	-	-
	Soma LNG	-	-	-	-	-	-
	Takamatsu LNG	-	-	-	-	-	-
	Tobata Ward	-	-	0.01	0.01	0.06	-78%
	Toyama LNG	-	-	-	-	0.06	-
	Yanai	-	0.03	0.06	0.09	0.11	-18%
	Yokkaichi	-	-	0.04	0.04	0.11	-64%
	Shinsendai Power Plant	-	-	-	-	-	-
Malaysia	Pengerang LNG	-	-	0.05	0.05	0.07	-29%
	Sungai Udang FSRU	-	-	0.12	0.12	0.12	0%
Mexico	Energia Costa Azul	-	-	0.06	0.06	0.07	-14%
	Manzanillo	0.12	-	-	0.12	0.14	-14%
Myanmar	Thanlyin LNG	-	-	0.01	0.01	0.02	-58%
Singapore	Singapore LNG	-	0.17	0.20	0.37	0.33	12%
South Korea	Boryeong	0.08	-	0.13	0.21	0.33	-36%
	Gwangyang	0.10	-	0.33	0.43	0.32	33%
	Incheon	0.12	0.28	0.15	0.55	0.62	-11%
	Pyeongtaek	0.08	0.22	0.28	0.58	0.54	7%
	Samcheok	0.08	-	-	0.08	0.23	-65%
	Tongyeong	-	0.04	0.23	0.27	0.38	-29%
Taiwan	Taichung	0.06	0.37	0.24	0.67	0.54	24%
	Yung-An	0.22	0.06	0.61	0.89	0.75	19%
Thailand	Map Ta Phut LNG	0.06	0.35	0.21	0.62	0.52	19%
	Total	3.20	4.87	10.80	18.87	18.74	1%

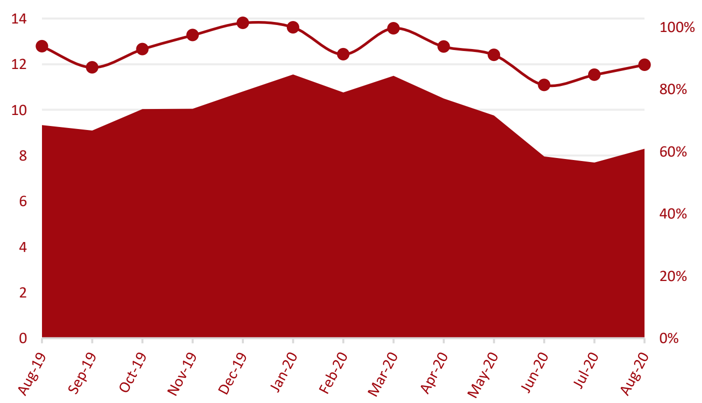
Source: LNG Journal

Atlantic Imports

Monthly LNG imports in the Atlantic Basin once again decreased following brief interlude in July

Unlike their Pacific equivalent, LNG imports in Atlantic Basin reimbarked on a retreat that had previously seen an interlude in July as they decreased by 0.87mmt (-14 percent) to 5.59mmt in August. The decrease was driven by retreating Argentinian demand, which detracted from overall monthly offtakes with 0.38mmt (-62 percent). Key European buyers such as Italy and the Netherlands together also slashed imports by 0.49mmt so that broadly steady demand of 0.75mmt and 0.41mmt in France and Turkey, respectively, could not alter the larger picture.

Atlantic Exports & Capacity Utilisation in August (MMt)



Source: LNG Journal

Even robust growth among other European buyers did not outweigh the aforementioned reductions. Spain, for instance, boosted offtakes by 0.15mmt (10.7 percent) whilst the United Kingdom increased LNG imports by 0.06mmt (10.3 percent). This left only a limited roster of smaller European buyers – namely Poland and Portugal – to add to monthly imports with 0.10mmt in total.

In the western half of the Atlantic, the Caribbean and South America – including Argentina, Brazil, Jamaica, Puerto Rico, the Dominican Republic, Panama and Colombia – saw month-on-month LNG demand decrease significantly by 0.30mmt overall in August and thus accelerated the month-on-month decrease for the region that had set in the previous month. Even robust growth in the Dominican Republic and Puerto Rico of 0.08mmt could not hope to compensate for the decline seen in Argentina. Accordingly, the use of FSRU capacity by volume throughout the basin dropped by almost 17pp to just 14.3 percent.

In North America, Canada did not import a cargo and could not compensate for a demand reduction in the United States. US LNG imports decreased by 0.02mmt (-25 percent) to 0.06mmt in August in line with bi-directional use of the Cove Point LNG facility ♦

Table: Monthly Atlantic Basin Imports Compared

Country	Plant	Export Basin			August	July	% Change m/m
		Atlantic	Middle East	Pacific			
Argentina	GNL Escobar GasPort	0.03	0.20	-	0.23	0.61	-62%
Belgium	Zeebrugge	0.15	0.06	-	0.21	0.25	-16%
Brazil	Bahia de Guanabara FSRU	-	-	-	-	-	-
	Bahia de Todos FSRU	-	-	-	-	-	-
	Port Pecem FSRU	-	-	-	-	-	-
	Porto de Sergipe FSRU	-	-	-	-	-	-
Canada	Canaport LNG	-	-	-	-	0.05	-
Colombia	SPEC LNG	-	-	-	-	-	-
Dominican Republic	Andres LNG	0.06	-	-	0.06	0.03	100%
France	Dunkerque Le Clipton	0.12	0.12	-	0.24	0.10	140%
	Fos-sur-Mer	0.20	-	-	0.20	0.29	-31%
	Montoir-de-Bretagne	0.25	0.06	-	0.31	0.35	-11%
Greece	Revithoussa	0.11	-	-	0.11	0.24	-54%
Italy	Panigaglia	0.15	-	-	0.15	0.12	20%
	Rovigo Adriatic LNG	-	0.21	-	0.21	0.45	-53%
	Toscana Terminal	0.07	0.06	-	0.13	0.26	-50%
	Montego Bay	-	-	-	-	-	-
Jamaica	Port Esquivel FSU	0.04	-	-	0.04	0.04	0%
Lithuania	Klaipeda LNG	0.05	-	-	0.05	0.16	-69%
Malta	Delimara LNG	-	-	-	-	0.06	-
Mexico	Altamira LNG	-	-	-	-	-	-
Netherlands	Maasvlakte Gate Terminal	0.34	-	-	0.34	0.49	-31%
Panama	AES Costa Norte LNG	-	-	-	-	-	-
Poland	Swinoujscie LNG	0.11	0.08	-	0.19	0.14	36%
Portugal	Sines	0.26	0.09	-	0.35	0.30	17%
Puerto Rico	Penuelas	0.11	-	-	0.11	0.06	83%
Spain	Bahia de Bizkaia LNG	0.38	-	-	0.38	0.26	46%
	Barcelona	-	0.26	-	0.26	0.44	-41%
	Cartagena	0.22	0.09	-	0.31	0.23	35%
	Huelva	0.30	-	-	0.30	0.31	-3%
	Mugardos	0.14	-	-	0.14	-	-
	Sagunto	0.07	0.09	-	0.16	0.16	0%
Turkey	ETKI LNG	0.05	-	-	0.05	0.06	-17%
	Izmir	0.06	0.09	-	0.15	0.15	0%
	Marmara Ereglisi	0.21	-	-	0.21	0.19	11%
	Iskenderun FSRU	-	-	-	-	-	-
United Kingdom	Dragon LNG	-	-	-	-	-	-
	Isle of Grain	0.06	-	-	0.06	0.11	-45%
	South Hook LNG	-	0.58	-	0.58	0.47	23%
United States	Everett Marine Terminal	-	-	-	-	0.08	-
	Cove Point LNG	0.06	-	-	0.06	-	-
	Elba Island	-	-	-	-	-	-
	Total	3.60	1.99	0.00	5.59	6.46	-14%

Source: LNG Journal

Middle Eastern Imports

Middle East achieved the largest monthly demand increment

Among the three basins, the Middle East achieved the largest monthly demand growth margin to 1.72mmt in August, showing a net increase of 0.28mmt (19 percent) over July. In particular, Kuwait added 0.17mmt in August that were 'missing' in July and thereby increased offtakes to 0.60mmt. Meanwhile, Pakistan's Port Qasim facility also raised monthly imports by 0.11mmt (22 percent) 0.60mmt mark in August. Similarly, Israel imported 0.02mmt (33 percent) more to reach 0.08mmt in August compared to 0.06mmt in July. Meanwhile, Dubai's DUSUP maintained imports at a steady 0.31mmt. However, Jordan stood out among Middle Eastern importers by decreasing its offtakes by 0.02mmt (-13 percent) to 0.13mmt in August. This decrease notwithstanding, Middle Eastern import capacity utilisation still saw an increase of 9pp to 58 percent in August. This shift also translated into a commensurate increase in FRSU capacity utilisation by 9pp to 58.1 percent ♦

FSRU/FSU

Global FSRU capacity utilisation continued to decrease as Argentina slashes imports

LNG imports via FSRUs once again decreased month-on-month in August, and at 0.39mmt (-12.2 percent) considerably faster than the 0.1mmt (-3 percent) reduction seen in July. At 2.80mmt, global imports via FSRUs were thus also considerably behind their total year-on-year equivalent of 2.94mmt in August, showing a significant reduction of 0.14mmt (-4.7 percent). Although, Middle Eastern FSRU imports were up by 0.28mmt (19.4 percent), pegging regional FSRU capacity utilisation at 58 percent, the other two Basins did not follow suit. Accordingly, FSRU capacity utilisation in the Atlantic Basin amounted to just 14.3 percent, down by almost 17pp month-on-month, on 0.53mmt in imports. This performance was mainly based on slashed Argentinian LNG imports, which are wholly reliant on FSRU capacity. Brazil, meanwhile, remained absent from the market, as was Colombia. At the same time, Pacific Basin FSRU utilisation, which had grown in July, also slid into a month-on-month decrease as it cut utilisation by c. 8pp to 39.9 percent on 0.55mmt of imports. This lack of growth was a matter of absent demand growth in Bangladesh. Although Indonesian domestic demand also decreased, this was compensated by a commensurate incremenet in FSRU imports by Malaysia. As such, Indonesia reduced LNG imports by 0.01mmt (-12.7 percent) whilst Malaysia saw imports via its Sungai Udang FSRU increase by 0.01mmt (12.5 percent) ♦