NEW

LNG Market Tracker

LNG JOURNAL'S WEEKLY LNG MARKET TRENDS REPORT 05 JULY 2021

Chevron Ups Gorgon Investment As Asia Moves Towards Energy Transition

New investment in Gorgon LNG feedgas supply base comes at a time when Australian LNG exporters are looking to carve out a leading role in Asia's energy transition. However, a tight Asian LNG market has led to pressure at home whilst leading Asian economies are still mulling new coal investments.

Hydrocarbon major Chevron and its joint venture partners in Western Australia's Gorgon LNG development – ExxonMobil, Shell, Osaka Gas, Tokyo Gas and the JERA joint venture – have agreed to proceed with plans to invest an additional US$4 billion to improve gas recovery from wells at the Jansz-Io offshore gas field. The field serves as the resource base for Gorgon LNG.

Major new infrastructure

The project, also known as 'J-IC', will take approximately five years to complete and represents Chevron's most significant capital investment in Australia since the sanctioning of the Gorgon Stage 2 project in 2018, the company highlighted in a statement. The J-IC project pivots on the construction of a 27,000-tonne unattended floating Field Control Station, new subsea compression infrastructure and a 135-kilometre (84-mile) underwater power cable to Barrow Island, the location of the 15.6 mtpa Gorgon LNG plant.

Gorgon producing for at least 40 years

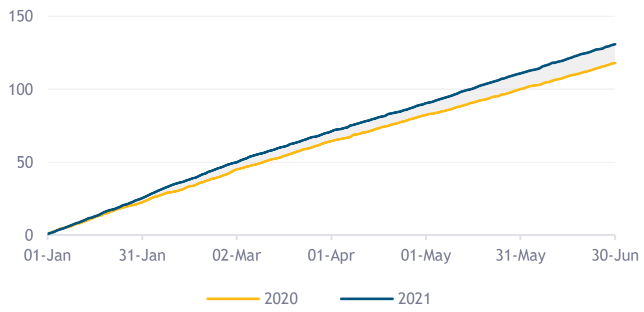
The Jansz-Io field has been producing gas since 2015 and like all hydrocarbon developments requires continued maintenance and investment to sustain output. Chevron and its partners are planning to keep Gorgon LNG in production for at least 40 years.

Nigel Hearne, head of the company's Eurasia Pacific Exploration and Production arm said: "J-IC is positioned to maintain gas supply from the Jansz-Io field to the three existing LNG trains and domestic gas plant on Barrow Island. This will maintain an important source of clean-burning natural gas to customers that will enable energy transitions in countries across the Asia Pacific region."

Emissions concerns

The decision came at a time of growing attention being paid to the net carbon footprint of fossil fuels. In Australia, LNG exporters are keen to carve out a leading role in helping Asia transition from coal to LNG in power generation. Our data currently indicates China will become one of, if not the world-leading consumer of LNG in 2021 with Australia's enjoying a large share in the country's LNG market. Largely owed to China, LNG demand in Asia has expanded in 1H 2021, with cumulative offtakes up 12.92mmt (11 percent) over 1H 2020.

Asian LNG Demand (MMt), 1H



Source: LNG Journal

Demand recovery

LNG is one of Australia's most significant export goods, accounting for A$32 billion in export revenue during the past financial year. The country's federal government expects sharp revenue growth to A$49 billion in the current financial year as Asian spot prices recover from their coronavirus-induced price plunge to around US$2/mmBtu last year.

Coal investment

However, despite showing strong LNG demand growth, China also continues to mull substantial investments in coal, according to Catharina Hillenbrand von der Neyen, Head of Company Research at the Carbon Tracker Initiative and author of a new report on the subject. Other major Asian economies including Japan and India are also continuing to work on plans to expand coal-fired power capacity, the report outlines.

Pressure at home

Alongside plans to sustain market share in Asia, oil and gas companies are also facing escalating pressure on climate change. In addition, higher Asian demand has led to a tight Australian gas market, according to the Energy Users Association of Australia, with consumers struggling with high gas bills as a result. Australian LNG developers will have to play a balancing act, ensuring LNG's competitiveness over coal whilst not stressing their domestic gas markets ◆

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LNG EXPORTS (MMT)

Pacific Basin

Week-on-Week	0.20	-7pct
Six-month change	0.51	24pct

Atlantic Basin

Week-on-Week	0.31	-13pct
Six-month change	0.17	9pct

Middle East

Week-on-Week	0.09	5pct
Six-month change	0.46	32pct

LNG IMPORTS (MMT)

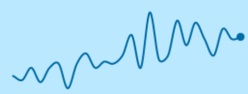
Pacific Basin

Week-on-Week	0.16	3pct
Six-month change	0.80	-14pct

Atlantic Basin

Week-on-Week	0.17	11pct
Six-month change	0.30	21pct

Middle East



Week-on-Week	0.01	3pct
Six-month change	0.19	127pct

Expected Deliveries this Week

China pushes past Japan on 1.54mmt at current market visibility

Pacific Basin

LNG Imports in the Pacific Basin are likely to amount to 5.82mmt, according to our data at the time of writing, constituting an increase of 28pct compared to the previous week's total of 4.97mmt. The Pacific's imports this week are likely going to be led by China (1.54mmt), Japan (1.49mmt) and South Korea (0.85mmt) whilst 0.77mmt remain without a confirmed 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 this week is derived from Australia via ten cargoes totalling 0.66mmt. Most of Australia's shipments to China have sailed from Australia Pacific LNG (0.30mmt, 45pct) and NWS LNG (0.12mmt, 18pct), inter alia via the CESI Gladstone, the LNG Jurojin and the Dapeng Moon. Our analysis indicates these deliveries to have been completed by Sunday. Concurrently, our market visibility highlights that the Zhejiang LNG and Guangdong Dapeng LNG terminals will be China's busiest this week on imports of 0.25mmt (16pct) and 0.18mmt (12pct), respectively. In addition to Australia's shipments, we are also expecting China to receive 13 cargoes totalling 0.88mmt from, inter alia, Qatar, Papua New Guinea and Russia. Our data thus indicate China's expected cumulative LNG imports of 1.54mmt this week are likely to have increased by 0.34mmt (28pct) from 1.20mmt last week and increased by 0.33mmt (27pct) from 1.21mmt year-on-year.

Japan

The most significant origin of LNG destined to arrive in Japan by volume this week is Australia via nine cargoes totalling 0.59mmt. Australia's shipments to Japan were shipped, inter alia, by the Energy Confidence, the Symphonic Breeze and the Energy Liberty. We are currently expecting these shipments to arrive by Sunday, with the Futtsu and Joetsu LNG terminals set to be Japan's busiest this week on imports of 0.24mmt (19pct) and 0.21mmt (17pct), respectively. In addition to Australia's shipments, we are currently tracking 14 cargoes totalling 0.90mmt led by the United States, Russia and Qatar, which we expect to arrive in Japan by Sunday. We, therefore, think Japan's weekly LNG offtake is likely to have increased by 0.18mmt (14pct) week-on-week from 1.31mmt last week and increased by 0.22mmt (17pct) from 1.27mmt year-on-year.

South Korea

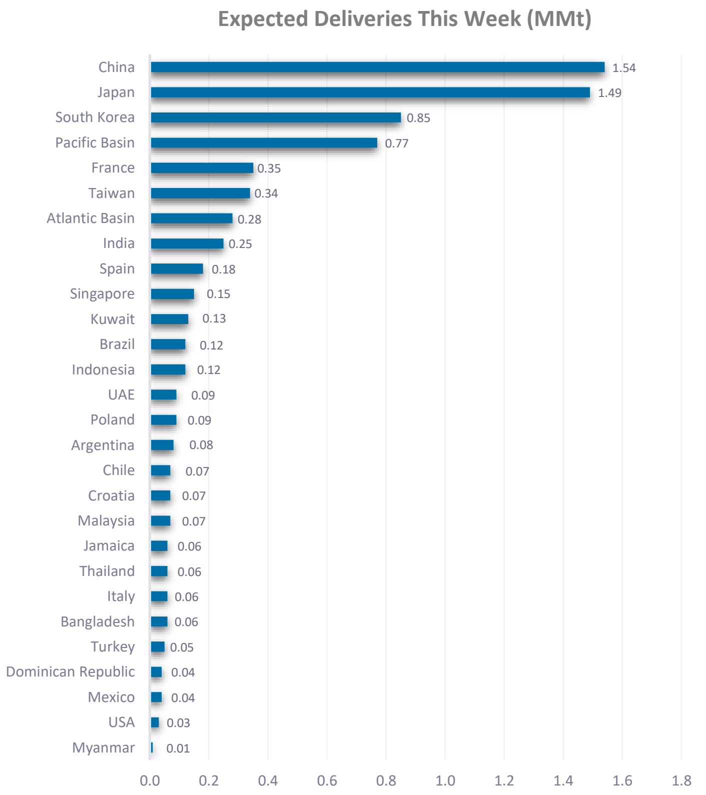
Meanwhile, the largest share of expected deliveries to South Korea is going to be coming from the United States via three cargoes totalling 0.23mmt this week. The United States' shipments have sailed, inter alia, from Ras Laffan (0.20mmt, 87pct) and Prelude FLNG (0.18mmt, 14pct) via the SK Stellar and the K. Freesia. We expect these South Korea-bound shipments to arrive by Sunday. We are also expecting nine cargoes totalling 0.62mmt from Australia, Qatar and Indonesia to arrive in South Korea this week, with the Incheon and Tongyeong terminals set to be South Korea's busiest on imports of 0.32mmt (41pct) and 0.24mmt (31pct), respectively. Based on our market visibility, we expect the country's weekly imports to decrease by 0.18mmt (-17pct) from 1.03mmt but increase by 0.33mmt (62 pct) from 0.52mmt year-on-year.

Atlantic Basin

Demand in the Atlantic Basin is likely to reach 1.41mmt this week, our data indicated at the time of writing, constituting a decrease of 18pct from the 1.73mmt of regional imports last week. At least 58pct are destined for France (0.35mmt), Spain (0.18mmt) and Brazil (0.12mmt) whilst 0.28mmt remain without a confirmed destination but were broadly directed to within the Basin at the time of writing.

France

The most significant origin of LNG destined to arrive in France this week comprises Russia, based on two cargoes of 0.15mmt. These shipments have sailed via the Boris Vilkitsky and the Fedor Litke. Our analysis pegs its delivery horizon at Friday. Concurrently, our market visibility highlights the Dunkerque Le Clipton and Montoir-de-Bretagne terminals will be France's busiest this week on imports of 0.15mmt (43pct) and 0.13mmt (37pct), respectively. Apart from Russia's shipment highlighted above, we are also expecting France to receive four additional cargoes totalling 0.20mmt from Russia, Nigeria, Qatar and Algeria. Our data thus indicate France's cumulative LNG offtake this week is likely to have increased by 0.10mmt (40pct) week-on-week and by 0.15mmt (75pct) year-on-year.



Source: LNG Journal

Spain

Our current market visibility further indicates the most significant supplier of LNG to Spain this week is Russia via one cargo of 0.08mmt. Russia's shipments have sailed via the Yakov Gakkel. We were also tracking an Algerian and a Nigerian cargo aboard the Global Energy and the LNG Abuja II, which were headed for the Sagunto and Huelva terminals, respectively. At the time of writing, we were expecting the Bahia de Bizkaia LNG and Huelva terminals to be Spain's busiest this week on imports of 0.08mmt (44pct) and 0.07mmt (36pct), respectively. These anticipated deliveries mean Spain is likely to see a week-on-week offtake decrease of 0.16mmt (-47pct) from 0.34mmt as well as a 0.05mmt (-22pct) decrease year-on-year.

Brazil

Meanwhile, our data indicate the largest share of expected deliveries to Brazil is going to be coming from Angola via one cargo of 0.07mmt this week. Angola's shipment has sailed from Angola LNG via the Soyo. Additionally, we were tracking a cargo from the United States' Sabine Pass LNG, which is due to arrive in Brazil via the Catalunya Spirit by Sunday. We therefore expect the Rio de Janeiro FSRU terminal to be Brazil's busiest this week on imports of 0.12mmt. As such, Brazil's LNG demand this week is likely to decrease by 0.18mmt (-60pct) compared to last week but increase by 0.12mmt year-on-year when no such imports took place.

Middle East

We are currently anticipating three cargo arrivals totalling 0.22mmt in the Middle East this week. Leading the roster of regional buyers is Kuwait with expected imports of 0.13mmt via two cargoes – one each from Qatar and Nigeria. These anticipated deliveries mean Kuwait is likely to see a week-on-week offtake increase of 0.02mmt (18pct) from 0.11mmt but steady imports year-on-year.

Meanwhile, Dubai's FSRU terminal is due to receive a shipment via the Al Safliya (0.09mmt) from Qatar's Ras Laffan LNG complex. As a result, this shipment indicates the country would see a 0.02mmt (-18pct) of offtake decrease week-on-week but a 0.03mmt (50pct) increase year-on-year ♦

LNG in Transit

Currently, 15.15mmt of LNG have a delivery horizon of 15 August

Total LNG volumes currently in transit amount to 15.15mmt, representing a decrease of 0.70mmt (-4pct) week-on-week. Current market visibility pegs the delivery horizon at 15 August.

Pacific Basin

Our current market visibility indicates 8.50mmt are destined for the Pacific Basin, whereby South Korea's Incheon terminal is in the lead with 0.72mmt and a delivery horizon of 18 August currently set by the Cove Point LNG-derived Energy Innovator. Notably, of the 8.50mmt currently in transit, 3.59mmt (42pct) have yet to have a firm destination, which are broadly destined for the Pacific region by 15 August.

At the time of writing, Gorgon LNG topped the list of export plants engaged in the Pacific with 0.43mmt currently in transit, followed by NWS LNG with 0.41mmt and Wheatstone LNG with 0.40mmt via, inter alia, the seconded Q-Flex Al Thumama, the LNG Dream and the Asia Endeavour. The delivery horizon for Pacific in-transit exports by the Basin's top three plants above is currently 31 July.

Atlantic Basin

The Atlantic Basin, meanwhile, can expect to receive 2.88mmt by 31 July, our data suggests. Firmed-up Atlantic deliveries are led by 0.26mmt destined for Argentina's Bahia Blanca LNG terminal with a delivery horizon of 31 July.

As with the Pacific Basin, there are still roughly 0.75mmt of in-transit LNG that have yet to confirm their destination. A total of 0.46mmt are currently broadly destined for Europe by 21 July.

Among Atlantic exporters with LNG deliveries currently pending, Sabine Pass LNG is in the lead with 0.41mmt, followed by Bonny Island LNG with 0.36mmt and Yamal LNG with 0.31mmt. These cargoes are onboard, inter alia, the Sabine Pass LNG-derived Amberjack LNG, the LNG River Niger and the Rudolf Samoylovich. The delivery horizon for Atlantic-bound exports was 21 July at the time of writing.

Middle East

Meanwhile, our data indicate there are a total of four cargoes – 0.29mmt – currently headed for Kuwait, the UAE and Pakistan. In addition to the cargoes scheduled for arrival this week as noted above, Pakistan's Port Qasim terminal is expecting a cargo of 0.07mmt via the Angola LNG-derived Lobito. The delivery horizon for the Middle East was 26 July at the time of writing.

In terms of Middle Eastern cargoes underway to destinations outside the Basin, 3.84mmt have a delivery horizon of 31 July, including 3.17mmt that originated in Qatar, with a further 0.32mmt coming from Oman's Qalhat terminal and 0.21mmt from the UAE's Das Island facility. Meanwhile, Egypt's Damietta SEGAS LNG plants had two cargoes of 0.14mmt via the British Sponsor and the Maran Gas Troy at sea. There were no in-transit cargoes from Idku LNG at the time of writing ♦

Expected Cargo Liftings

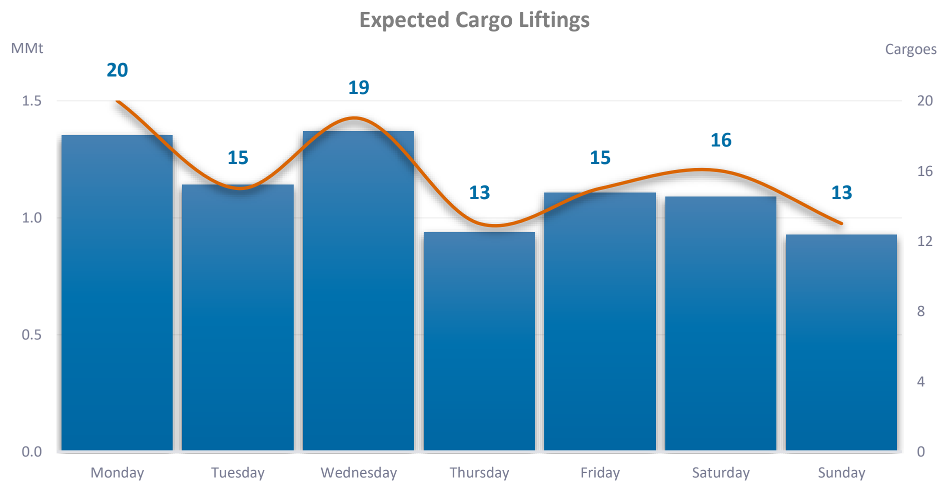
111 cargo liftings estimated this week

Based on our shipping data and nominal vessel capacities, we are currently expecting 111 cargo liftings amounting to 7.93mmt by the end of this week.

Pacific Basin

Our data indicate the Pacific Basin will account for 45 of this week's liftings, meaning that roughly 3.02mmt are exported throughout the Basin by Sunday.

In Australia, we are expecting Australia Pacific LNG to lead the continent's exports with four cargoes amounting to 0.30mmt, according to nominal vessel capacity. Concurrently, LNG Journal data points to Gladstone LNG shipping four cargoes (0.25mmt), followed by four cargoes (0.24mmt) from NWS LNG. Meanwhile, Pluto LNG, Ichthys LNG, Wheatstone LNG, Gorgon LNG and Prelude FLNG are expected to ship a total of 13 cargoes amounting to 0.95mmt by the end of the week. However, our data did not point to a cargo lifting at Darwin LNG at the time of writing.



Source: LNG Journal

In Southeast Asia, our shipping data points to Malaysia LNG exporting up to seven cargoes amounting to 0.41mmt. In neighbouring Indonesia, we think this week's exports will amount to six cargoes totalling 0.39mmt from the Tangguh, Bontang and Donggi-Senoro plants. Additionally, based on our market visibility, we are expecting Brunei to ship one cargo of 0.07mmt via the Amali 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 six cargoes totalling 0.41mmt, according to our market visibility.

Atlantic Basin

Meanwhile, our analysis indicates the Atlantic Basin will see 37 cargo liftings, with around 2.63mmt exported throughout the Basin.

In the United States, we are expecting a total of 21 cargoes (1.56mmt) to be lifted. These exports are likely to be led by Sabine Pass LNG with 0.45mmt, inter alia via the Castillo De Merida (0.08mmt), the K. Mugungwha (0.07mmt) and the LNG Adventure (0.08mmt). Concurrently, Corpus Christi LNG is going to ship

0.31mmt via four cargo liftings, our data suggests, whilst we expect Cameron LNG, Freeport LNG and Cove Point LNG to ship a total of 0.80mmt via 11 cargo liftings.

In South America and the Caribbean, market visibility indicated one cargo lifting of (0.06mmt) at Trinidad's Atlantic LNG via the Hispania Spirit.

On the other side of the Atlantic, we think up to 12 cargoes (0.86mmt) will be lifted during this week. In the West and North Africa, we are expecting Nigeria's Bonny Island facility to export five cargoes amounting to 0.34mmt whilst our market visibility further suggests Algeria will ship three cargoes amounting to 0.14mmt from its Arzew plant by Sunday. We are also expecting Angola's Soyo plant to export two cargoes amounting to 0.14mmt whilst our data did not point to an export from Equatorial Guinea's EG LNG at the time of writing. We are also not expecting a shipment from Cameroon's FLNG facility offshore Kribi this week.

In the Arctic, we are currently not anticipating Norway's Snøhvit LNG to ship a cargo due to ongoing maintenance. Meanwhile, our shipping data suggests Novatek's Yamal LNG is going to load five cargoes amounting to 0.38mmt by Sunday.

Middle East

Finally, we are expecting a total of 29 Middle Eastern cargo liftings totalling 2.27mmt by the end of the week, most of which (1.87mmt) would take place at Qatar's Ras Laffan LNG complex, inter alia via the Al Areesh and the Al Deebel. Market visibility currently also suggests to us Oman is looking to load two cargoes amounting to 0.14mmt via the Golar Frost and the Ibra LNG. In addition, we are seeing ADNOC LNG's Das Island plant in the UAE shipping two cargoes (0.12mmt) via the Ish and the Mraweh. Finally, we were anticipating two exports by Egypt's Damietta LNG plant via the GasLog Savannah and the Seri Balqis this week.

The current schedule therefore suggests peak loading activity of 20 cargoes on Monday, followed by 19 on Wednesday, whilst Thursday is looking to be the least active with 13 liftings ◆

Estimated Cargo Liftings (MMt)

Country	Plant	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Algeria	Arzew	0.07	-	0.08	-	-	-	-
	Skikda	-	-	-	-	-	-	-
Angola	Angola LNG	0.07	-	-	-	-	0.07	-
Australia	Australia Pacific LNG	0.08	-	0.08	-	0.07	-	0.08
	Darwin LNG	-	-	-	-	-	-	-
	Gladstone LNG	-	-	0.07	0.12	-	-	0.06
	Gorgon LNG	-	-	0.08	-	-	-	0.07
	Ichthys LNG	0.07	-	0.07	-	0.08	-	-
	NWS LNG	-	0.06	-	-	-	0.18	-
	Pluto LNG	-	-	0.07	0.08	-	0.07	-
	Queensland Curtis	-	-	-	0.08	-	-	-
	Wheatstone LNG	0.07	-	0.07	-	0.07	-	-
	Prelude FLNG	-	0.08	-	-	-	-	-
Brunei	Brunei LNG	-	0.07	-	-	-	-	-
Cameroon	Cameroon FLNG	-	-	-	-	-	-	-
Canada	Tilbury LNG	-	-	-	-	-	-	-
Equatorial Guinea	EG LNG	-	-	-	-	-	-	-
Egypt	Damietta SEGAS LNG	-	-	0.07	-	-	0.07	-
	Idku LNG	-	-	-	-	-	-	-
Indonesia	Bontang	-	0.06	-	0.07	-	-	0.06
	Donggi-Senoro LNG	-	-	0.06	-	-	-	-
	Tangguh	-	0.07	-	-	-	0.06	-
Malaysia	Malaysia LNG	0.07	0.13	-	-	0.04	0.18	-
	PFLNG Satu	-	-	-	-	-	-	-
	PFLNG Dua	-	-	-	-	-	-	-
Nigeria	Bonny Island	0.07	0.06	0.07	-	0.07	0.07	-
Norway	Snøhvit LNG	-	-	-	-	-	-	-
Oman	Oman LNG	-	-	0.07	-	0.07	-	-
Peru	Pampa Melchorita	-	-	-	-	-	-	-
Papua New Guinea	PNG LNG	-	0.07	-	0.15	-	-	-
Qatar	Ras Laffan	0.28	0.39	0.30	0.16	0.28	0.16	0.29
Russia	Sakhalin-2 LNG	0.06	-	-	0.06	0.06	-	-
	Yamal LNG	0.08	0.08	-	-	0.15	-	0.08
Singapore	Singapore LNG	-	-	-	-	-	-	-
Trin. & Tobago	Atlantic LNG	-	-	-	0.06	-	-	-
UAE	Das Island	0.06	-	-	-	0.06	-	-
United States	Elba Island LNG	-	-	-	-	0.07	-	-
	Cove Point LNG	0.07	-	-	-	-	-	0.14
	Cameron LNG	0.15	-	-	0.06	-	-	0.07
	Freeport LNG	0.08	-	0.07	-	-	0.08	-
	Sabine Pass LNG	0.08	-	0.15	0.08	-	0.07	0.08
	Corpus Christi LNG	-	0.08	0.08	-	0.08	0.08	-
	Total	1.35	1.14	1.37	0.94	1.11	1.09	0.93

Source: LNG Journal

Trade Last Week

Global LNG trade stood at 6.52mmt last week

Last week's global LNG flows stood at 6.52mmt, having thus decreased by 0.24mmt (-4pct) from 6.76mmt the week prior.

Summary

The Pacific ended last week with 2.64mmt in exports, resulting in a 0.05mmt (2pct) trade increase from 2.59mmt recorded for the week before last. This in turn translated into capacity utilisation of 82pct, an increase of 2pp. Meanwhile, week-on-week demand in the Pacific region – including domestic re-exports in Malaysia, Indonesia and China – grew by 0.16mmt (3pct) from 4.81mmt to 4.97mmt. As a result, last week's Pacific import capacity utilisation expanded by 2pp to 63pct.

Atlantic Basin

Concurrently, trade in the Atlantic Basin had amounted to 1.96mmt by midnight on Sunday, a 0.51mmt (-21pct) decrease compared to the 2.47mmt recorded for the prior week. This, in turn, translated into regional export capacity utilisation of 61pct for last week, a decrease of 16pp week-on-week. The Basin's imports, meanwhile, had increased by 0.17mmt (11pct) to 1.73mmt by Sunday. As a result, Atlantic import capacity utilisation stood at 36pct for the week, an increase of 4pp over the week prior.

Middle East

As for the Middle East, the region's exports had seen positive weekly trade growth of 0.22mmt to 1.92mmt by midnight on Sunday. This represented a 13pct increase from the 1.70mmt seen the week before last. As such, regional export capacity utilisation also grew to 87pct for the week, up 10pp over the week before. Meanwhile, Middle Eastern imports saw positive weekly growth, increasing by 0.01mmt (3pct) to 0.34mmt. The region's import capacity utilisation thus stood at (56pct) for the week, constituting an increase of 2pp over the prior week.

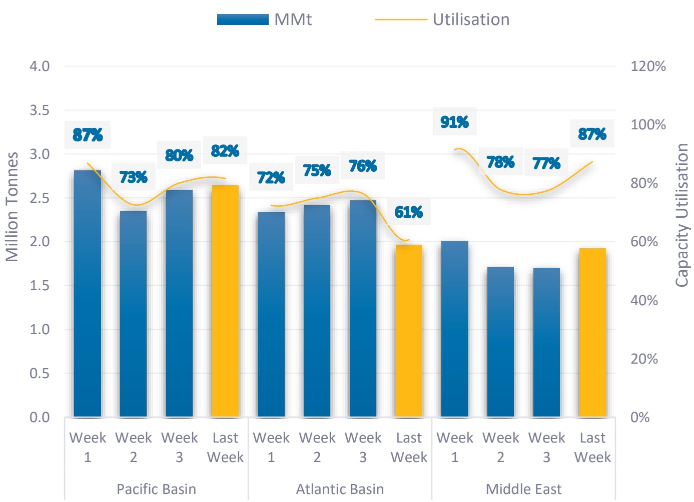
Pacific Exports – Australia

The Pacific Basin's most significant exporter by volume – Australia – shipped 1.38mmt last week, increasing exports by 0.23mmt (20pct) from the 1.15mmt shipped the week prior. On a year-on-year basis, the country thus reduced LNG shipments slightly by 0.03mmt (-2pct) from 1.41mmt.

Southeast Asia

Meanwhile, the Pacific's second-largest exporter by capacity – Malaysia – shipped 0.34mmt last week, and thereby decreased exports by 0.20mmt (-37pct) week-on-week, whilst its neighbour Indonesia saw steady production of 0.35mmt over the same period. On a year-on-year basis, however, Malaysia's exports decreased slightly by 0.18mmt (-35pct) from 0.52mmt whilst Indonesia's year-on-year shipments increased significantly by 0.15mmt (75pct) from 0.20mmt. Concurrently, in the north of Kalimantan, LNG shipments from Brunei LNG amounted to 0.06mmt, decreasing by 57pct from the 0.14mmt seen the week before last. On a year-on-year basis, Brunei LNG also decreased exports by 0.08mmt (-57pct).

Exports & Capacity Utilisation Last Week



Other Pacific Exporters

Meanwhile, the remaining Pacific LNG exports had amounted to 0.51mmt by the end of last week compared to 0.38mmt the week prior, resulting in a 0.13mmt (34pct) increment week-on-week. Although Papua New Guinea's PNG LNG decreased its weekly exports by 0.05mmt (-24pct) to 0.16mmt, Russia's Sakhalin-2 LNG and Peru's Pampa Melchorita LNG grew exports by 0.03mmt and 0.15mmt, respectively, whilst Singapore's LNG terminal did not see exports last week.

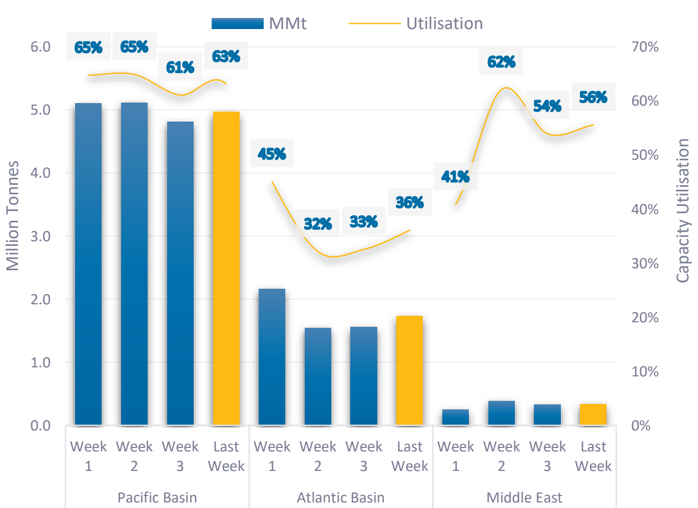
Far Eastern Demand

In line with higher weekly Pacific exports, Pacific demand increased by 0.16mmt (3pct) last week, which was led by a 0.51mmt (98pct) offtake increase from 0.52mmt to 1.03mmt in South Korea. Consequently, the country's demand was also up by 0.51mmt (97pct) year-on-year. South Korea's busiest LNG terminal last week was the Incheon facility with 0.34mmt, followed by the Pyeongtaek terminal with 0.29mmt. Concurrently, LNG demand in Taiwan grew by 0.10mmt (32pct) from 0.31mmt to 0.41mmt last week, which also meant that on an annual basis the country's offtake was up by 0.18mmt (78pct). Taiwan's offtakes were led by the Yung-an terminal with 0.24mmt, followed by the Taichung facility with 0.17mmt. Moreover, Japan saw week-on-week demand growth of 3pct, up by 0.04mmt to 1.31mmt from 1.27mmt the week prior. On a year-on-year basis, the country's imports were thus also up by 0.04mmt (3pct) from 1.27mmt. Adding to the overall demand increase was India, which saw weekly imports grow by 0.02mmt (4pct) from 0.51mmt to 0.53mmt. Consequently, the country's imports had also increased robustly by 0.19mmt (56pct) year-on-year. However, we also recorded a demand reduction in China last week, where offtakes were cut by 0.37mmt (-24pct) to 1.20mmt from 1.57mmt the week prior. Accordingly, China's imports also decreased by 0.01mmt (-1pct) year-on-year from 1.21mmt.

Smaller Pacific Buyers

Meanwhile, the roster of smaller Pacific Basin buyers typically consisting of Chile, Singapore, Mexico, Malaysia, Indonesia, Thailand, Myanmar and Bangladesh had decreased their collective weekly imports by 0.14mmt (-22pct) to 0.49mmt. Indonesia's vanishing demand last week was a prominent factor. Demand also disappeared in Mexico and decreased by 0.04mmt (-21pct) to 0.15mmt in Thailand. Together, the three countries offset demand increases totalling 0.10mmt in Singapore, Bangladesh and Chile. Meanwhile, Myanmar and Malaysia

Imports & Capacity Utilisation Last Week



continued their market absence. As such, the roster's overall imports also decreased by 0.09mmt year-on-year.

Atlantic Exports – West Africa

In the Atlantic Basin, West African exporters net curtailed their overall shipped volumes by 0.19mmt (-28pct) last week. As Algeria decreased shipments by 0.15mmt (-75pct) to 0.05mmt from 0.20mmt the week prior, Nigeria curtailed exports by 0.07mmt (-22pct) from 0.32mmt. In addition, Equatorial Guinea exported 0.03mmt (-37pct) less week-on-week, having shipped 0.08mmt the week prior. The regional weekly supply decrease, however, was cushioned by Angola, where exports increased by 0.01mmt (14pct). Additionally, Cameroon returned to the market with a shipment of 0.05mmt.

United States

In the United States, export plants saw the total of shipped LNG volumes contract by 0.31mmt (-23pct) from 1.34mmt to 1.03mmt last week. US LNG export performance was mainly due to a slashing of shipments by 0.13mmt (-43pct) to 0.17mmt at Freeport LNG, followed by a decrease of 0.07mmt (-47pct) to 0.08mmt at Cove Point LNG. In addition, lower exports totalling 0.13mmt from Elba Island LNG and Cameron LNG exacerbated the weekly net decrease. As such, an export increase of 0.02mmt (10pct) at Corpus Christi LNG and steady shipments of 0.42mmt from Sabine Pass LNG could only temper the overall reduction. However, US LNG exports still outperformed their year-on-year equivalent of 0.5mmt, showing a net improvement of 0.53mmt.

Other Atlantic Exporters

Further south, Atlantic LNG on Trinidad saw shipments decrease by 0.04mmt (-57pct) to 0.03mmt whilst 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 0.02mmt (6pct) from 0.33mmt week-on-week. Meanwhile, Snøhvit LNG in Norway did not export a cargo.

European Demand

European buyers increased imports by 0.04mmt (3pct) to 1.16mmt last week. Fundamentally, Turkey, France, Belgium and Spain saw a combined weekly demand increase of 0.42mmt (105pct), with both Belgium and Turkey not having imported LNG the week prior. In addition, Greece saw demand growth of 0.02mmt (67pct) to 0.05mmt last week. However, overall European demand growth was almost outweighed by a substantial combined reduction of 0.40mmt (-66pct), led by the vanishing of 0.11mmt of prior-week demand in the United Kingdom. Italy and Portugal together reduced offtakes by 0.11mmt (-34pct). In addition, like the UK, Croatia, Malta and Lithuania were not seen in the market, having imported 0.18mmt the week prior. Among European terminals, imports in northern Europe were led by France's Montoir-de-Bretagne terminal with 0.08mmt whilst in the south Spain's Bahia de Bizkaia terminal was in the lead with 0.16mmt.

Other Atlantic Buyers

Meanwhile, Atlantic buyers in North- and South America, as well as the Caribbean, increased imports by 0.13mmt (30pct) from 0.44mmt to 0.57mmt last week. This increase was carried by Brazil where demand was up 0.09mmt week-on-week from 0.21mmt the week prior. Puerto Rico and Argentina grew imports by 0.02mmt to 0.06mmt and 0.14mmt, respectively, whilst Canada and the Dominican Republic were seen in the market with imports of 0.05mmt and 0.02mmt, respectively. This overall growth was only tempered by the lack of imports in Jamaica, where offtakes had amounted to 0.07mmt the week prior.

Middle Eastern Exports

In the Middle East, Qatar shipped 1.52mmt and thereby increased its weekly exports based on the 1.29mmt seen the week prior. The country thereby also moved past its exports of 1.48mmt seen a year ago by 0.04mmt (18pct). Oman saw weekly exports increase by 0.10mmt to 0.27mmt (59pct) whilst the UAE slashed shipments by 0.04mmt (-40pct) to 0.06mmt. Whilst Oman was therefore ahead by 0.06mmt (29pct) year-on-year, the UAE had also curtailed exports by 0.05mmt (-83pct) year-on-year. Egypt, meanwhile, continued to export but cut shipped volumes by half to 0.07mmt.

Middle Eastern Demand

Completing the Middle East's LNG trade picture last week were Pakistan, Kuwait and the UAE, which together imported 0.34mmt via six cargoes. As such, the region's week-on-week demand increased slightly by 0.01mmt (3pct) from the 0.33mmt seen the week prior ◆