

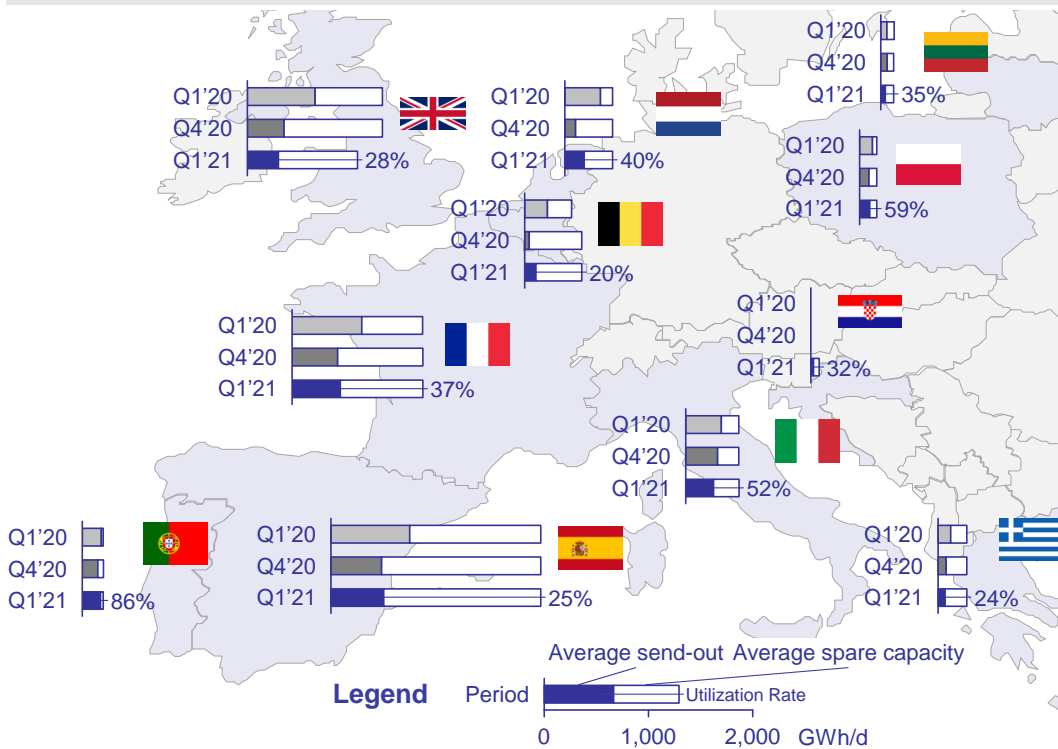
# LNG-MARKET-RADAR

03.05.2021

## KEY FACTS

- In the first of quarter 2021, the average utilisation rate of European LNG import terminals remained on a medium level at 34 %. The new terminal in Croatia fits in at the same level, in Q1 the utilization rate was 32 %.
- A closer look at the U.S. LNG export terminals shows that the U.S. exporter are pricewise inflexible in situations of falling demand. Instead of pursuing a low-price strategy, they rather accepted a volume reduction in the summer of 2020.
- The location of a U.S. export terminal apparently has an impact to export prices and volumes. For example, the 'Cove Point' export terminal located on the east coast of the US, permanently achieves higher prices compared to its counterparts at the Gulf of Mexico while maintaining steady export volumes.

## Average European Regasification Capacity Utilization

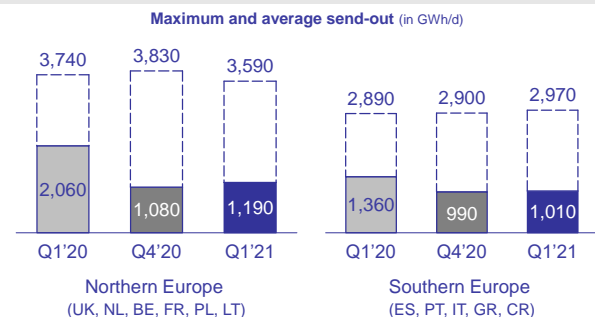


- The total average utilization of all European LNG terminals remained on a medium level of 34 % in the first quarter 2021 (Q4 2020: 31 %).
- A closer look at the different LNG import markets shows, that the utilization of the terminals varies between countries. Current frontrunners are the terminals in Portugal, Italy and Poland. At the bottom of the list with relatively low utilization, are terminals from Spain, Belgium, UK and Greece.

Source: Gas LNG Europe (GLE), Team Consult Analysis;

## Average send-out of European Regasification Facilities

- In Northern Europe, the send-out rate dropped down by 43 % compared to the first quarter of 2020, but an increase occurred in the last months (+ 10 % compared to Q4 2020).
- In Southern Europe, the send-out rate in Q1 2021 only decreased by 25 % compared to Q1 2020. Compared to the previous quarter, the send-out rate remained constantly at ca. 1,000 GWh/d.
- The main reason of the low send-out rates is the ongoing economical recovery of Asian markets causing a higher demand for LNG cargoes.



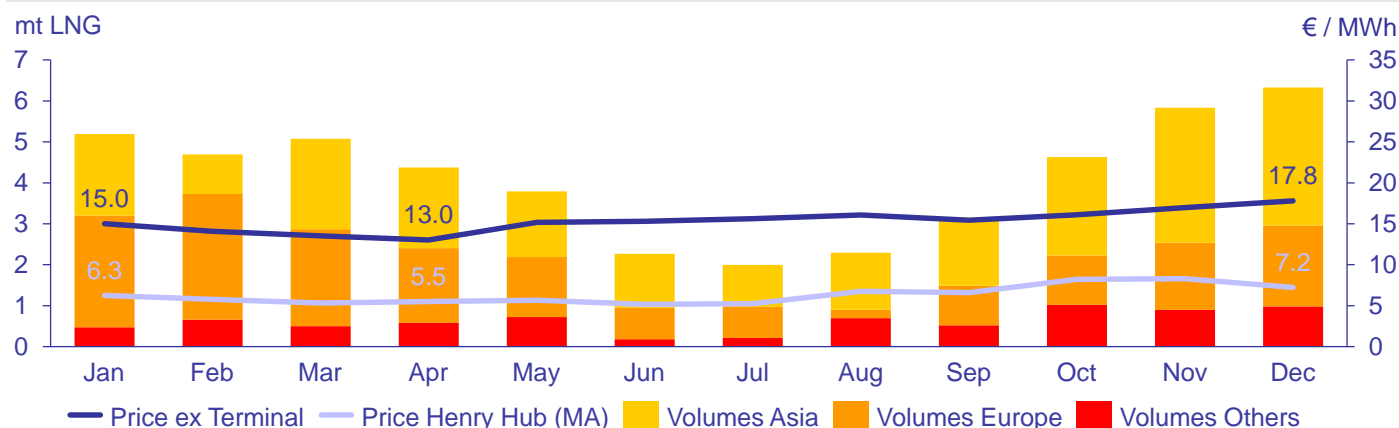
### Changes of maximum send-out capacity

07.20: „Zeebrugge“ increases send-out capacity (Northern Europe)

01.21: „Croatia“ starts operating (Southern Europe)

02.21: „South Hook“ stops reporting (Northern Europe)

## LNG export of the U.S. 2020 (Volumes and weighted average prices of export terminals)

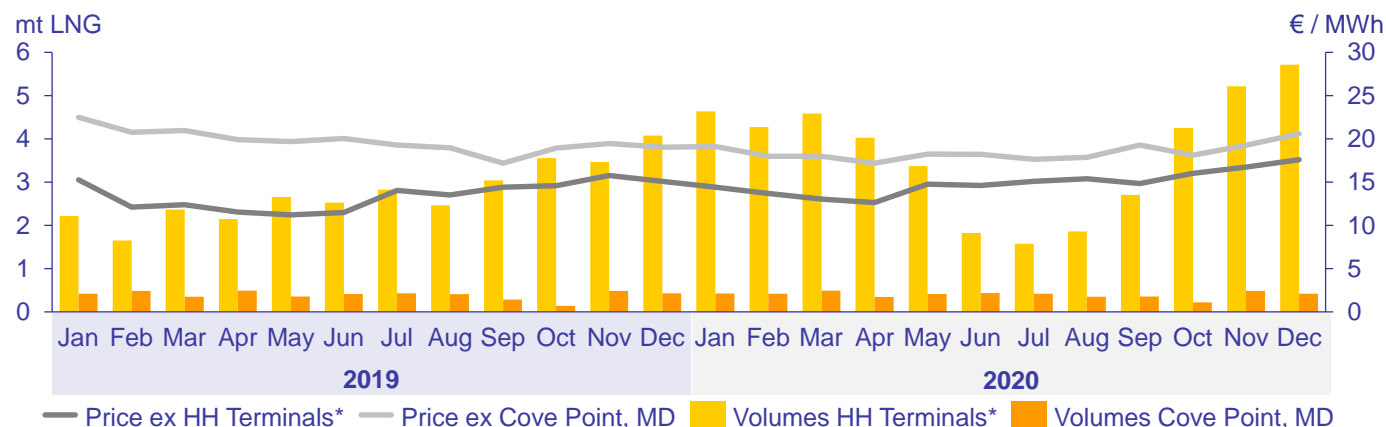


Source: U.S. Department of Energy, Team Consult Analysis

Exchange rate: 0.85 EUR / USD

- Last year, the fluctuations of the weighted average price of export terminals (incl. liquefaction) were rather limited. Between January and April, it slightly decreased by 13 % to its annual low of 13.0 €/MWh (4.5 \$/MMBtu). Afterwards, the price increased to 17.8 €/MWh (6.1 \$/MMBtu) by the end of the year.
- Because of the worldwide pandemic-related demand and price decrease, the LNG cargoes of the U.S. dropped in the summer months, compared to the same period of the previous year (reduction of ca. 30 %). With TTF spot prices around 5 €/MWh (1.7 \$/MMBtu) in May to July, cost-covering deliveries from the U.S. were not possible.
- In the period of June to August, LNG export were by up to 47 % lower than in May. Especially LNG cargoes to Europe (up to ca. 85 %) and the rest of the world (up to ca. 75 %) dropped, while deliveries to Asia only went down by up to 35 %.
- Driven by the cold Asian winter (in November and December), 47 % of U.S. cargoes in 2020 were shipped to Asia (Europe 38 %), an increase of 10 percentage points compared to 2019 (Asia 37 %, Europe: 40 %)

## LNG export prices and volumes of various U.S. terminals



Source: U.S. Department of Energy, Team Consult Analysis

prices incl. liquefaction, exchange rate: 0.85 EUR / USD  
\*Henry Hub Terminals: Sabine Pass, Corpus Christi, Cameron, Freeport

- While LNG volumes of the Henry Hub Terminals fluctuated significantly in 2020 (- 67 % between January and July 2020), the volumes of Cove Point Terminals remained almost constant.
- Since the beginning of 2019, the price range of the HH Terminals and the 'Cove Point' terminal has been between 11.2 and 22.5 €/MWh (3.9 to 7.8 \$/MMBTU). Also, the location of a terminal has apparently an influence on the export price.
- On average, the terminal on the Atlantic Ocean (Cove Point) was able to achieve a price that was 4.9 €/MWh (1.7\$/MMBTU) above that of Henry Hub Terminals since 2019. One reason could be the ca. 30 % shorter distance to the European markets.

### Imprint

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