

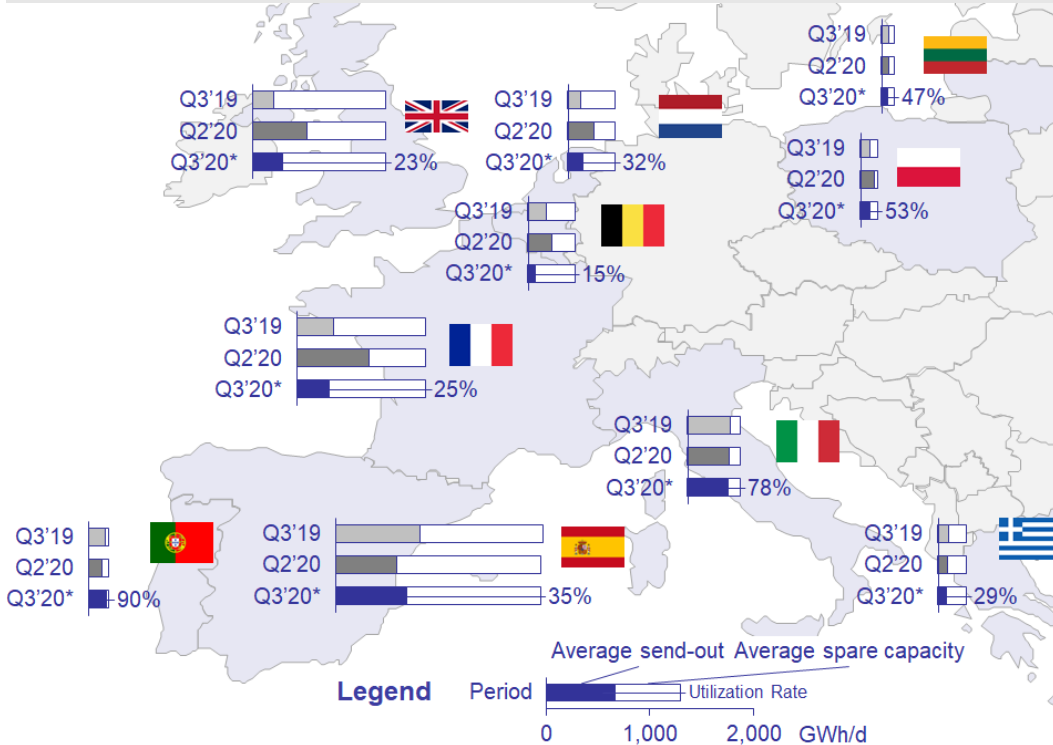
LNG MARKET RADAR

28.09.2020

KEY POINTS

- In the third quarter of 2020, utilisation of LNG import terminals differed between Northern and Southern Europe. In Northern Europe, utilisation dropped compared to the second quarter while it slightly increased in Southern Europe.
- A closer look at the Asian market indicates that the shares of the different LNG importing countries changed during the first half of this year. China's share increased while Japan's and Korea's share decreased.
- LNG deliveries to China have grown significantly since 2017. The Coronavirus pandemic did not stop this long-term trend. LNG cargoes to China almost doubled in the first half of 2020, compared to the same period in 2017.

Average European Regasification Capacity Utilization

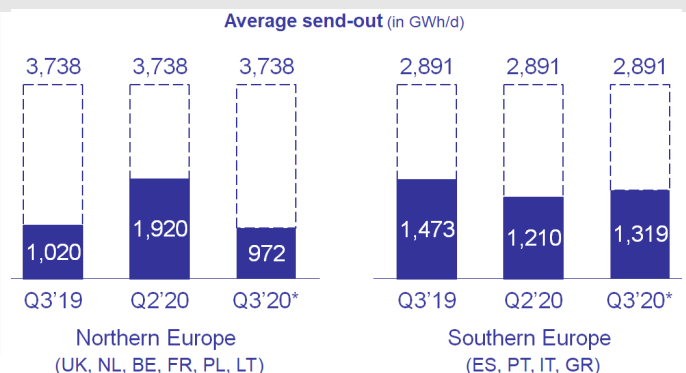


- In Q3, total utilisation of all European LNG import terminals decreased by twelve percentage points compared to Q2 and amounted to 35 %.
- This was to be expected. Firstly, the same pattern was observed in previous years; secondly, the development of gas deliveries into U.S. LNG export terminals in Q2 (cf. the first issue of this newsletter) led to a decrease in U.S. LNG exports in Q3, a substantial share of which go to Europe.

Source: Gas LNG Europe (GLE), Team Consult Analysis; Data until 21st of September 2020

Average send-out of European Regasification Facilities

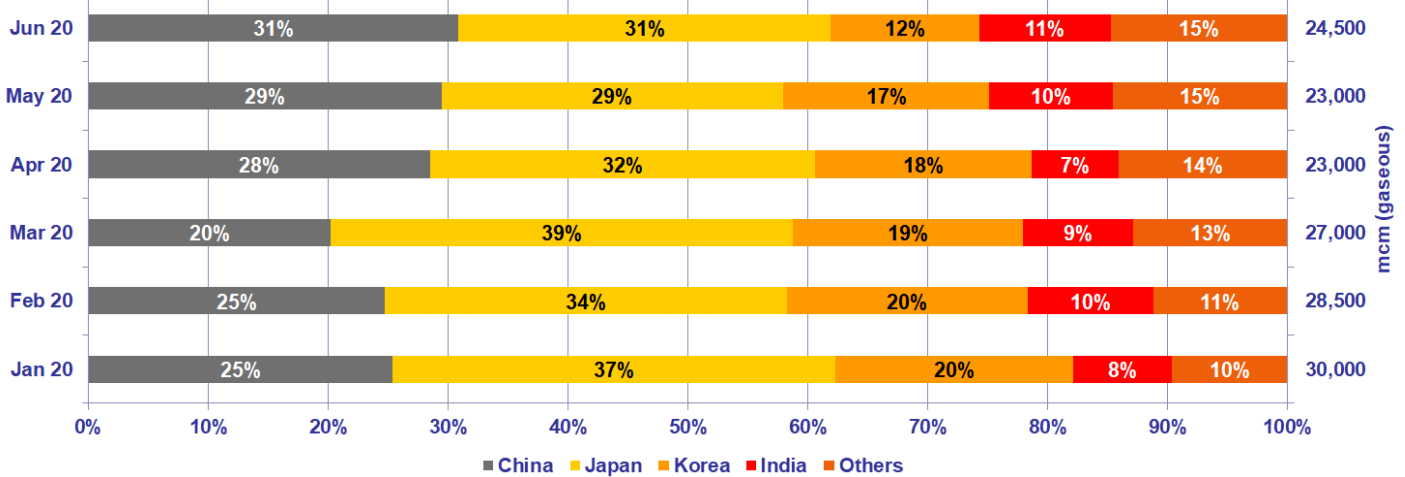
- The average send-out of European regasification facilities in Q3 differed between Northern and Southern Europe.
- In Northern Europe, the average send-out rate halved in Q3 compared to Q2 of 2020. By contrast, the average send-out in Southern Europe increased by circa 10 % in Q3 compared to Q2.
- In both cases, these developments correspond to the Q2 vs. Q3 development in 2019.



*Data until 21st of September 2020

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

Distribution of LNG imports between Asian key markets in 2020

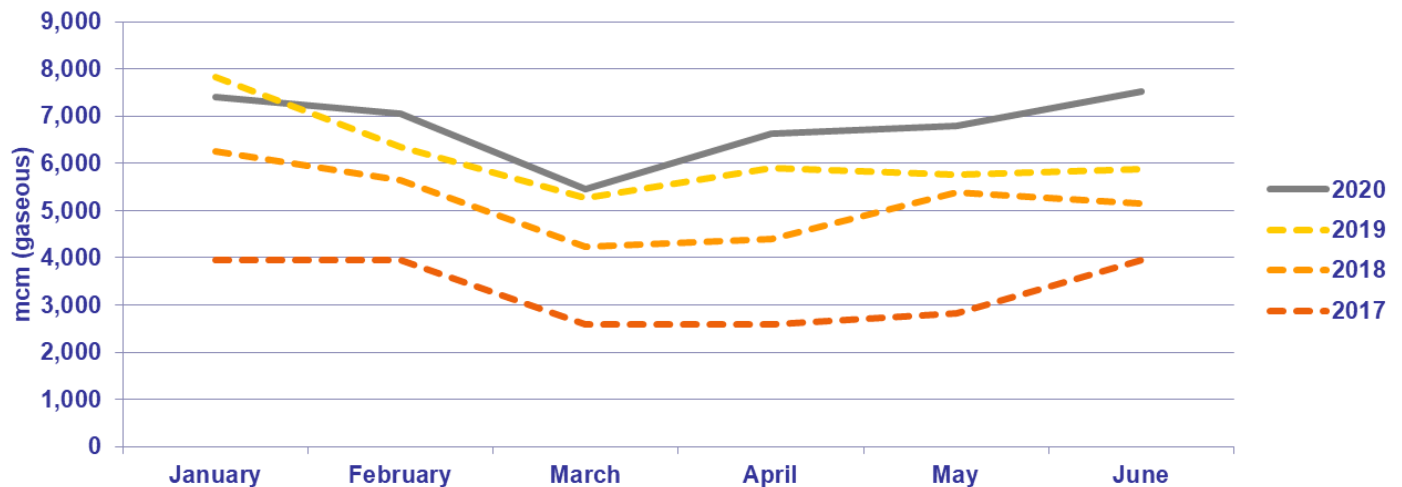


Source: Joint Organisations Data Initiative, Team Consult Analysis

Others: Taiwan, Malaysia, Singapore and Thailand

- China's share in Asian LNG imports increased in 2020 and is now on the same level as the share of Japan. As a consequence, more than 60 % of all Asian LNG imports go to China or Japan.
- As in previous years, LNG deliveries to Korea decreased during the summer time. Since India imported more LNG in these months than in the past years, these two countries imported almost the same amount of LNG in June 2020.

LNG imports of China in the first half of the year since 2017



Source: Joint Organisations Data Initiative, Team Consult Analysis

- The development of Chinese LNG imports in each first half year in the 2017-2020 period shows steady year-on-year increases. In the first half year of 2017, the amount of LNG cargoes amounted to approx. 20,000 mcm. By 2020, the deliveries more than doubled to 41,000 mcm. Even the Coronavirus pandemic was not able to stop this long-term trend.
- An effect of the Coronavirus pandemic may have occurred in January, when LNG cargoes of 2020 did not exceed the deliveries in the same month of 2019. In all other months, deliveries exceeded those in the respective month of the year before. The highest year-on-year increase occurred in June (+28 %).

Imprint

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