

LNG Daily
Market Analysis

- The outlook for warmer weather is still in place, as now the US, Asia and Europe are in peak summer season.
- Crude oil prices remained stable to bullish, as the US administration has demanded a halt to imports of Iranian crude oil by November. Support was also given by prevailing production issues from Canada, along with export constraints in Venezuela and Libya.
- Crude oil closure at 15:30 EST was at \$77.30/bbl whereas WTI closed at \$73.28/bbl today. The Brent-WTI spread decreased to \$4.02/bbl.
- US natural gas prices remained stable due to warmer weather along with today's inventory report. A net injection of 66 BCF was reported against market expectations of 73 BCF, and we expect this will support prices along with a hot weather outlook in the US.
- Lack of transaction news kept the market at the same level as yesterday, as buyers and sellers are attending the major gas conference in Washington. Additionally, the overall supply situation seems to be long, with increased shipments from the US and expected resumption of the Nigerian 5th train by July.
- Higher netbacks from Asian markets have resulted in one cargo sailing towards Asia from the Yamal project via the North Sea route.
- LNG prices remained at around the \$10.33/MMBtu level for the Northeast Asia market, with Chinese and Indian buyers on the sidelines to assess market direction.
- South China domestic LNG prices jumped to RMB 4,342/Mt due to a warmer weather outlook for South China, while ex-factory LNG prices decreased to RMB 3,747/Mt.
- The LNG market is adequately supplied, and the August major procurement has completed, with buyers still opting for long term Brent-based buying. Appetite is currently low for spot cargoes.

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Load Region	Offtake Region				\$/MMBTU
	E.Asia	E.Mediterranean	NW.Europe	S.Asia	SW.Europe
ARAB GULF	9.42	9.23	7.02	9.91	7.55
NORTH AMERICA	8.65	9.25	7.51	8.59	7.95
NORTHWEST EUROPE	8.53	9.67		8.99	8.33
PACIFIC	9.70	8.76	6.65	9.62	7.17
SOUTHWEST EUROPE	8.65	9.82	7.95	9.13	
WEST AFRICA	8.75	9.44	7.59	9.28	8.09

FOB Prices are calculated by subtracting the freight from the day-ahead price in the target market.

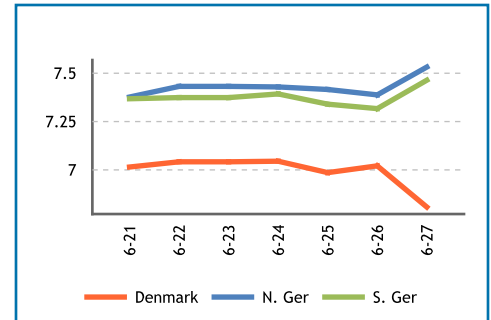
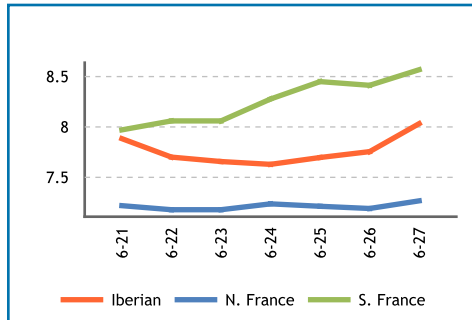
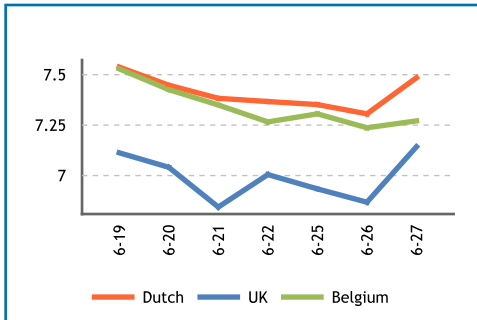
DES Spot Price Assessment				\$/MMBTU
Demand Centres	Jul. 18	Daily Change	Aug. 18	Daily Change
NW EUROPE	8.15	0.00	8.28	0.00
SW EUROPE	8.54	0.00	8.66	0.00
DES SOUTH ASIA	10.11	0.00	10.23	0.00
NEA DELIVERED	10.20	0.00	10.33	0.00

FOB Spot Price Assessment				\$/MMBTU
Supply Centres	Jul. 18	Daily Change	Aug. 18	Daily Change
RELOAD FRANCE	9.10	0.00	9.21	0.00
FOB AUSTRALIA	9.58	0.00	9.70	0.00
FOB RUSSIA YAMAL	8.04	0.00	8.06	0.00
RELOAD SPAIN	9.03	0.00	9.14	0.00
FOB ALGERIA	9.07	0.00	9.18	0.00
RELOAD UNITED KINGDOM	8.83	0.00	8.94	0.00
FOB MIDDLE EAST	9.14	0.00	9.27	0.00
FOB NIGERIA	8.95	0.00	9.06	0.00

Contract Price Assessment DES Basis			\$/MMBTU
Contract Formula	Jun. 18	May. 18	Apr. 18
Bangladesh - 11.9%Brent+\$0.4	9.51	9.02	8.94
NE Asia - 14.5%Brent	10.45	9.88	9.75
NE Asia - 11.1%Brent	8.72	8.24	8.14
Pakistan- 13.37%Brent	9.63	9.11	8.99
Pakistan- 11.62%Brent	8.98	9.02	8.88



European Natural Gas Spot Prices (\$/MMBTU)



European Gas Market

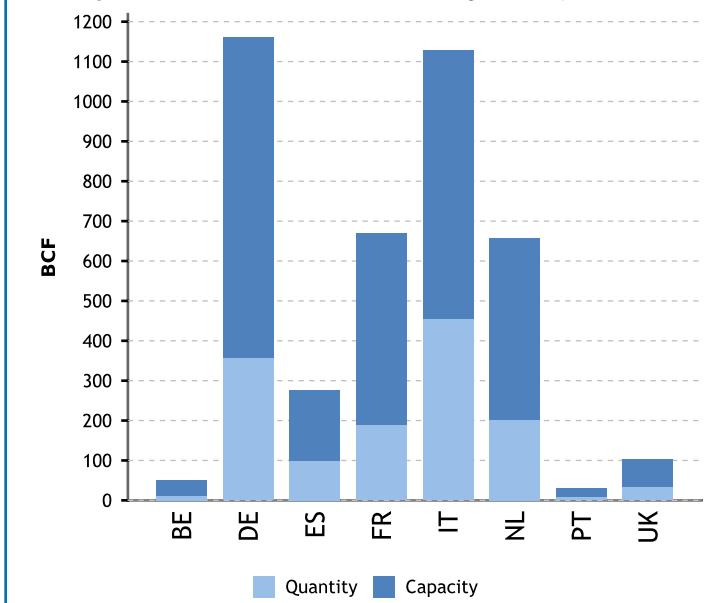
- European gas inventories have gradually increased as regular pipeline gas has flowed along with IUUK. The export pipeline maintenance issue has helped UK inventories to reach approximately 35.12% of total storage capacity versus 26.97% last week, while overall inventories have been improving across Europe.
- In the last seven days, 15 LNG vessels arrived at different ports in Europe, which helped improve LNG inventories from 48% to 50%.
- European gas prices remained stable-to-bullish due to steady crude prices, along with increases in summer-based demand.
- European gas prices are detached from LNG as LNG's price

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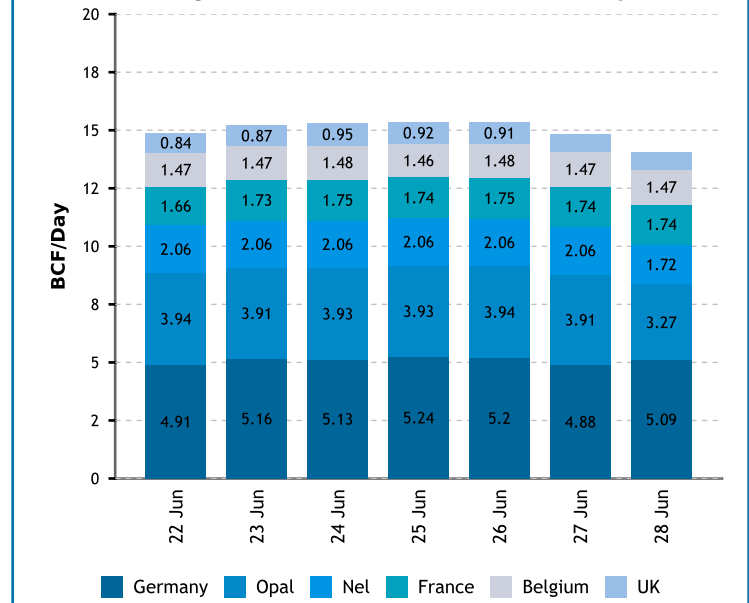
European Natural Gas Future Prices (\$/MMBTU)

Gas Hub	Jul 18	Daily Change	Aug 18	Daily Change
Dutch	7.29	-0.03	7.28	-0.04
Iberian	8.10	-0.17		
South France	7.71	-0.05		
UK	6.83	-0.12	6.83	-0.12

European NatGas and LNG Inventory on 27 June 2018.



Norwegian & Russian Gas Flows into Europe




LNG Supply/Demand
Available Cargoes next 7 Days

Project Name	Cargoes	Project Name	Cargoes	Project Name	Cargoes	Project Name	Cargoes
Atlantic LNG	6	Petronas Bintulu	10	Snohvit LNG	2	Tangguh LNG	4
Arzew Terminal	3	North West Shelf LNG	6	Sakhalin LNG	4	WheatStone LNG	1
Bontang LNG	4	Donggi Senoro LNG	1	Pluto LNG	1	Yamal LNG	1
Cove Point LNG	3	Oman LNG	2	SkanGas Lysekil	1		
Brunei LNG	3	Gladestone LNG	1	Queens Land Curtis LNG	1		
Cheniere LNG	6	Gorgon LNG	3	Skikda GL1K Terminal	1		
Darwin LNG	1	Nigeria LNG	7	Qatar Gas	22		
						Total	94

Implied Demand for Cargoes next 7 Days

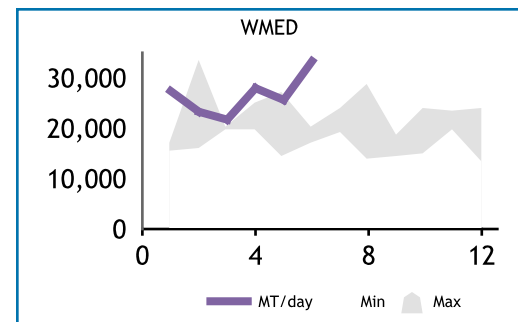
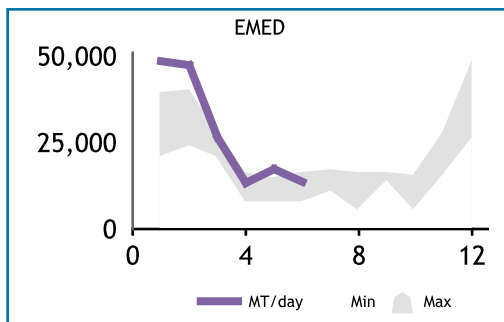
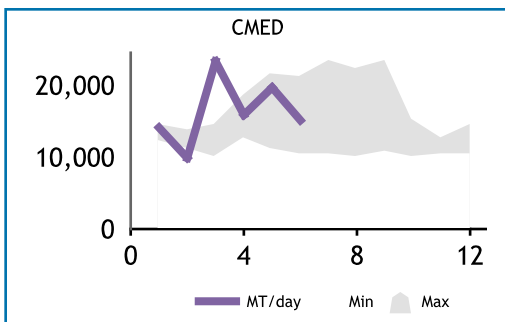
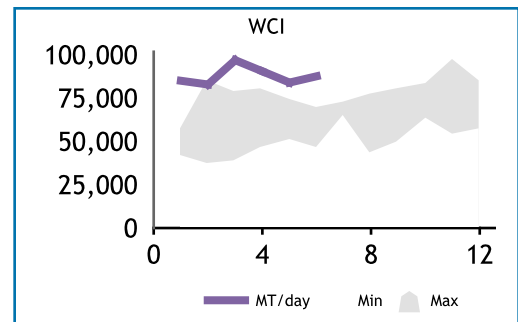
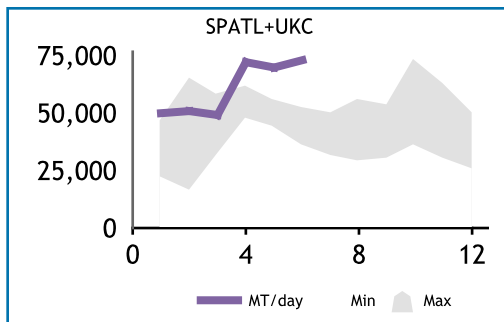
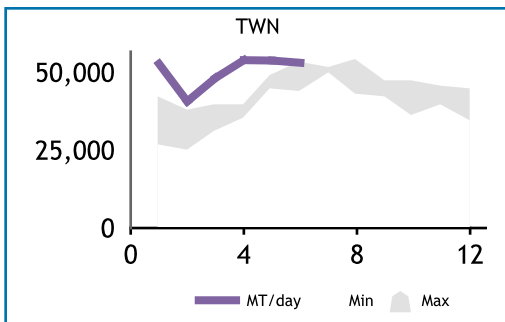
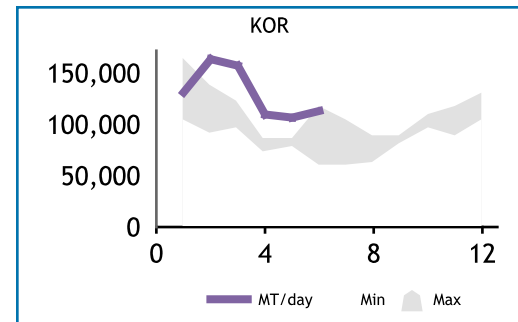
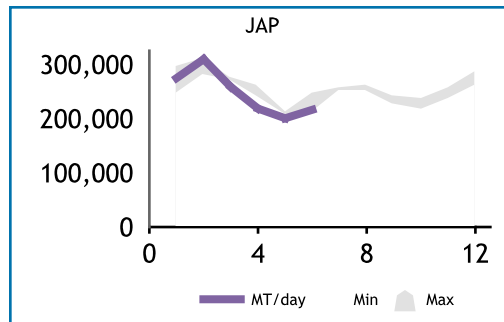
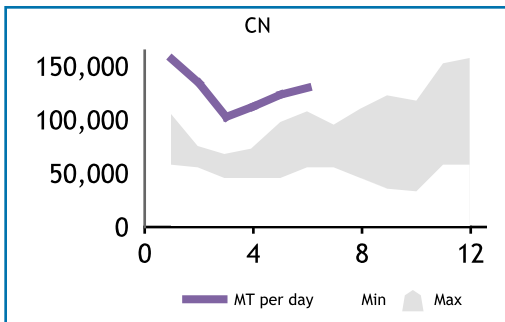
Country	Cargoes	Country	Cargoes	Country	Cargoes	Country	Cargoes
Dominican Republic	1	Mexico	2	Singapore	2	Thailand	2
India	7	Israel	1	Spain	3	Turkey	2
Brazil	4	Malaysia	1	Pakistan	2	United Kingdom	1
Chile	2	Kuwait	1	Norway	1	United States	1
China	9	Japan	22	South Korea	13		
Argentina	1	Indonesia	2	Portugal	1		
Egypt	2	Italy	1	Taiwan	6	Total	96
France	4	Malta	1	Sweden	1		

• As per our forecast model, 94 vessels are expected to load cargoes from liquefaction projects in next seven days, along with two vessels from terminals in Spain and France. Last week, 93 vessels loaded cargoes, plus four reloaded cargoes; one each from France and Netherlands, and two from South Korea. Last year in the same time frame, 90 vessels loaded, plus two reloads.

• The last seven days' data depicted improved supplies from the US Gulf Coast, with six vessels leaving. Seven vessels left Russian projects along with regular supplies from other projects.

• The outlook is for 96 vessels reaching import terminals in the next seven days, whereas 101 vessels discharged last week. Last year, 94 vessels discharged during the same time frame.

Regional Arrivals till date compared to 3 year envelope



For flow data, [Click here to go to Numbergo Online](#)

For a map of cargo movements, [click here to go to the ClipperData map](#)

To access a file with the complete history of all shipments, [Click here to download a csv data file](#)

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