

World LNG Trade 2013

A world map with a light blue background and darker blue landmasses. Overlaid on the map are numerous dark blue lines representing LNG trade routes. These lines originate from various points across the globe, including the Middle East, Africa, and Australia, and converge towards major LNG import hubs in Europe, Asia, and North America. The lines are of varying thickness, indicating the volume of trade.

By:

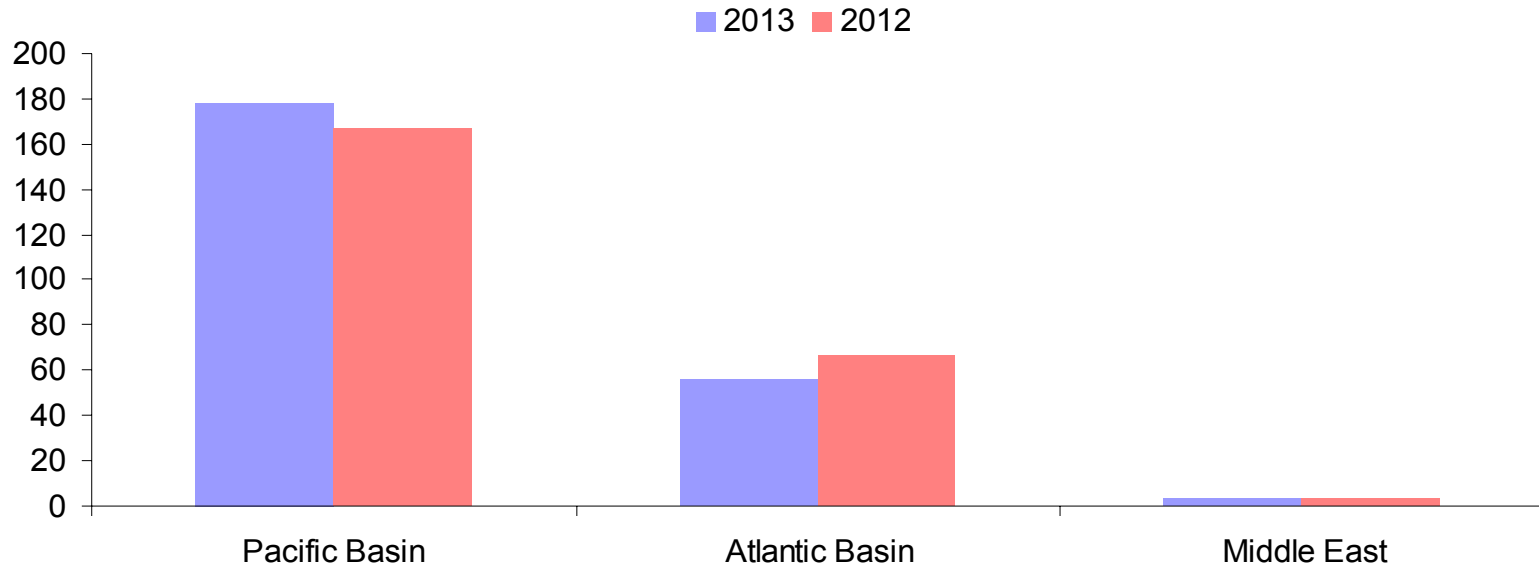
Global LNG Info (GLNGI)

April 2014

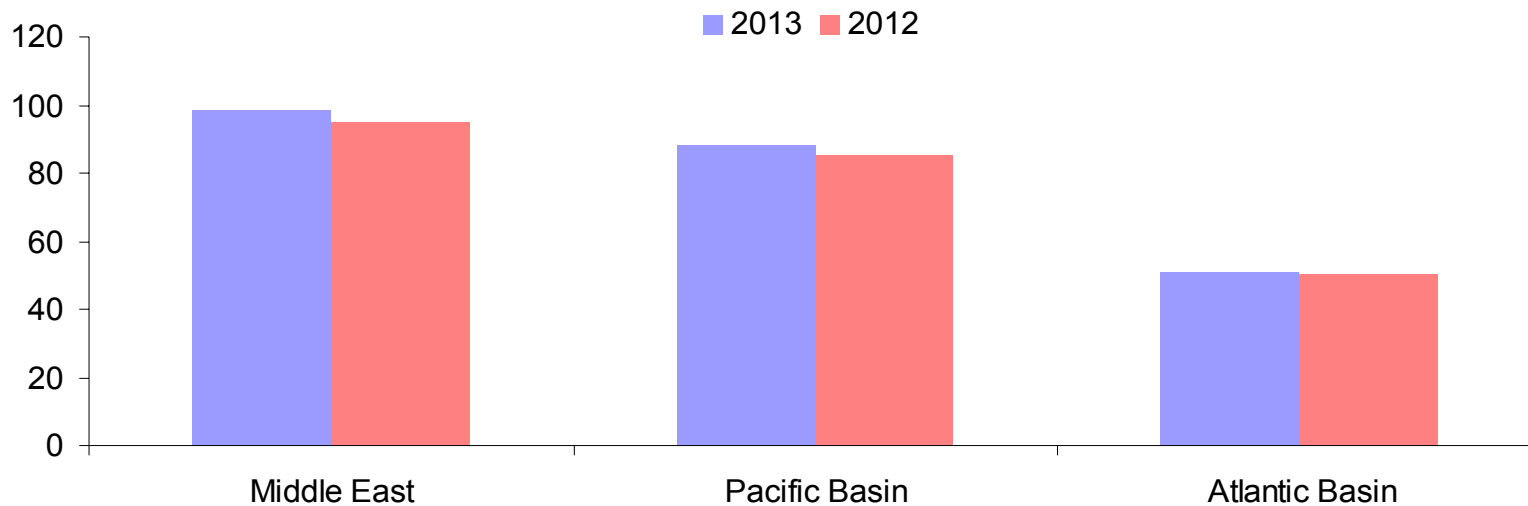
www.globalnginfo.com

- 237 MMT of LNG traded in 2013, up just 0.3% YoY.
- 65 MMT of the LNG traded on a spot or short-term basis equal to 27% of world's total LNG trade.
- 104 LNG receiving terminals were operating in 29 importing countries with 721 MMT/Y total capacity.
- 86 liquefaction trains were in operation in 17 exporting countries with 286 MMT/Y total capacity.
- Japan and Qatar keep their positions as the world's largest LNG importer and exporter, respectively.
- Demand remained strong in Asia, mainly in China and South Korea while demand also increased in South America, strongly related to weather factors.
- Three new countries joined the LNG importers club in 2013: Malaysia, Israel and Singapore.

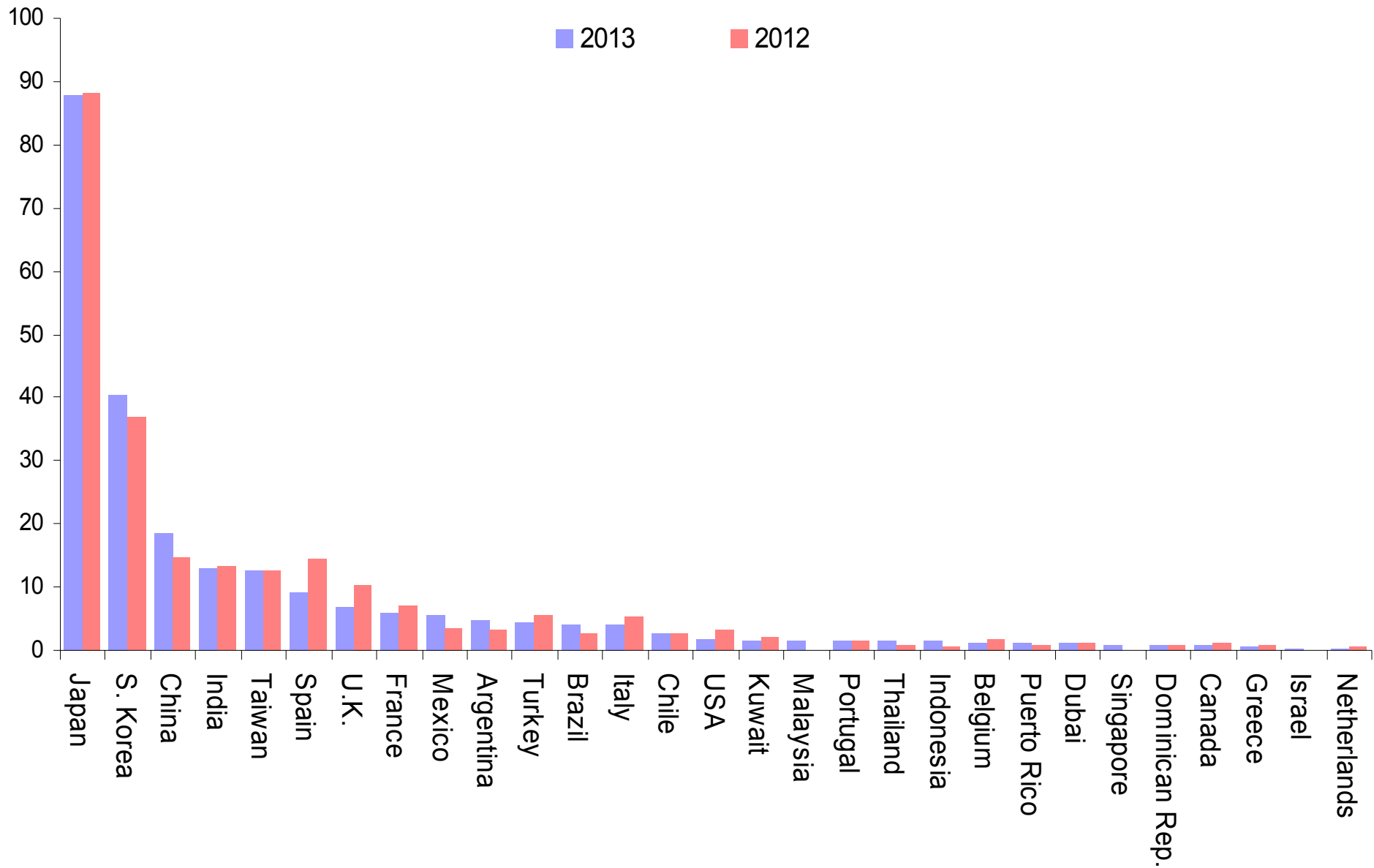
World's LNG Importers by the Region (MMT/Y)



World's LNG Exporters by the Region (MMT/Y)

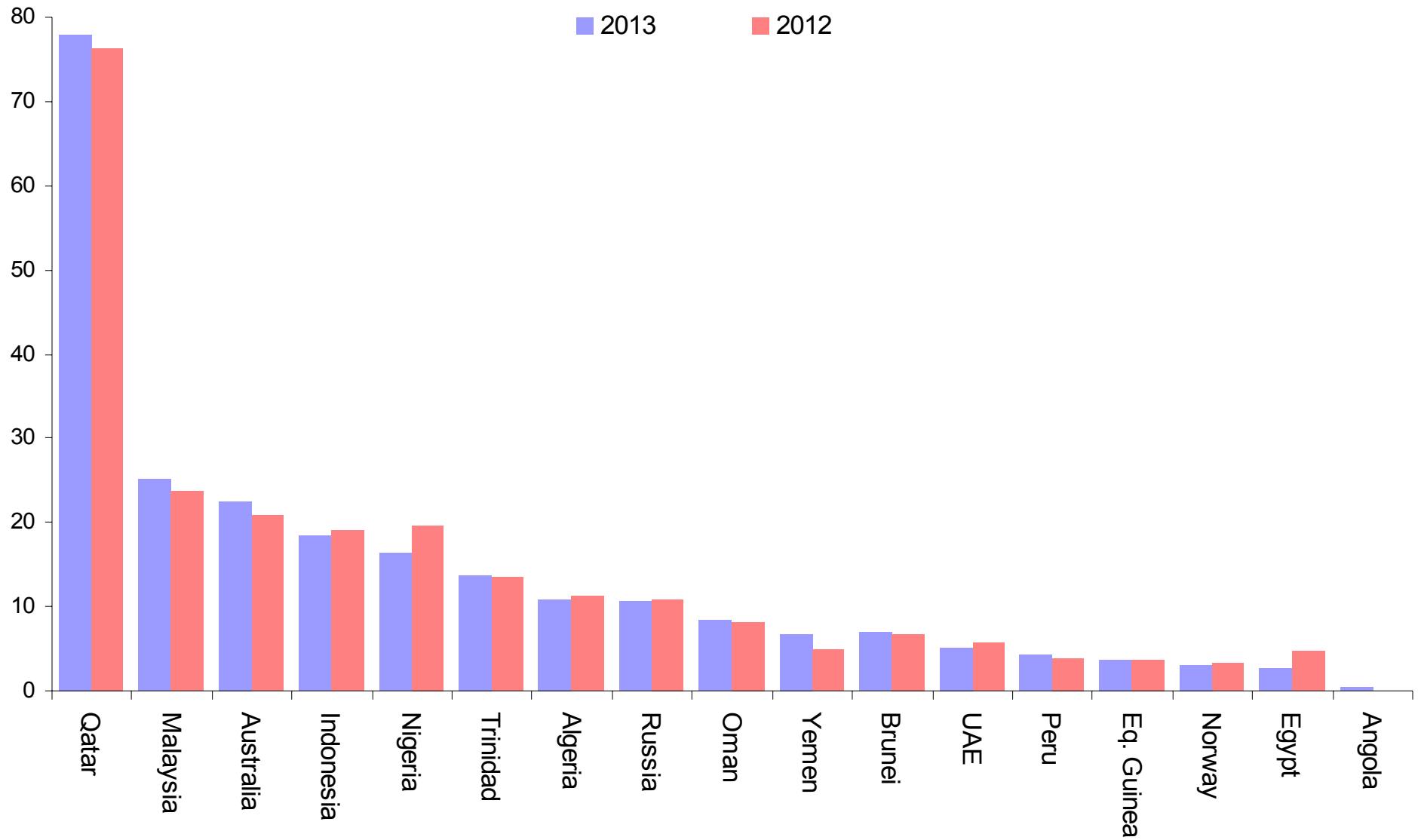


World's LNG Trade by the Importers (MMT/Y)



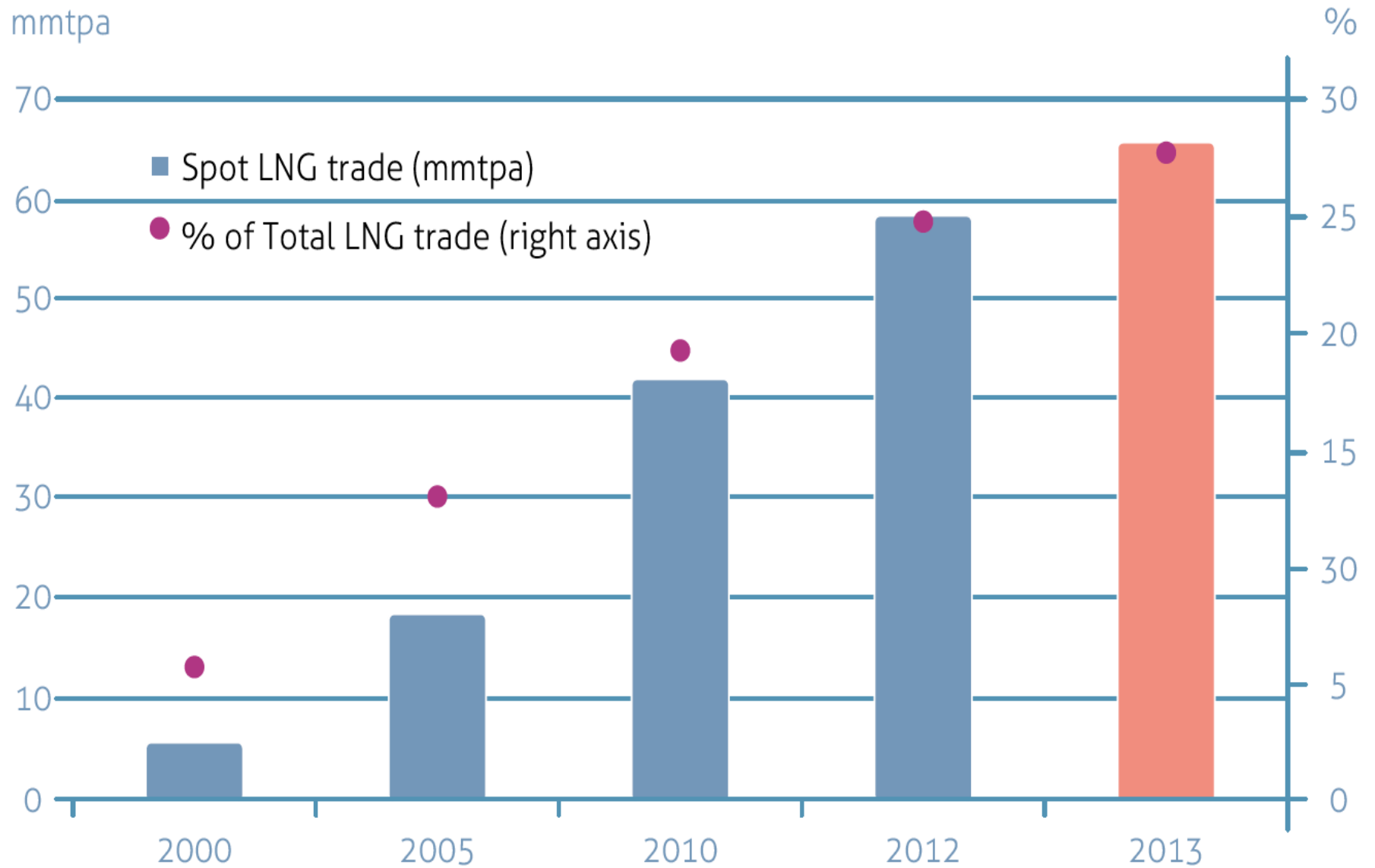
Data Source: GLNGI, GIIGNL & Countries' Reports
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World's LNG Trade by the Exporters (MMT/Y)



Data Source: GLNGI, GIIGNL & Countries' Reports
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Short term trade accounts for 27% of market



Source: GIIGNL

- LNG market will remain tighter for longer than many assume.
- Key LNG demand from China, Japan and South Korea, as well as Latin America, will be important not just in 2014 but also further out as new gas markets compete for LNG volumes.
- For securing spot cargoes, Asia faces stiff competition from Latin America.
- In Europe, Poland is set to become a new LNG import market as Russia-Ukraine dispute could encourage more imports in future.
- Europe will play the balancing role in the market as it did in 2013.
- Five new regasification terminals are planned to start up by the year-end.
- The new terminals are coming into operation as global LNG production experiences a prolonged hiatus with supply flat-lining around 240 MMT for the second consecutive year since 2011.
- Return of Japanese nuclear power generation will remain big question in 2014 as it is expected to be slow following Kyushu Electric's targeted restart of the country's first nuclear reactor around the middle of this year.
- At the end of 2013 around a dozen gas liquefaction projects were under construction, which together amounted to nearly 100 MMT/Y of new supply. The first of these projects (PNG LNG) is expected to ramp-up towards the end of 2014.
- It is expected that at least one additional US LNG export project will be approved in 2014 and by 2025 the country's supply would approach 50 MMT/Y.