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☆RIM LNG INTELLIGENCE DAILY

★No.3201 Aug 25 2023

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--TOKYO, 17:00 JST Aug 25 2023<Assessment Closing Time>

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#### ORim to sell power tender data CD for fiscal year 2022 starting Jul 18

Rim Intelligence will sell the CD on power tender data for the fiscal year 2022 starting Jul 18. The CD will be the year 2022 version of power tender data, which is highly regarded by the industry since the first issue for the fiscal year 2014. The latest version is released only in Japanese and covers the tender results by public institutions across Japan during April 2022 and March 2023. The 2022 CD elaborates on a combined 4,165 tenders (4,583 tenders in the 2021 CD) and makes year-on-year comparisons for 956 tenders (3,230 tenders in the 2021 CD). For overseas customers outside of Japan, data in the CD will be emailed and payment can be made in US dollars.

For application, please click:

<https://eng.rim-intelligence.co.jp/contents/info/powerDataCd2021eng.pdf>

#### ©RECX-22 index

RECX-22 index for Friday was 168.26, down 2.06 points from the previous day

#### -----Introduction of Rim reports-----

Please access the URL below for a lineup of Rim reports. You can view sample reports as well as detailed explanations on the contents:

<https://eng.rim-intelligence.co.jp/report/>

Lineup:

Bunker Oil	Crude/Condensate	Products	
LPG	Petrochemicals	Polyolefins	Biomass (Weekly)
LNG	Power	Daily Data	Rim Data File

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©Spot LNG Price Assessment (\$/mmBtu)						
ODES Japan (DJ)						
	Oct	Nov	Dec	Jan	Feb	Mar
	11.55	13.10	14.00	14.30	14.30	14.00
Daily Changes	-1.70	-1.55	-1.55	-1.55	-1.55	-1.55
	Apr	May	Jun	Jul	Aug	Sep
	13.50	13.40	13.40	13.50	13.70	13.70
Daily Changes	-1.55	-1.55	-1.55	-1.55	-1.55	-1.55

ONortheast Asia (DES)						
	Oct 1H	Oct 2H	Nov 1H	RIM Index		
--NEA	11. 15-11. 45	11. 65-11. 95	12. 95-13. 25	12. 07		
Daily Changes	-1. 75	-1. 65	-1. 55	-1. 65		
RIM Index Monthly Cumulative Avg		13. 09				
*RIM Index is a daily average price of the three delivery periods of NEA.						
*RIM Index Monthly Cumulative Avg is a monthly cumulative average price of RIM Index.						
	Dec	Jan	Feb	Mar	Apr	May
--NEA Forward	13. 85-14. 15	14. 15-14. 45	14. 15-14. 45	13. 85-14. 15	13. 35-13. 65	13. 25-13. 55
Daily Changes	-1. 55	-1. 55	-1. 55	-1. 55	-1. 55	-1. 55
	Autumn	Winter				
--NEA Seasonal Index	12. 88	14. 20				
Daily Changes	-1. 60	-1. 55				
*NEA: Northeast Asia						

OOthers			
	Sep 2H	Oct 1H	Oct 2H
--Middle East (FOB)	9.35 - 9.65	9.75 - 10.05	10.15 - 10.45
Daily Changes	-1.75	-1.65	-1.55
--Middle East (DES)	9.70 - 10.00	10.90 - 11.20	11.35 - 11.65
Daily Changes	-1.75	-1.75	-1.65
--South Asia (DES)	9.75 - 10.05	10.95 - 11.25	11.45 - 11.75
Daily Changes	-1.75	-1.75	-1.65
	Sep 1H	Sep 2H	Oct 1H
--Atlantic (FOB)	7.45 - 7.75	9.75 - 10.05	10.35 - 10.65
Daily Changes	-1.80	-1.80	-1.70
--Europe (DES)	8.50 - 8.80	8.50 - 8.80	11.15 - 11.45
Premiums to NBP	-1.65 - -1.35	-1.65 - -1.35	0.05 - 0.35
Premiums to TTF	-2.35 - -2.05	-2.35 - -2.05	-0.15 - 0.15
Daily Changes	-1.95	-1.95	-1.95
--South America (DES)	9.30 - 9.60	9.30 - 9.60	11.85 - 12.15
Daily Changes	-1.95	-1.95	-1.95

©Freight		
	Freight Rates (\$/mmBtu)	VLSFO Bunker Prices (Aug 24) (\$/mt)
--Middle East/Northeast Asia	– 1.68 – 1.73 –	--Tokyo 668.50
--Atlantic/Northeast Asia	– 2.58 – 2.63 –	--Singapore 621.50
--Middle East/Europe	– 1.12 – 1.17 –	--Rotterdam 579.50
	Daily Rates (\$)	
--Conventional Tankers	56,500 – 61,500	
--DFDE Tankers	108,500 – 113,500	
--TFDE Tankers	108,500 – 113,500	
--MEGI Tankers	138,500 – 143,500	
--X-DF Tankers	138,500 – 143,500	
Daily rates include all costs.		



\*\*\* Please visit <https://eng.rim-intelligence.co.jp/rpt/assessment/select/type/lng-en>  
to refer to the assessment methodology for the above price assessments.

◎Japan Crude Cocktail(JCC)								
	Expected					Result		
	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May
JCC(bbl)	87.97	88.66	86.85	85.41	82.19	80.49	82.01	86.46
Daily Changes	+0.78	+0.60	+0.50	+0.14	0.00	0.00	0.00	-
JCC(mmBtu)	14.91	15.03	14.72	14.48	13.93	13.64	13.90	14.66

◎Natural Gas Futures Settlement Prices (\$/mmBtu) (Aug 24)												
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
NYMEX HH	2.519	2.636	3.093	3.565	3.813	3.738	3.436	3.125	3.114	3.214	3.318	3.359
Changes	+0.022	+0.044	+0.049	+0.023	+0.023	+0.017	+0.010	+0.015	+0.013	+0.010	+0.007	+0.006
ICE NBP	10.132	11.117	14.171	16.213	17.023	17.231	16.847	16.220	15.742	15.420	15.617	15.738
Changes	-1.608	-2.079	-2.007	-1.924	-1.750	-1.663	-1.609	-1.511	-1.398	-1.395	-1.448	-1.448
ICE TTF	10.873	11.290	14.447	15.872	16.347	16.505	16.331	15.927	15.847	15.881	15.922	15.947
Changes	-0.336	-1.997	-1.883	-1.762	-1.630	-1.568	-1.532	-1.410	-1.361	-1.355	-1.348	-1.349
Volume	NYMEX Henry Hub : 336,417				ICE NBP : 23,505				ICE TTF : 2,842			

◎Petroleum Futures/Physical												
ONYMEX Petroleum Futures (Aug 24)						OPetroleum Physical (Aug 24)						
-WTI Futures (\$/mmBtu)					13.629	-Dubai Crude (\$/mmBtu)						14.627
					79.05							84.84
-Heating Oil (\$/mmBtu)					22.759	-Minas Crude (\$/mmBtu)						14.957
					315.64							87.95
OICE Petroleum Futures (Aug 24)						-LSWR Indonesia (\$/mmBtu)						11.944
-Brent Futures (\$/mmBtu)					14.472							74.05
					83.36	-HSFO Singapore (\$/mmBtu)						13.178
-Gasoil Futures (\$/mmBtu)					21.559							527.00
					916.75	-LPG CFR Japan (\$/mmBtu)						13.051
						(Propane) (\$/mt)						621.25

◎Coal Prices and Electricity Prices												
OCoal Prices (Aug 24)						OElectricity Prices(Yen/kWh) (Aug 25)						
-FOB New Castle-Global Coal (\$/mmBtu)					6.512	-JEPX 24h						12.32
					149.00	-JEPX Daytime						13.50
-ICE Futures FOB Richards Bay (\$/mmBtu)					4.869	-JEPX Peaktime						14.23
					111.40							

◎LNG Benchmark												
		Jul-23	Jun-23	May-23	Apr-23	Mar-23	Feb-23					
-JLC Japan LNG Cocktail (\$/mmBtu)			12.067	12.758	13.606	14.913	17.614					
	(\$/mt)		625.06	660.86	704.79	772.51	912.42					
-E-Asia LNG Cocktail (\$/mmBtu)			11.584	12.050	12.673	14.582	17.777					
	(\$/mt)		600.07	624.17	656.46	755.35	920.85					
-S. Korea Import Price Avg (\$/mmBtu)		11.968	13.263	13.062	13.477	17.686	21.227					
	(\$/mt)	619.94	687.01	676.63	698.13	916.15	1,099.56					
-China Import Price Avg (\$/mmBtu)		10.457	10.767	11.433	11.811	11.979	15.020					
	(\$/mt)	541.65	557.75	592.25	611.79	620.53	778.05					
-Taiwan Import Price Avg (\$/mmBtu)		10.140	10.085	10.502	11.136	14.249	16.248					
	(\$/mt)	525.26	522.39	544.02	576.82	738.12	841.67					
-US Export Price Avg (\$/mmBtu)			7.090	7.050	6.600	7.670	9.010					
	(\$/mt)		367.26	365.19	341.88	397.31	466.72					



## ©Transactions

## ○ Recent Spot Transactions

Reported date	Dealt Date	Origin	Seller	Buyer	Price	FOB/DES	Volume (cargoes)	Timing	Destination
Aug 25	3rd week of Aug	na	na	CPC	Premium to NEA	DES	1	H1 Oct	Taiwan
Aug 25	Aug 23	na	CNOOC	Pavilion Energy	na	DES	1	Oct	NE Asia
Aug 25	Aug 24	na	na	GSPC	na	DES	1	Oct 5-15	India
Aug 24	Aug 23	na	Shell	BP	\$13.90	DES	1	H1 Oct	NE Asia
Aug 23	Aug 15	Ichthys	Ichthys LNG	JERA or JERAGM	na	FOB/DES	1	Sep 9-13	NE Asia
Aug 23	mid to late Aug	na	na	IOC	na	DES	1	Sep 15 - Oct 5	India

## ○ Recent Term Transactions

Reported date	Origin	Seller	Buyer	Price	FOB/DES	Volume	Start	Duration
Aug 23	Sabin Pass	Cheniere	BASF	linked to H.H.	FOB	0.8 mil mt/yr	mid 2026	until 2043
Aug 22	Corpus Christi	Pertamina	na	na	FOB	na	2026	at least 3yrs
Aug 18	Das Island	ADNOC Gas	JAPEX	\$0.45-0.55 bil	FOB/DES	na	na	5 yrs
Aug 15	Oman	Oman LNG	SEFE	na	FOB/DES	0.40 mil mt/yr	2026	4 yrs
Aug 4	Saguaro Energia	Mexico Pacific	ConocoPhillips	na	FOB	2.20 mil mt/yr	2026	20 yrs
Jul 31	na	BP	OMV	na	FOB/DES	1.00 mil mt/yr	2026	10 yrs

## ○ Recent Tenders

Reported date	Issuer	Close	Buy/Sell	FOB/DES	Timing	Price(\$)	Origin	Winner
Aug 25	Oman LNG	Aug 29	Sell	FOB	Sep 27-29	na	Oman	na
Aug 25	CPC	3rd week of Aug	Buy	DES	H1 Oct	Premium to NEA	na	na
Aug 24	RPGCL	Aug 27	Buy	DES	Oct 25-26	na	na	na
Aug 24	GAIL	Aug 24	Buy	DES	Sep 16-25	na	na	na
Aug 23	Darwin LNG	Aug 24	Sell	FOB/DES	Sep 1-8 (loading) Sep 10 - Oct 23 (delivery)	na	Darwin	na
Aug 23	Tohoku Elec	Aug 24	Buy	DES	Oct	na	na	na
Aug 23	GSPC	Aug 24	Buy	DES	Oct 5-15	na	na	na
Aug 22	Calamari LNG	H2 Aug	Buy	DES	Aug 25 - 29	na	Sabine Pass	Glencore
Aug 18	Angola LNG	Aug 23	Sell	DES	mid Sep - early Oct	na	Angola	na
Aug 14	KPC	Aug 17	Buy	DES	①Aug 27-30, ②Sep 1-30 (2 crgs)	②\$12.30-12.40	na	na
Aug 17	Kansai Elec	Aug 16	Sell	DES	H1 Nov	Nov NEA -40 - 70cts	Pluto	na
Aug 17	Chevron	Aug 14	Sell	DES	H1 Oct	na	Gorgon	Trader
Aug 17	Pertamina	Aug 15	Sell	FOB	from 2026 (at least 3 yrs, 6-12crgs)	na (not all crgs)	Corpus Christi	na
Aug 16	PNGLNG	Aug 16	Sell	FOB/DES	Sep 30 (loading)	Oct NEA -\$1.00	PNGLNG	na
Aug 16	Ichthys LNG	Aug 15	Sell	FOB/DES	Sep 9-13 (loading)	na	Ichthys	JERA or JERAGM



Aug 15	KUFPEC	Aug 15	Sell	FOB	Oct 8-12	slightly below \$12.00	Wheatstone	portfolio player
Aug 15	GAIL	Aug 16	Buy	DES	Sep 5-10	na	na	not awarded
Aug 14	EGAT	Aug 17	Buy	DES	Dec 16-19, Dec 20-23 or Dec 28-30	Dec NEA -20cts	na	na
Aug 14	PTT	Aug 16	Buy	DES	①Oct 18-19 ②Oct 21-22 ③Nov 21-22 ④Nov 24-25	na	na	na
Aug 14	KPC	Aug 10	Buy	DES	Sep to Oct (2 crgs)	na	na	Producer
Aug 14	IOC	Aug 11	Buy	DES	H2 Sep	na	na	not awarded
Aug 14	Angola LNG	Aug 16	Sell	DES	late Aug - Sep	na	Angola	na
Aug 9	KOMIPO	Aug 16	Buy	DES	Oct 12-14	mix with fixed price and small premium to NEA	na	na
Aug 9	Eesti Gaas	Aug 10	Buy	DES	①Sep 30-Oct 1 ②Oct 10-11	na	na	na
Aug 4	Exxon Mobil	Aug 3	Sell	DES	Oct - Nov	Premium to NEA	Gorgon	na
Aug 4	Angola LNG	Aug 9	Sell	DES	Aug 26 - Sep 18	na	Angola	na
Aug 3	Oman LNG	Aug 3	Sell	FOB	Aug 23-30	na	Oman	na
Aug 3	GSPC	Aug 4	Buy	DES	Sep 1-15	\$10.60-10.65	na	na
Aug 2	KPC	Aug 2	Buy	DES	Sep 1-30	na	na	na

## Recent Shipping Transactions

Reported date	Vessel Name	charterer	counter party	Type	Price	Start	Duration
Aug 17	na	SEFE	Shell	na	ard \$130k	Nov	22 months
Aug 16	na	Sumitomo	na	S	na	Sep 17	na
Aug 15	LNG Borno or LNG Ogun	ENI	na	S	na	Aug 29	na
Aug 15	NEO Energy	DGI	Gunvor	S	na	Sep 24	na
Aug 14	LNG Ebisu	Darwin LNG	na	S	\$61k	Sep 1	30 days

\*\*Types of tankers are indicated as C= Conventional, D = DFDE, T = TFDE, X=X-DF

## Projects/Receiving terminals Latest Information

Report Date	Project	Train No	Country	Start	Period	Remark
Aug 18	Darwin	na	Australia	early Aug	na	Maintenance will finish soon.
Aug 15	Corpus Christi	na	US	early Aug	a few days	Supply volume for natural gas, feedstock for LNG, was back to normal.
Aug 15	Sakhalin 2	na	Russia	Jul 1	Aug 10	Maintenance finished on Aug 10.
Aug 10	Prelude	na	Australia	late Aug	na	Maintenance will commence at late Aug.
Aug 9	Corpus Christi	na	US	early Aug	na	Supply volume for natural gas, feedstock for LNG, decreased about 25% from normal.
Aug 9	Fast LNG	na	Mexico	Sep	na	LNG production would commence as early as September.

\*\*\* The information found during the day is highlighted in red in both Spot and Term transactions.

**©MARKET COMMENTARY**
**ODES Japan**
**Continues to fall sharply in line with tumble in DES Northeast Asia market**

The DES Japan market continued to fall sharply on Friday. October contract was \$11.55 and November contract was \$13.10, down \$1.70 and

\$1.55 from a day earlier, respectively. Contracts for December through May 2024 plummeted \$1.55.

Prices moved in line with a tumble in the DES Northeast Asia market. Contracts for June to September dipped by \$1.55 as well.

**ONE Asia**
**Extends losses with slack supply/demand and declining Europe natural gas market**

The DES Northeast Asia market on Friday fell further from the previous day by \$1.75 to \$11.15-11.45 for first-half October delivery, by \$1.65 to \$11.65-11.95 for second-half October delivery and by \$1.55 to \$12.95-13.25 for first-half November delivery. The market was pulled down by slack supply/demand and a decline in the Europe natural gas market. Discussion levels for first-half October delivery slipped to around \$11.30. With a sharp drop in prices for prompt delivery, the contango between first-half October delivery and second-half October delivery widened by 10cts from the previous day to 50cts. Similarly, the contango between second-half October delivery and first-half November delivery enlarged by 10cts to \$1.30.

strikes happened, it would not be prolonged. As concerns over supply reduction in Australia eased, "Bullish sentiment retreats and the market is weighed down," according to a Japanese company.

**Slack supply/demand trend**

Spot demand from Japan was dull. Except for Tohoku Electric looking for an October delivery cargo via its tender closed on Thursday, few energy utilities were keen on spot procurement. Kansai Electric Power Co (KEPCO) resumed commercial operations at the 1,180MW No.4 unit of the Oi nuclear power station on Aug 12 and also carried out a trial run at the No.1 unit of the 826MW from Jul 28. Therefore, KEPCO seemed to have no plans to procure spot cargoes although power demand was strong due to high temperatures. A city gas company in Northern Japan reckoned, "Gas demand for gas heat pumps (GHP) is increasing but LNG inventories that city gas companies have are unlikely to drop significantly." Under this situation, only traders with short-positions showed buying interest for October to November delivery. Vitol bid for second-half October delivery at a premium of 15cts to the October contract of DES Northeast Asia spot quotations. On the other hand, Marubeni Corp had spot availability for second-half October delivery based on DES Northeast Asia spot quotations. With high inventories for natural gas in Europe, sources expected that LNG cargoes from

**Concerns on Australia strikes recede further**

On Thursday, Australian natural resource developer Woodside announced that the company reached an in-principal agreement with labor unions for working conditions at the 16.30 mil mt/year North West Shelf project in Australia. At the 8.90 mil mt/year Wheatstone project as well as the 15.60 mil mt/year Gorgon project in Australia operated by US Chevron, negotiations between Chevron and labor unions continued. Nevertheless, with labor's dispute at Woodside's project nearly ending, some sources viewed that in case workers'

the US as well as Africa might be moved to Northeast Asia and spot supply might gradually grow.

### CNOOC sells Oct delivery

For delivery to China, even though details such as the price were unclear, China National Offshore Oil Corp (CNOOC) sold a cargo for October delivery to Northeast Asia to Singaporean Pavilion Energy on Wednesday. On the other hand, Taiwan's CPC Corp was said to have purchased a cargo for first-half October delivery to Taiwan at a premium level to DES Northeast Asia spot quotations.

### Source expects winter delivery prices to be capped

Prices for December 2023 to May 2024 delivery extended losses by \$1.55 from a day earlier. The December and May delivery markets were assessed at \$13.85-14.15 and \$13.25-13.55 respectively. The market tracked price movements for first-half November delivery. High inventories in Europe and retreating concerns over the strike in Australia generated perceptions of slack supply/demand for this winter as well. In winter, as actual gas demand for heating was expected to strengthen, the December to February delivery market was seen to be above prompt delivery prices. A Japanese trader, however, gave a view, "Prices for this winter might not rise so high."

### Recent Spot Transactions

Reported date	Dealt Date	Origin	Seller	Buyer	Price	FOB/DES	Volume (cargoes)	Timing	Destination
Aug 25	3rd week of Aug	na	na	CPC	Premium to NEA	DES	1	H1 Oct	Taiwan
Aug 25	Aug 23	na	CNOOC	Pavilion Energy	na	DES	1	Oct	NE Asia
Aug 24	Aug 23	na	Shell	BP	\$13.90	DES	1	H1 Oct	NE Asia

### OTenders

Reported date	Issuer	Close	Buy/Sell	FOB/DES	Timing	Price(\$)	Origin	Winner
Aug 25	CPC	3rd week of Aug	Buy	DES	H1 Oct	Premium to NEA	na	na
May 11	CPC	May 10	Buy	DES	①H1 Jul ②H2 Jul	①NEA + 5cts ②NEA + 10-20cts	na	na
Mar 14	CPC	Mar 15	Buy	DES	May 2023 - Mar 2024 (total 14 crgs)	Discount of 25-30cts to NEA (for May to Aug) Premium of 10-15cts to NEA (for winter)	na	BP, PetroChina and Qatar Energy





## South Asia

### Continues to fall, GSPC buys 1H Oct delivery in tender

The DES South Asia market on Friday dipped by \$1.75 from a day earlier to \$9.75-10.05 for second-half September delivery, \$10.95-11.25 for first-half October delivery. Second-half October delivery prices stood at \$11.45-11.75, down 1.65. First-half and second-half October delivery prices tracked the decline in the DES Northeast Asia

market. Second-half September delivery prices fell on the heels of a drop in first-half October delivery prices. Gujarat State Petroleum Corporation (GSPC) in India procured a cargo for Oct 5-15 arrival to the 17.50 mil mt/year Dahej terminal through the tender closed on Thursday. This was the second buy tender for GSPC to issue this month. As reported, the firm purchased a cargo for Sep 1-15 arrival through the first tender closed on Aug 4.

## Middle East Region

### Oman LNG to sell late Sep loading

In the FOB Middle East market on Friday, prices for second-half September loading dropped further by \$1.75 to \$9.35-9.65. With a fall in natural gas prices in Europe along with easing concerns about supply from Australia, the second-half September loading market slid to the mid \$9's. Prices for first-half October and second-half October loading were down by \$1.65 and \$1.55 to \$9.75-10.05 and \$10.15-10.45 respectively. As demand for winter was expected to grow, the contango between second-half September and first-half October

loading enlarged by 10cts from the day before to 40cts. The contango between first-half and second-half October loading expanded by 10cts to 40cts. State-run Oman LNG floated a sell tender that would close on Aug 29 on an FOB basis. Through the tender, they planned to sell a cargo for Sep 27-29 loading from the 10.40 mil mt/year Oman project. Oman LNG conducted a sell tender for the first time since Aug 3.



**Extends loss, Kuwait's LNG import slows down**

The DES Middle East market on Friday extended to lose \$1.75 from a day earlier to \$9.70-10.00 for second-half September delivery, \$10.90-11.20 for first-half October delivery. Second-half October delivery stood at \$11.35-11.65, down \$1.65. Prices tracked the movement in the tumble of the DES South Asia market. The import pace of LNG in Kuwait was slowing down. Despite a huge increase in power usage in the country due to a heatwave,

we could not observe an increase in LNG imports in the country, because most of the gas demand for thermal power plants was met with pipeline gas. The number of cargoes which were schedule to ship to the 22.00 mil mt/year Al Zour terminal in the country in August was 11 as of now, below the 12 of a year earlier and a month earlier. The latest delivery to the terminal was the cargo from the 10.00mil mt/year US Calcasieu Pass project on Aug 24.

**Atlantic Region****Continues to fall due to ample supply**

The FOB Atlantic market on Friday fell \$1.80 from a day earlier to \$7.45-7.75 for first-half September loading and \$9.75-10.05 for second-half September loading. Concerns over the labor disputes at the LNG projects in Australia were almost subdued, deriving an oversupply feeling globally in the market. First-half September loading dropped to a level slightly above \$7.50, sending second-half September loading prices lower. First-half October loading prices stood at

\$10.35-10.65, down \$1.70. Perceptions for higher forward delivery in the Northeast market limited first-half October loading prices' falling slightly narrower compared to those of second-half September loading. As reported, the Angola LNG project closed a sell tender on a DES basis on Wednesday. The outcome of the tender was not clear yet. Through the tender, Angola LNG planned to sell a cargo for mid-Sep to early Oct delivery to either North American, South America, Europe or Japan.

**Europe****Falls sharply, returns to level before supply concerns from Australia**

The DES Europe market on Friday continued to fall by \$1.95 from a day earlier to \$8.50-8.80 for first-half and second-half September delivery, and \$11.15-11.45 for first-half October delivery in response to the tumble in the Netherlands' TTF market where concerns about labor disputes at LNG projects in Australia were almost resolved. First-half and second-half September delivery plunged into the mid to high \$8's, returning to a level before supply worries over Australia emerged as a prompt delivery. First-half October delivery prices fell on

the heels of first-half and second-half September delivery prices. Discussions in the spot market remained subdued. "Seeing the recent volatility in the Netherlands' TTF market, a certain number of players might take a wait-and-see stance until the market calmed down" (a Japanese trader). In France, the hot summer warmed river temperatures too much, causing some concerns over the shortage of water used for cooling the reactors at atomic power plants. As a result, gas demand for thermal power plants might increase. However, "Ample gas storage in the region would keep the supply risk at bay," a western energy company said.

## ○South America

### **Continues to fall in line with DES Europe market**

The DES South America market on Friday plummeted by \$1.95 from a day earlier to \$9.30-9.60 for first-half and second-half September delivery, and \$11.85-12.15 for first-half October delivery in response to the plunge in the DES Europe market. First-half and second-half September delivery prices fell to a level just shy of \$9.50 and first-half October delivery prices shed to a level around \$12.00. The August import amount of LNG in Chile, where one or two cargoes were imported every week, was expected to be below July. At the 1.50 mil mt/year

Mejillones terminal, LNG cargoes were regularly unloaded, such as the arrival of the 173,400cbm "British Listener" from the 30.00mil mt/year US Sabine Pass project on Wednesday. However, the capacity of storage was too small to unload the full cargo at the terminal, only allowing them to accept a partial cargo. Furthermore, even at the 3.75 mil mt/year Quintero terminal, where a full cargo was able to unload, partial cargo was often seen. Thus, Chile was not apparently aggressive in importing LNG.

## ○Freight Market

### **Market unchanged, ENN closes chartering tender**

For short term charter of less than three months, daily rates were unchanged from the day before at \$56,500-61,500 for conventional tankers, \$108,500-113,500 for DFDE and TFDE tankers, and \$138,500-143,500 for MEGI and X-DF tankers on Friday. Many players were adopting wait-and-see stance since they had to keep an eye on the actual situations regarding strikes by workers at

Australian LNG projects. On Thursday, independent energy company ENN in China closed a chartering tender for a cargo from the 10.90 mil mt/year Qalhat project on Sep 27. A Japanese company suggested that "ENN may have moved to charter a vessel in anticipation of winning in the sell tender by Oman LNG on Aug 29" (See "Middle East Region").

## ○Japan Domestic Natural Gas Market

### **Tango Gas buys LNG from Iwatani Corporation**

Tango Gas, based in Maizuru City in Kyoto Prefecture, sells 13A grade city gas to retail and industrial customers in the city. The company procures LNG as a feedstock from Iwatani Corporation by trucks, regasifies the LNG and adjusts the calorific value before selling the gas.

Tango Gas, under the Iwatani group, switched the feedstock of city gas from petroleum gas to natural gas in 2009. "We switched the feedstock in response to more availability of natural gas for city gas nationwide. This was aided by the sale of LNG by trucks by Iwatani starting from 2000," said a source at Tango Gas.

## ○NYMEX/ICE Natural Gas Future Market Commentary (Aug 24)

### **NYMEX H.H. August gas rebounds with slow gas stock building**

The September natural gas contract on NYMEX closed at \$2.519 per million British thermal units

(mmBtu) on Thursday, up 2.2cts from the previous day due to a lower-than-expected increase in natural gas inventories. According to the US Energy Information Administration (EIA), inventories as of



Aug 18 were at 3,083 billion cubic feet (bcf), up 18 bcf from a week earlier.

The September natural gas contract of NBP on ICE in London settled at \$10.132, down \$1.608 from the previous day. Selling was driven by a perception of slack supply/demand as the

Australian Woodside announced that a strike was averted.

In NYMEX ACCESS TRADE, the front-month September natural gas contract as of 9:00am local time on Friday was trading at \$2.509/mmBtu, down 1.0cts from the close on Thursday.

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### OTEPKO Daily: oil, gas & coal fired capacity estimated at 36,800MW

Japanese largest utility Tokyo Electric Power Co (TEPCO) had 36,800 megawatts (MW) of available capacity tied to fossil fuel (oil, gas, coal) power generation, a figure that represents roughly 71% of its total capacity including solar power and so on, as of 08:30 Tokyo time on Friday based on Rim Intelligence's projection. The total capacity was forecast to reach 52,570 MW, while estimated peak demand was at 46,750 MW in Tokyo area.

The Japan Meteorological Agency has forecasted temperatures in Tokyo to reach a daily high of 35 degrees Celsius.

Meanwhile, total peak demand for nine areas (excluding Okinawa) has been foreseen at 149,770 MW for which a total of 171,360 MW of power will be available

unit: MW)	Estimated Available Capacity		Estimated Peak Demand in Tokyo Area
	Oil, Gas & Coal	Total	
Friday	36,800	52,570	46,750
Thursday	36,570	52,240	46,290

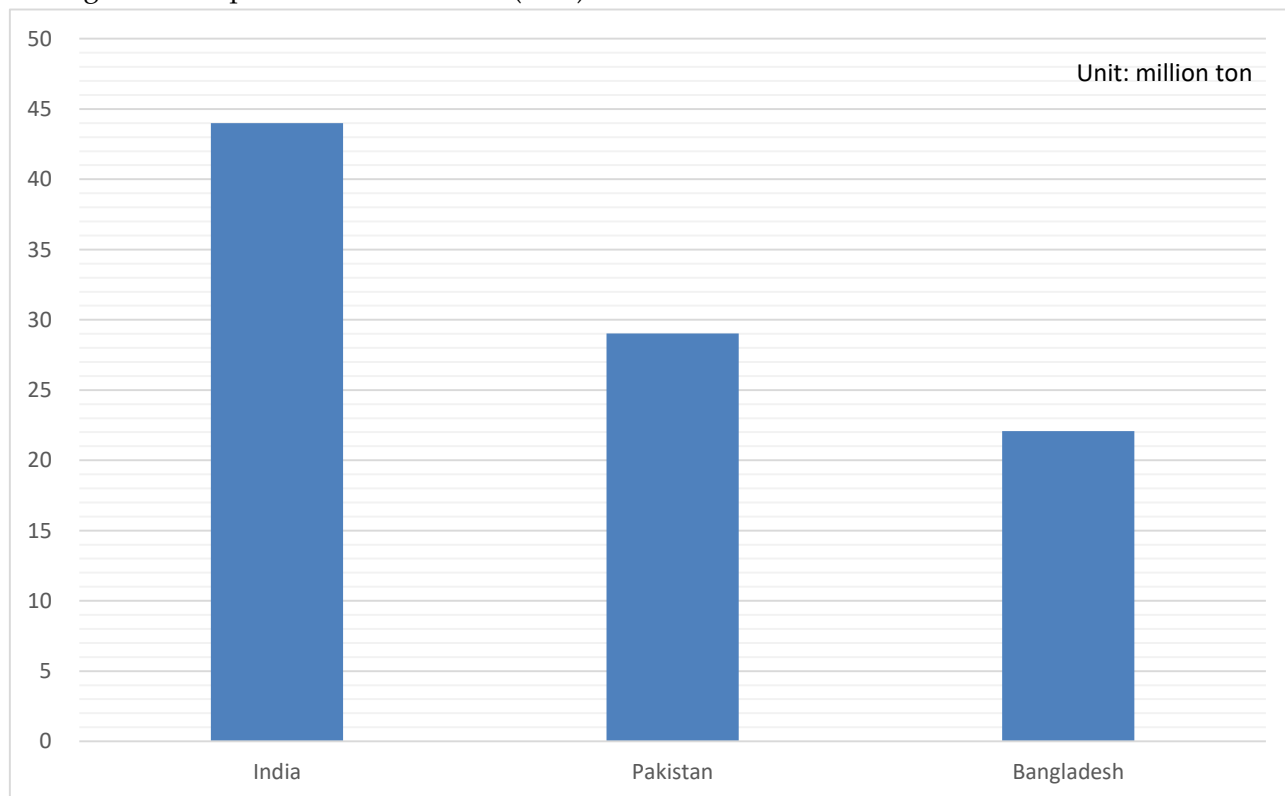
### OTABLE 8/25 LNG Cargo Arrivals at Ise Bay

Japan LNG Terminal Cargo Arrivals					
Arrival	Terminal	Carrier	Capacity(cum)	Capacity(mt)	Origin/Last Port
<b>Ise Bay</b>					
01-Sep-23	Yokkaichi	Nohshu Maru	180,000	82,800	Wheatstone, Australia
		<b>Total</b>	<b>180,000</b>	<b>82,800</b>	
31-Aug-23	Nagoya	Diamond Gas Sakura	165,000	75,900	Cameron, US
30-Aug-23	Yokkaichi	Pacific Mimosa	155,300	71,438	Wheatstone, Australia
29-Aug-23	Nagoya	Seri Camar	150,000	69,000	PFLNG 2, Malaysia
26-Aug-23	Yokkaichi	LNG Mars	155,000	71,300	Ichthys, Australia
25-Aug-23	Nagoya	Grand Elena	147,200	67,712	Sakhalin 2, Russia
23-Aug-23	Nagoya	Alto Acrux	147,200	67,712	Sakhalin 2, Russia
23-Aug-23	Yokkaichi	BW ENN Snow Lotus	174,000	80,040	Ras Laffan, Qatar

## Natural gas consumption

### - South Asia -

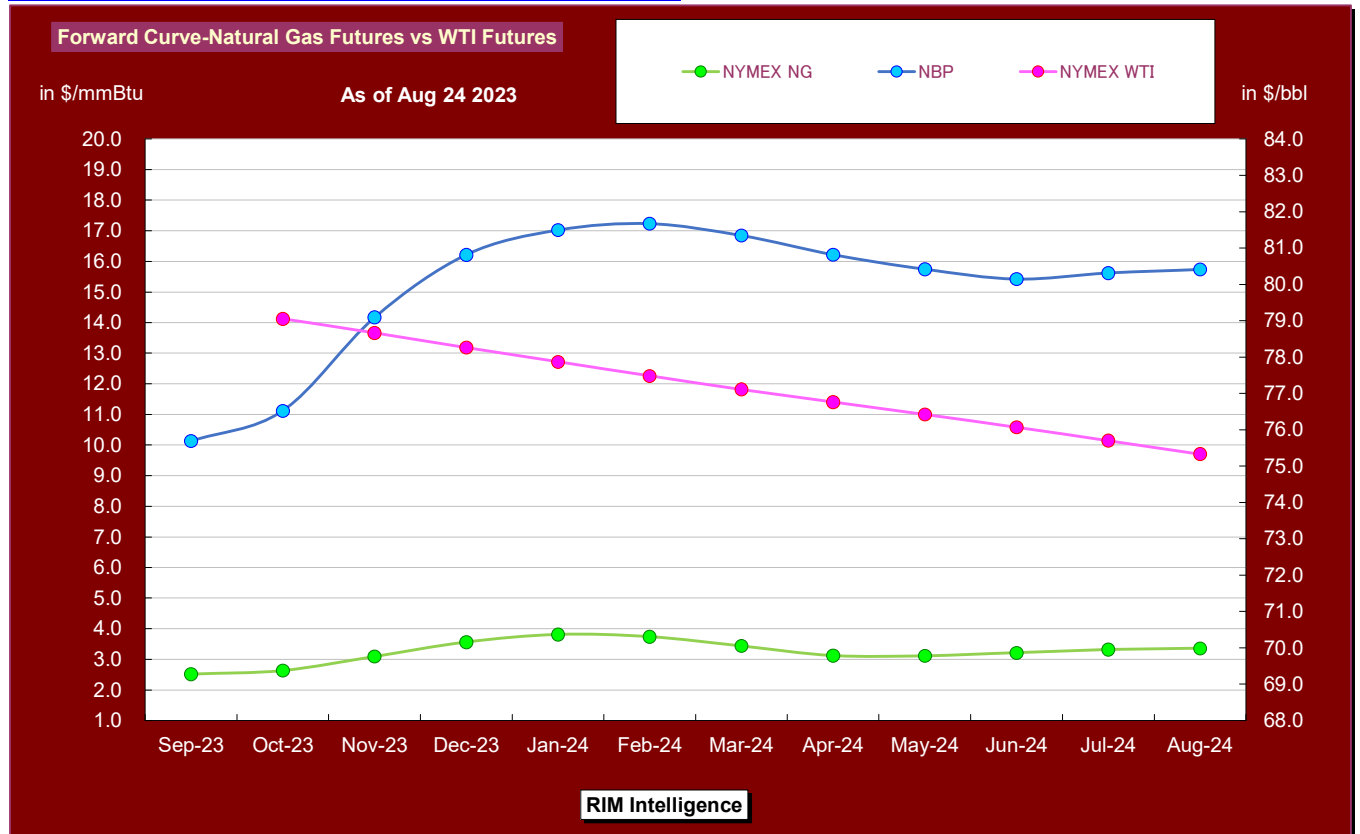
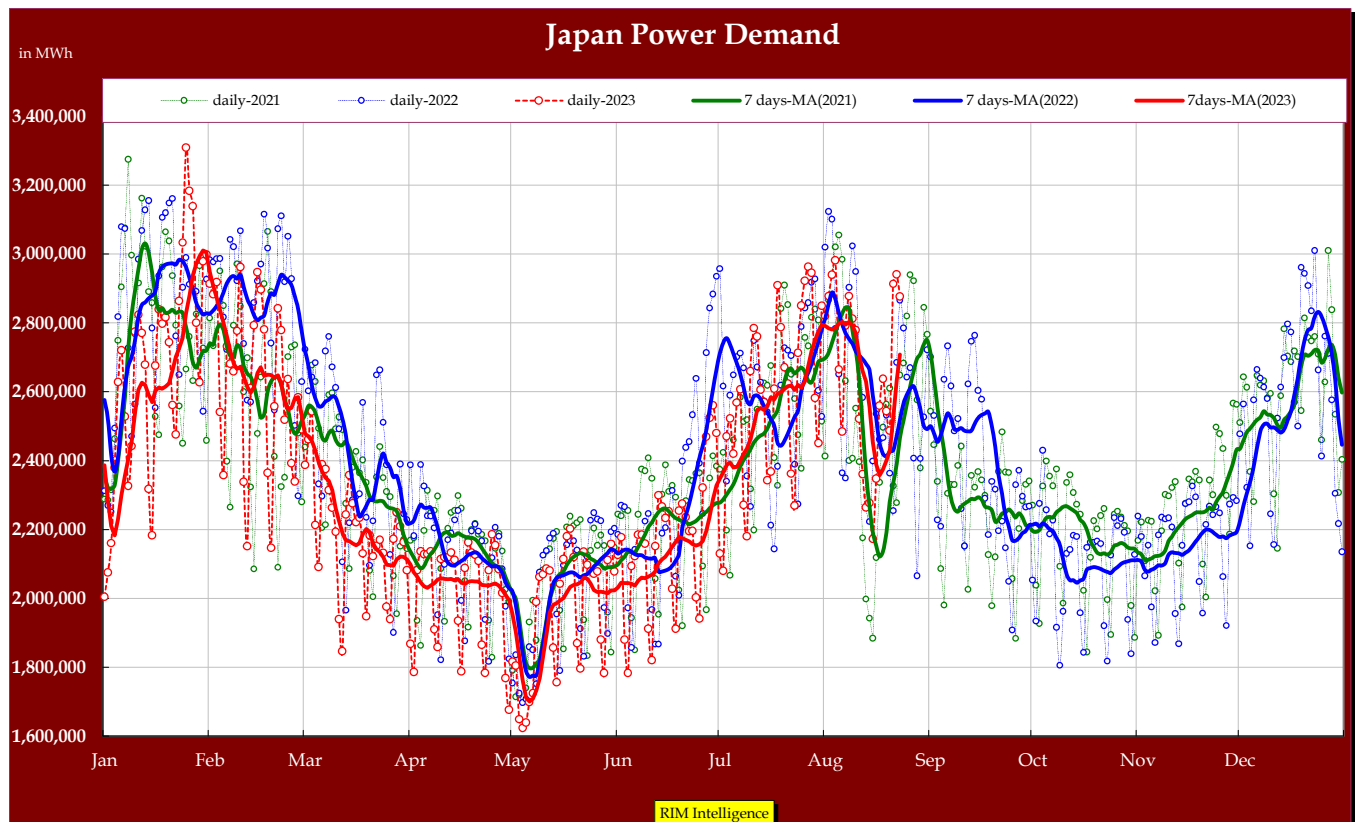
Natural gas consumption from South Asia (2022)



Natural gas consumption in 2022 Unit: billion cubic meter (bcm), mil ton (mt)		
Country	Consumption in bcm	Consumption in mil mt (LNG conversion)
India	58	44
Pakistan	38	29
Bangladesh	29	22
<b>Total</b>	<b>126</b>	<b>95</b>

bcm - to - mil mt (LNG) : 0.756

(Source: Statistical Review of World Energy 2023)

**Forward Curve-natural Gas Futures vs WTI Futures****Japan Power Demand**

**Spark Spread**

Rim Index (yen/kWh Aug 26)			
24h	DT	Peak	Night
11.77	11.80	10.72	11.72

Fuel	thermal efficiency(%)	Fuel Price	After tax	Generation cost	Spread (yen/kWh)			
		yen / ton · kl	yen/ ton · kl	yen/kWh	24 hr	DT	Peak	Night
LNG	<b>44.10</b>	98,600	100,460	<b>15.02</b>	-3.25	-3.22	-4.30	-3.30
	50.00			13.25	-1.48	-1.45	-2.53	-1.53
	59.00			11.23	+0.54	+0.57	-0.51	+0.49
Coal	<b>40.50</b>	23,629	24,999	<b>8.65</b>	+3.12	+3.15	+2.07	+3.07
	45.00			7.78	+3.99	+4.02	+2.94	+3.94
Imported CFO	38.40	88,413	88,413	<b>20.12</b>	-8.35	-8.32	-9.40	-8.40
Domestic CFO								
0.3% sulfur	<b>38.40</b>	92,000	92,000	<b>20.93</b>	-9.16	-9.13	-10.21	-9.21
3.0% sulfur	38.40	79,000	79,000	17.98	-6.21	-6.18	-7.26	-6.26
Crude	<b>38.40</b>	73,630	76,430	<b>18.19</b>	-6.42	-6.39	-7.47	-6.47

\*2 Thermal efficiency shown in BOLD is the average thermal efficiency for general electric utilities in the fiscal year 2013.

\*3 In the section of Fuel Price, LNG is a yen-based conversion from DES North East prices for first-half December delivery published in Rim LNG Report. Coal is a yen-based conversion from a sum of FOB Newcastle prices for November loading and freight rates. Imported CFO is a yen-based conversion from CFR Japan FO 0.3%S prices published in Rim Japan Products Report. Domestic CFO is the average of East Japan prices and West Japan prices for October delivery published in Rim Japan Products Report. Crude Oil is a yen-based conversion from the CIF import price for October delivery estimated by Rim. The exchange rate applied for the yen-based conversion is the TTS (Telegraphic Transfer Selling) Rate published by the MUFJ Bank.

\*4 Generation Cost is calculated based on power calorie, fuel calorie, thermal efficiency and fuel prices, and it is so-called marginal cost excluding facility utilization rates.

\*5 Spread is calculated by deducting Generation Cost from Rim Index.

\*6 The latest Petroleum and Coal Tax (Global Warming Tax) is applied. From Apr 1, 2016, the tax was increased by Yen 760/kl to Yen 2,800/kl for Crude/Refined Products. The tax for Gaseous Hydrocarbon was revised upward by Yen 780/ton to Yen 1,860/ton, while the tax for Coal was up Yen 670/ton at Yen 1,370/ton.

**©Notice****○Introduction of Rim Trading Board (RTB)**

Rim Intelligence Co is operating "Rim Trading Board (RTB)", in which market players are able submit offers/bids/deal prices by themselves to Rim Intelligence. RTB is managed on Rim's website. Rim considers the information on RTB when we make assessments of each oil product in our Rim Products Report. The information on RTB is open to all market participants for free. Please go to the link below to see how to use and register to RTB.

<https://www.rim-intelligence.co.jp/rtb/oil/index.html>

**○Rim publishes English version of Rim Biomass Report**

Rim Intelligence publishes the English version of the Rim Biomass Report (Weekly) every Thursday. The report contains valued information on biomass fuels including wood pellets and PKS, for which demand is increasing in Northeast Asia such as Japan and South Korea.

**Main contents**

- Price assessment and commentary on the FOB Southeast Asia market for wood pellets and PKS
- Price assessment and commentary on the FOB North America market for wood pellets



- Price assessment and commentary on the CFR Japan market for wood pellets and PKS
- Price assessment and commentary on the freight market for wood pellets and PKS transportation
- Information on tenders conducted by South Korean and Japanese consumers

For your application, please click the link below or contact Rim Biomass Team.

<https://eng.rim-intelligence.co.jp/contents/info/biomassEnglishEn/>

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