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☆RIM LNG INTELLIGENCE DAILY

★No.2841 Mar 2 2022

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--TOKYO, 17:00 JST Mar 2 2022<Assessment Closing Time>

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○Report on adherence to PRA principles

Rim Intelligence uploaded the report of the governance, processes and controls relating to the adherence to the PRA principles outlined by International Organization of Securities Commissions (IOSCO) based on reasonable assurance on Dec 21, 2021. All of the daily reports of Rim Intelligence are subject to the principles. Please visit the following website for perusal.
<Reports>

Bunker Oil, Crude/Condensate, Asia Products (Products), LPG, Lorry Rack, Japan Products, Petrochemicals, LNG, Power

<https://www.rim-intelligence.co.jp/contents/info/pramenuEng4/>

○Introduction of Rim Trading Board (RTB)

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

© RECX-22 index

RECX-22 index for Wednesday was 168.47, up 1.82 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:

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| | | |
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| LNG | Daily Data | Rim Data File |

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| ◎Spot LNG Price Assessment (\$/mmBtu) | | | | | | |
|---------------------------------------|-------|-------|-------|-------|-------|-------|
| ODES Japan (DJ) | | | | | | |
| | Apr | May | Jun | Jul | Aug | Sep |
| | 40.10 | 39.65 | 39.50 | 39.55 | 39.60 | 39.60 |
| Daily Changes | +6.95 | +6.95 | +6.95 | +6.95 | +6.95 | +6.90 |
| | Oct | Nov | Dec | Jan | Feb | Mar |
| | 39.65 | 39.85 | 39.95 | 40.05 | 40.05 | 39.90 |
| Daily Changes | +6.90 | +6.90 | +6.90 | +6.90 | +6.90 | +6.90 |

| ○Northeast Asia (DES) | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| | Apr 2H | May 1H | May 2H | RIM Index | | |
| --NEA | 39.95-40.25 | 39.55-39.85 | 39.45-39.75 | 39.80 | | |
| Daily Changes | +6.95 | +6.95 | +6.95 | +6.95 | | |
| RIM Index Monthly Cumulative Avg | | 36.33 | | | | |
| *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. | | | | | | |
| | Jun | Jul | Aug | Sep | Oct | Nov |
| --NEA Forward | 39.35-39.65 | 39.40-39.70 | 39.45-39.75 | 39.45-39.75 | 39.50-39.80 | 39.70-40.00 |
| Daily Changes | +6.95 | +6.95 | +6.95 | +6.90 | +6.90 | +6.90 |
| | Spring | Summer | | | | |
| --NEA Seasonal Index | 39.75 | 39.58 | | | | |
| Daily Changes | +6.95 | +6.95 | | | | |
| *NEA: Northeast Asia | | | | | | |

| ○Others | | | |
|-----------------------|---------------|---------------|---------------|
| | Apr 1H | Apr 2H | May 1H |
| --Middle East (FOB) | 37.70 - 38.00 | 37.30 - 37.60 | 37.20 - 37.50 |
| Daily Changes | +7.00 | +7.00 | +7.00 |
| --Middle East (DES) | 38.40 - 38.70 | 38.40 - 38.70 | 38.30 - 38.60 |
| Daily Changes | +6.80 | +6.80 | +6.80 |
| --South Asia (DES) | 39.10 - 39.40 | 39.10 - 39.40 | 39.00 - 39.30 |
| Daily Changes | +6.80 | +6.80 | +6.80 |
| | Mar 2H | Apr 1H | Apr 2H |
| --Atlantic (FOB) | 37.35 - 37.65 | 37.15 - 37.45 | 36.95 - 37.25 |
| Daily Changes | +7.00 | +7.00 | +7.00 |
| --Europe (DES) | 38.90 - 39.20 | 38.60 - 38.90 | 38.40 - 38.70 |
| Premiums to NBP | 0.15 - 0.45 | 0.00 - 0.30 | -0.20 - 0.10 |
| Premiums to TTF | 3.25 - 3.55 | -0.80 - -0.50 | -1.00 - -0.70 |
| Daily Changes | +7.15 | +7.05 | +7.05 |
| --South America (DES) | 38.80 - 39.10 | 38.70 - 39.00 | 38.60 - 38.90 |
| Daily Changes | +7.05 | +7.05 | +7.05 |

| ◎Freight | | |
|------------------------------|--------------------------|--------------------------------------|
| | Freight Rates (\$/mmBtu) | VLSFO Bunker Prices (Mar 01) (\$/mt) |
| --Middle East/Northeast Asia | + 2.38 - 2.43 + | --Tokyo 793.50 |
| --Atlantic/Northeast Asia | + 4.07 - 4.12 + | --Singapore 798.50 |
| --Middle East/Europe | + 1.65 - 1.70 + | --Rotterdam 741.50 |



| | Daily Rates (\$) |
|------------------------|------------------|
| --Conventional Tankers | 23,000 – 28,000 |
| --DFDE Tankers | 32,000 – 37,000 |
| --TFDE Tankers | 32,000 – 37,000 |
| --MEGI Tankers | 39,500 – 44,500 |
| --X-DF Tankers | 39,500 – 44,500 |

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 | | |
| | Jun | May | Apr | Mar | Feb | Jan | Dec | Nov |
| JCC (bbl) | 105.38 | 102.71 | 101.44 | 88.68 | 86.99 | 79.66 | 82.29 | 82.14 |
| Daily Changes | +7.22 | +4.87 | +5.47 | +0.04 | -0.01 | 0.00 | 0.00 | - |
| JCC (mmBtu) | 17.86 | 17.41 | 17.20 | 15.03 | 14.75 | 13.50 | 13.95 | 13.92 |

| ◎Natural Gas Futures Prices (\$/mmBtu) | | | | | | | | | |
|--|---------|--------|--------|--------|-------------------|--------|--------|--------|--------|
| ONYMEX Henry Hub (Mar 01) | | | | | OICE NBP (Mar 01) | | | | |
| | Apr | May | Jun | Jul | | Apr | May | Jun | Jul |
| Settle | 4.573 | 4.598 | 4.640 | 4.691 | Settle | 38.621 | 38.474 | 38.303 | 38.337 |
| Change | +0.171 | +0.178 | +0.179 | +0.180 | Change | +6.756 | +6.683 | +6.533 | +6.546 |
| High | 4.627 | 4.649 | 4.690 | 4.737 | High | 40.154 | 39.689 | 39.251 | 37.470 |
| Low | 4.340 | 4.361 | 4.409 | 4.462 | Low | 32.364 | 32.497 | 33.296 | 36.892 |
| Estimated Volume: | 299,750 | | | | Estimated Volume: | 9,995 | | | |

| ◎Petroleum Futures/Physical | | | |
|-----------------------------------|--------|------------------------------|--------|
| ONYMEX Petroleum Futures (Mar 01) | | OPetroleum Physical (Mar 01) | |
| -WTI Futures (\$/mmBtu) | 17.829 | -Dubai Crude (\$/mmBtu) | 16.766 |
| (\$/bbl) | 103.41 | (\$/bbl) | 97.25 |
| -Heating Oil (\$/mmBtu) | 22.720 | -Minas Crude (\$/mmBtu) | 17.713 |
| (cts/gal) | 315.11 | (\$/bbl) | 104.15 |
| OICE Petroleum Futures (Mar 01) | | -LSWR Indonesia (\$/mmBtu) | 15.065 |
| -Brent Futures (\$/mmBtu) | 18.224 | (\$/bbl) | 93.40 |
| (\$/bbl) | 104.97 | -HSFO Singapore (\$/mmBtu) | 13.903 |
| -Gasoil Futures (\$/mmBtu) | 22.623 | (\$/mt) | 556.00 |
| (\$/mt) | 962.00 | -LPG CFR Japan (\$/mmBtu) | 18.913 |
| | | (Propane) (\$/mt) | 900.25 |

| ◎Coal Prices and Electricity Prices | | | |
|--|--------|--|-------|
| OCoal Prices (Mar 01) | | OElectricity Prices (Yen/kWh) (Mar 02) | |
| -FOB New Castle-Global Coal (\$/mmBtu) | 13.680 | -JEPX 24h | 20.54 |
| (\$/mt) | 313.00 | -JEPX Daytime | 20.12 |
| -ICE Futures FOB Richards Bay (\$/mmBtu) | 13.145 | -JEPX Peaktime | 11.39 |
| (\$/mt) | 300.75 | | |

| ◎LNG Benchmark | | | | | | |
|------------------------------------|--------|--------|--------|--------|--------|--------|
| | Jan-22 | Dec-21 | Nov-21 | Oct-21 | Sep-21 | Aug-21 |
| -JLC Japan LNG Cocktail (\$/mmBtu) | 13.777 | 14.372 | 14.317 | 11.882 | 10.761 | 10.126 |
| (\$/mt) | 713.67 | 744.48 | 741.60 | 615.50 | 557.40 | 524.53 |
| -Asia CIF Cocktail (\$/mmBtu) | - | - | - | - | - | - |
| (\$/mt) | - | - | - | - | - | - |
| -US Import Price Avg (\$/mmBtu) | - | - | - | - | - | - |
| -US Export Price Avg (\$/mmBtu) | - | - | - | - | - | - |



◎Transactions

○ Recent Spot Transactions

| Reported date | Dealt Date | Origin | Seller | Buyer | Price | FOB/DES | Volume (cargoes) | Timing | Destination |
|---------------|----------------------|-------------|---------------------------------------|--------------|-----------------------|---------|------------------|----------------------------|-------------|
| Mar 2 | Feb 28 | T.B.R. | T.B.R. | GAIL | Linked to H.H. prices | DES | 1 | Apr 4-10 | India |
| Mar 2 | Feb 28 | Sabine Pass | GAIL | T.B.R. | Linked to H.H. prices | FOB | 1 | Mar 28 2023 | T.B.R. |
| Mar 1 | late 4th week of Feb | T.B.R. | T.B.R. | SLNG | T.B.R. | DES | 1 | Mar | Singapore |
| Feb 24 | Feb 20 | T.B.R. | Vitol | RPGL | \$29.70 | DES | 1 | Mar 12-13 | Bangladesh |
| Feb 24 | Feb 22 | Qatar | QP | Pakistan LNG | \$25.12 | DES | 1 | Mar 10-11 | Pakistan |
| Feb 24 | Feb 18 | T.B.R. | T.B.R. | GSPC | \$23.40 | DES | 1 | Mar 1-15 | India |
| Feb 24 | Feb 22 | T.B.R. | Producer, Trader and Portfolio player | KOGAS | T.B.R. | DES | 7 | Mar 1-31 (mainly Mar 1-10) | S Korea |

○ Recent Term Transactions

| Reported date | Origin | Seller | Buyer | Price | FOB/DES | Volume | Start | Duration |
|---------------|------------------------------|------------------|------------------|------------------|---------|------------------------------|--------|----------|
| Jan 12 | T.B.R. | Portfolio player | Beijing Gas | Brent x late 12% | DES | 1.50 mil mt/yr | 2023 | 10yrs |
| Jan 12 | Arctic LNG 2 | Novatek | Zhejiang Energy | T.B.R. | DES | max 1.00 mil mt/yr | T.B.R. | 15yrs |
| Jan 12 | Arctic LNG 2 | Novatek | ENN | T.B.R. | DES | 0.60 mil mt/yr | T.B.R. | 11yrs |
| Dec 22 | Plaquemines | Venture Global | CNOOC | T.B.R. | DES | 2.00 mil mt/yr | T.B.R. | 20yrs |
| Dec 8 | Qatar | Qatargas | Guangdong Energy | Brent x 10.50% | DES | 1.00 mil mt/yr | 2024 | 10yrs |
| Nov 25 | US Gulf (mainly Sabine Pass) | Cheniere | Foran Energy | Linked to H.H. | DES | 4crgs/yr (total 6.08 mil mt) | 2023 | 20yrs |

○Recent Tenders

| Reported date | Issuer | Close | Buy/Sell | FOB/DES | Timing | Price(\$) | Origin | Winner |
|---------------|------------------------|--------|-------------|---------|---|-----------------------|-------------|---------------------------------------|
| Mar 2 | EGAS | Mar 3 | Sell | DES | Mar 16-17 and 29-30 | T.B.R. | Damietta | T.B.R. |
| Mar 2 | GSPC | Mar 2 | Buy | DES | Mar 19-25 | T.B.R. | T.B.R. | T.B.R. |
| Mar 2 | APLNG | Mar 3 | Sell | DES/FOB | Apr 6-7 and Apr 28-30 | T.B.R. | APLNG | T.B.R. |
| Mar 2 | PTT | Mar 1 | Buy | DES | Apr 1-2, 13-14, 16-17, 20-21, 23-24, 25-26 | T.B.R. | T.B.R. | T.B.R. |
| Feb 28 | GAIL | Feb 28 | Buy (swap) | DES | Apr 4-10 | T.B.R. | T.B.R. | T.B.R. |
| Feb 28 | GAIL | Feb 28 | Sell (swap) | FOB | Mar 28 2023 | T.B.R. | Sabine Pass | T.B.R. |
| Feb 22 | PTT | Feb 22 | Buy | DES | Apr 1-2, 3-4, 13-14, 16-17, 20-21, 23-24 or 25-26 (at least 1crg) | TTF premium (1crg) | T.B.R. | Trader |
| Feb 22 | INPEX | Feb 22 | Buy | DES | early Apr | early - mid \$26.00's | T.B.R. | T.B.R. |
| Feb 22 | KOGAS | Feb 22 | Buy | DES | Mar 1-31 | T.B.R. | T.B.R. | Producer, Trader and Portfolio player |
| Feb 21 | Angola LNG | Feb 21 | Sell | DES/FOB | Mar 12 (earliest delivery) or Apr 6 (latest loading) | T.B.R. | Angola | T.B.R. |
| Feb 21 | RPGL | Feb 20 | Buy | DES | Mar 12-13 | \$29.70 | T.B.R. | Vitol |
| Feb 21 | Pakistan LNG | Feb 22 | Buy | DES | ①Mar 2-3 and ②Mar 10-11 | ②\$25.12 | T.B.R. | QP |
| Feb 21 | Japanese power company | Feb 18 | Buy | DES | mid Apr | T.B.R. | T.B.R. | T.B.R. |
| Feb 21 | Pertamina | Feb 21 | Sell | DES/FOB | Mar 24-27 and Apr 22-28 (loading·2crgs) | T.B.R. | Bontang | T.B.R. |
| Feb 18 | KOGAS | Feb 16 | Buy | DES | Feb 20 - Mar 10 | Mar TTF +\$1.00's | T.B.R. | T.B.R. |

○ Recent Shipping Transactions

| Reported date | Vessel Name | charterer | counter party | Type | Price | Start | Duration |
|---------------|--------------------|---------------|-----------------|------|-----------------|----------------|---------------------|
| Mar 2 | na | Shell | Gunvor | MEGI | T.B.R. | Mar | na |
| Mar 1 | na | RWE | Pavilion Energy | na | low-mid \$40k's | na | short term |
| Mar 1 | Celsius Copenhagen | BP | Gunvor | X | \$42k | early Mar | short term |
| Feb 28 | na | Mitsui | Gaslog | na | na | Oct - Dec 2024 | 9 yr |
| Feb 28 | Elisa Aquila | TotalEnergies | na | X | na | na | 1 yr |
| Feb 24 | Ork Spirit | Major | na | MEGI | ard \$90k's | na | na |
| Feb 24 | BW Iris | Shell | ENN | na | \$90k's | 2022 | 1yr + 2 yr (option) |
| Feb 22 | Gui Ying | Pan Ocean | na | X | \$40k | Mar 22 | short term |
| Feb 18 | Cool Racer | Exxon Mobil | ENN | X | \$80k's | na | 1yr + 1 yr (option) |

***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 |
|-------------|----------------|----------|-----------|----------|--------|--|
| Mar 2 | Tanggung | na | Indonesia | Jan 23 | na | A turnaround at the No.1 train finished and production volume was forecast to recover. |
| Mar 1 | Freeport | na | US | late Feb | na | The project has troubles at electric system. |
| Feb 28 | Bintulu | na | Malaysia | na | na | The ADP of term customers starting April had not been finalized. The Apr supply schedule was uncertain. |
| Feb 25 | Tanggung | na | Indonesia | Jan 23 | na | Repair works at a unit removing acid containing natural gas at some gas fields supplying gas to the T2 were still ongoing. |
| Feb 25 | Bintulu | na | Malaysia | na | na | The installation of a facility to remove mercury from the Tiga projec was likely to be delayed from the initial schedule in mid-March. |
| Feb 21 | Bonny Island | na | Nigeria | na | na | The project has troubles. |
| Feb 18 | Calcasieu Pass | na | US | na | na | Preparations for the test operation are in progress. |

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

◎ MARKET COMMENTARY
ODES Japan
Contracts jump with DES Northeast Asia market

The DES Japan contracts for April and May jumped \$6.95 from the previous day to \$40.10 and to \$39.65 respectively. The contracts for June to August

rose \$6.95 and those for September to November gained \$6.90. All prices tracked movements in the DES Northeast Asia market. The contracts for December to March 2023 increased \$6.90.

ONE Asia
DES NE Asia further increases amid sense of short supply mainly from Bintulu

The DES Northeast Asia market further increased sharply. Prices gained by \$6.95 from the day earlier to \$39.95-40.25 for second-half April delivery, to \$39.55-39.85 for first-half May delivery and to \$39.45-39.75 for second-half May delivery. While not only Korea Gas (KOGAS) but also several

Japanese power and city gas companies had demand for March to April delivery cargoes, supply room to Northeast Asia was not ample. Supply/demand fundamentals were tight. With the European natural gas markets rising, prices for second-half April delivery moved up to slightly above \$40.00 and those for first-half and second-half May delivery gained by the same level. Recovery of

production was delayed at the 28.00 mil mt/year Bintulu project in Malaysia and production was suspended since the end of December at the 3.90 mil mt/year Prelude project in Australia. Further, some players had been refraining from securing cargoes from the 10.80 mil mt/year Sakhalin 2 project since the end of February. Market sources expected that moves to request other Asian projects to supply alternative cargoes would be active going forward so the sense of short supply did not ease. At the No.1 train of the 7.20 mil mt/year Tangguh project in Indonesia, a five-week turnaround from Jan 23 finished and production volume was forecast to recover. Australia Pacific LNG (APLNG) would close a sell tender on Thursday for a cargo to be loaded at the 9.00 mil mt/year on Apr 6-7. Supply room was seen at some projects but supply/demand fundamentals were tight.

PTT to buy additional cargo

Petroleum Authority of Thailand (PTT) closed a buy tender on Tuesday for cargoes to be delivered to the 10.70 mil mt/year Map Ta Phut terminal on Apr 1-2, Apr 13-14, Apr 16-17, Apr 20-21, Apr 23-24 and Apr 25-26. PTT purchased an Apr 3-4 delivery cargo at a premium to the Netherlands' TTF natural gas market through a tender closed on Feb 22 for April delivery cargoes.

Players not buying spot cargoes from Sakhalin 2

Players began to refrain from buying cargoes from the Sakhalin 2 project. Supply itself was not disrupted. The 147,200cbm conventional tanker "Grand Mereya" was loading a cargo under a long-term contract on Wednesday. Nevertheless, eight Japanese end-users including JERA and Tokyo Gas, Korea Gas Corporation (KOGAS) and Taiwan's CPC Corporation continued to take long-term cargoes as of Wednesday. But many of these

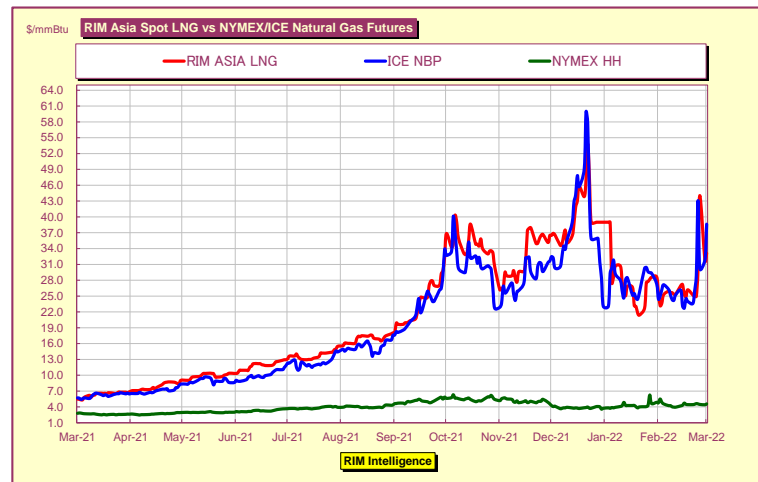
companies began to withhold from buying spot cargoes from Sakhalin 2. Many Chinese companies with no term contracts with the Sakhalin 2 project were also not keen to carry out spot purchase. A Northeast Asian utility company said that it would not carry out spot purchase, increase the term quantity or do swap deals since supply might be disrupted and the entry of tankers might be restricted going forward. At the Sakhalin 2 project, Shell which has an equity of 27.5% announced that it would withdraw from the business. At the Sakhalin 1 project which produces mainly crude, US Exxon-Mobil announced on Tuesday that it would withdraw from the business. On Wednesday, players were paying attention to moves by Mitsui and Mitsubishi, equity holders of the Sakhalin 2 project. A Japanese company said that from an energy security perspective, it was difficult for Japanese companies to withdraw from the Sakhalin 2 project but circumstances could change suddenly depending on the situation in Ukraine going forward.

Chinese companies postpone spot purchase

The market for June to August delivery increased \$6.95 from the day before, lifted by gains in the May delivery market along with rising European natural gas prices. Prices for June delivery were at \$39.35-39.65. Prices for September to November delivery also gained \$6.90. Prices for September delivery were at \$39.45-39.75. A European trader said that since the prompt market rose sharply, there was no price spread between August and September delivery. Prices for October to November delivery rose by the same amount as September delivery. In view of concerns over LNG supply from Russia and bullish sentiment, many Northeast Asian end-users including Chinese

companies refrained from buying cargoes for

forward delivery.



South Asia

GSPC to buy prompt Mar cargo

Prices on a DES South Asia basis sharply increased by \$6.80 from a day earlier to \$39.10-39.40 for first-half and second-half April delivery and to \$39.00-39.30 for first-half May delivery along with a surge in the European markets and the DES Northeast Asia market. But the rise in prices for second-half April delivery was smaller by 10-20cts than the DES Northeast Asia market since many end-users averse to the price hike were refraining from buying. Prices for first-half April and first-half

May delivery moved up similarly to second-half April delivery. GAIL (India) Ltd awarded a swap tender closed on Monday for selling cargoes from the US and buying cargoes for delivery to India. The delivery window to India was Apr 4-10. The prices were linked to the US Henry Hub natural gas market. The buying prices for delivery to India were higher by around \$6.70-6.95 than the sales prices for cargoes from the US. Furthermore, Gujarat State Petroleum Corp Ltd (GSPC) closed a buy tender on Wednesday for a Mar 19-25 delivery cargo.

Middle East

Prices extend gains; alternative demand increasing

FOB Middle East prices extended gains by \$7.00 to \$37.70-38.00 for first-half April loading, \$37.30-37.60 for second-half April loading, and \$37.20-37.50 for first-half May loading on Wednesday. Supply concerns over Russian natural gas were still strong and the TTF Natural gas market in the Netherlands rose sharply. Middle East loading prices moved up in line with this. Prices moved up to high \$37's for first-half April loading and those for second-half April and first-half May tracked the same movements. Asian and European

end-users avoided buying LNG from Russia and demand for alternative cargoes increased. This contributed the price rise. Qatargas increased supply from the 78.00 mil mt/year Ras Laffan project to the 15.40 mil mt/year South Hook terminal where its parent company Qatar Petroleum (QP) has usage rights. Further, Shell reportedly increased supply from the 10.50 mil mt/year Oman project to Europe.

DES Middle East extends sharp gains with DES South Asia

DES Middle East prices extended sharp gains by \$6.80 from the previous day to \$38.40-38.70 for first-half and second-half April delivery and to \$38.30-38.60 for first-half May delivery, boosted by a rise in the DES South Asia market. Prices for April delivery climbed to slightly above \$38.50. Prices for first-half May delivery were pushed up by those for

April delivery. Since January, end-users except state-run Kuwait Petroleum Corp (KPC) did not take cargoes including long-term ones. In the Middle East, winter is the low-demand season with no demand for air-conditioning. Therefore, many end-users temporarily stop intake of LNG from around December to March. In addition, many end-users judged the current market was relatively high and were taking wait-and-see stances.

Atlantic Region

Rebounds with rising European market

The FOB Atlantic market rebounded from a day earlier by \$7.00 to \$37.35-37.65 for second-half March loading, \$37.15-37.45 for first-half April loading, and \$36.95-37.25 for second-half April loading on Wednesday. Owing to the rising European natural gas market, prices for second-half March loading rose to mid \$37's. Prices for first-half and second-half April loading increased by the same amount as second-half March loading. GAIL awarded its swap tender closed on Monday to sell an ex-US cargo and buy an India delivery cargo. GAIL sold a cargo to be loaded at the 22.50 mil mt/year Sabine Pass project on Mar 28, 2023.

US Calcasieu Pass ships first cargo

At the US Calcasieu Pass project where commercial operation was scheduled in October to December 2022 or January to March 2023, its operator Venture Global started a test run. The 174,000cbm MEGI tanker "Yiannis" loaded the first cargo shipped from the project on Tuesday and headed to Europe. The 174,000cbm X-DF "Vivit City LNG" arrived at the project on Wednesday and it was said that the project would ship another cargo soon.

Europe

Alternative demand to replace Russian LNG emerges

DES Europe prices surged by \$7.15 from a day earlier to \$38.90-39.20 for second-half March delivery and by \$7.05 to \$38.60-38.90 for first-half April delivery and \$38.40-38.70 for second-half April delivery. As players refrained from taking Russian LNG, market sentiment turned bullish. The British government banned the intake of cargoes from the 16.50 mil mt/year Yamal project in Russia on Tuesday and demand for alternative cargoes emerged. Bids for first-half April delivery to

Northwest Europe were heard at a discount of 80cts to the Netherlands' TTF. As intake of prompt cargoes from the Yamal project was reduced, prices for second-half March delivery rose more sharply than first-half April delivery. Prices for second-half April delivery were pulled up by gains in the first-half April delivery market.

Britain bans LNG intake from Russia

As Britain announced that it would ban the intake of LNG from Russia, the 172,600cbm TFDE tanker "Christophe de Margerie" that was

supposed to discharge at the 14.30 mil mt/year Grain terminal in Britain in early March changed its destination to the 8.00 mil mt/year Montoir terminal in France. As the Grain terminal had been taking about three cargoes per month from the Yamal project in the past few months, the cargo whose destination was changed this time was

believed to be from Yamal. Other European countries might follow Britain's policy of banning LNG intake from Russia. A European trader said that as the situation in Russia was unclear, players were halting energy imports from Russia as a precaution.

South America

Market boosted by strong Europe gas prices

DES South America prices surged \$7.05 from the previous day to \$38.80-39.10 for second-half March delivery, \$38.70-39.00 for first-half April delivery and \$38.60-38.90 for second-half April delivery, bolstered by strength in the European natural gas market. Prices for first-half April delivery rose to high \$38's and this in turn pulled up prices for second-half March and second-half April delivery. The 138,059cbm conventional tanker "BW Boston"

carrying a cargo from the 15.30 mil mt/year Atlantic project in Trinidad and Tobago arrived on Feb 26 at the 2.00 mil mt/year Ponce terminal in Puerto Rico. Puerto Rico imports one to two cargoes a month but tankers have to discharge in two lots. As the tank capacity is not large, it is difficult to discharge the full quantity at one time. Puerto Rico imports LNG for power generation which is undertaken by US Fortress Energy.

Freight Market

Shell charters from Gunvor

For short term charter of less than three months, daily rates held steady from a day earlier at \$23,000-28,000 for conventional tankers, \$32,000-37,000 for DFDE and TFDE tankers, and \$39,500-44,500 for MEGI and X-DF tankers on Wednesday. Owing to concerns regarding Russian natural gas supply, more players were changing cargo destinations and adjusting their ship schedules. Along with these movements, players stopped chartering out and started to charter vessels for mid to long term. However, supply and demand was not tightening as many free tankers were available. Shell chartered a MEGI tanker from European Gunvor to carry a cargo from the US Gulf in March. It was said that special conditions such as ballast bonus were attached to the contract.

Players avoid chartering Russian-registered tankers

European players apparently avoided chartering in Russian-registered tankers since the European Union (EU) was considering to ban the entry of Russian-registered vessels. A player at a Japanese shipping company mentioned, "Russian-registered tankers are used in many cases to transport cargoes from the 16.50 mil mt/year Yamal project in Russia via long-term contracts and they are rarely chartered out to non-Russian players. So, the impact on the short-term chartering market would be limited."

Demand seen in the market

Australia Pacific LNG (APLNG) was moving to secure a tanker to transport an early April loading cargo from the 9.00 mil mt/year APLNG project. APLNG was conducting a sell tender for an early April loading cargo and was reportedly considering an option to sell it on a DES basis too. In addition,

Australian resources developer Woodside was moving to charter in a conventional tanker. The start of the fixture was unclear but the chartering period would be 45 days. For long-term contracts, China National Offshore Oil Corp (CNOOC) was seeking a tanker for a three-year contract from February 2023.

Japan Domestic Natural Gas Market

Ogaki Gas expands supply area of city gas

Ogaki Gas based in Ogaki City in Gifu Prefecture is a major local city gas supplier. The company started supplying city gas to Anpachigun Goudocho Nakazawa from February 2022. This is the first time that Ogaki Gas is supplying city gas outside Ogaki City. Ogaki Gas supplies city gas

produced at the Nishi Ogaki plant and also procures city gas from Toho Gas via pipeline to supply to Anpachigun Goudocho Nakazawa from a relay terminal in Ogaki City through a medium pressure and a low pressure pipeline. The company plans to lay pipelines and start supplying to other areas in Goudocho in 2026.

NYMEX/ICE Natural Gas Future Market Commentary (Mar 1)

NYMEX H.H. April gas rebounds as LNG exports expected to rise

The April natural gas contract on NYMEX closed at \$4.573 per million British thermal units (mmBtu) on Tuesday, up 17.1cts from the previous day. LNG exports for Europe were expected to rise and demand for LNG production were believed to increase.

The April natural gas contract of NBP on ICE in London settled at \$38.621, up 675.6cts from the previous day on supply concerns over Russian natural gas.

In NYMEX ACCESS TRADE, the front-month April natural gas contract as of 9:00am local time on Wednesday was trading at \$4.647/mmBtu, up 7.4cts from the close on Tuesday.

MARKET NEWS

TEPCO Daily: oil, gas & coal fired capacity estimated at 29,880MW

Japanese largest utility Tokyo Electric Power Co (TEPCO) had 29,880 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 Wednesday based on Rim Intelligence's projection. The total capacity was forecast to reach 42,680 MW, while estimated peak demand was at 35,960 MW in Tokyo area.

The Japan Meteorological Agency has forecasted temperatures in Tokyo to reach a daily high of 14 degrees Celsius.

Meanwhile, total peak demand for nine areas (excluding Okinawa) has been foreseen at 125,670 MW for which a total of 144,560 MW of power will be available.

| (unit: MW) | Estimated Available Capacity | | Estimated Peak Demand in Tokyo Area |
|------------|------------------------------|--------|--|
| | Oil, Gas & Coal | Total | |
| Wednesday | 29,880 | 42,680 | 35,960 |
| Tuesday | 29,860 | 42,650 | 36,540 |

OTABLE 3/2 LNG Cargo Arrivals at Tokyo Bay

| Japan LNG Terminal Cargo Arrivals | | | | | |
|-----------------------------------|-----------|---------------------|---------------|--------------|-----------------------|
| Arrival | Terminal | Carrier | Capacity(cum) | Capacity(mt) | Origin/Last Port |
| Tokyo Bay | | | | | |
| 09-Mar-22 | Sodegaura | Grand Mereya | 147,200 | 67,712 | Sakhalin 2, Russia |
| 09-Mar-22 | Futtsu | Al Khaznah | 135,496 | 62,328 | Ichthys, Australia |
| 07-Mar-22 | Ogishima | Puteri Mutiara Satu | 137,100 | 63,066 | Malaysia |
| 07-Mar-22 | Negishi | Amadi | 154,800 | 71,208 | Brunei |
| 05-Mar-22 | Futtsu | Flex Enterprise | 173,400 | 79,764 | Wheatstone, Australia |
| 05-Mar-22 | Ogishima | Energy Glory | 165,000 | 75,900 | Gorgon, Australia |
| 04-Mar-22 | Ogishima | Mubaraz | 137,000 | 63,020 | Abu Dhabi |
| 03-Mar-22 | Sodegaura | Scf Timmerman | 174,000 | 80,040 | QCLNG, Australia |
| 03-Mar-22 | Futtsu | Clean Ocean | 161,900 | 74,474 | Zeebrugge, Belgium |
| 04-Mar-22 | Ogishima | Energy Horizon | 177,000 | 81,420 | Pluto, Australia |
| 02-Mar-22 | Sodegaura | Esshu Maru | 153,000 | 70,380 | Ichthys, Australia |

OTABLE 3/2 LNG exports from NWS, Australia

| LNG Exports from Australia | | | |
|----------------------------|-----------------------|----------------|----------------|
| Arrival | Carrier | Capacity(cum) | Capacity(mt) |
| Dampier (NWS) | | | |
| 14-Mar-22 | Northwest Snipe | 127,500 | 58,650 |
| 09-Mar-22 | Northwest Stormpetrel | 127,500 | 58,650 |
| 06-Mar-22 | Pacific Enlighten | 145,000 | 66,700 |
| 04-Mar-22 | Methane Spirit | 165,500 | 76,130 |
| 01-Mar-22 | Northwest Sandpiper | 127,500 | 58,650 |
| Total | | 565,500 | 260,130 |

OTABLE 3/2 LNG Cargo Arrivals at Taiwan Terminals

| LNG Cargo Arrivals at Taiwan Terminal | | | | | |
|---------------------------------------|----------|------------------------|----------------|---------------|-----------------------|
| Arrival | Terminal | Carrier | Capacity(cbm) | Capacity(mt) | Origin |
| 01-Mar-22 | Yung An | Maran Gas Sparta | 161,870 | 74,460 | Bonny Island, Nigeria |
| | | Total | 161,870 | 74,460 | |
| 26-Feb-22 | Yung An | Woodside Charles Allen | 169,540 | 77,988 | NWS, Australia |
| 24-Feb-22 | Taichung | Doha | 137,354 | 63,183 | Qatar |
| 23-Feb-22 | Taichung | Maran Gas Chios | 174,000 | 80,040 | Gorgon, Australia |
| 21-Feb-22 | Yung An | Yenisei River | 155,000 | 71,300 | Zeebrugge, Belgium |

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