

# LNG Shipping Market

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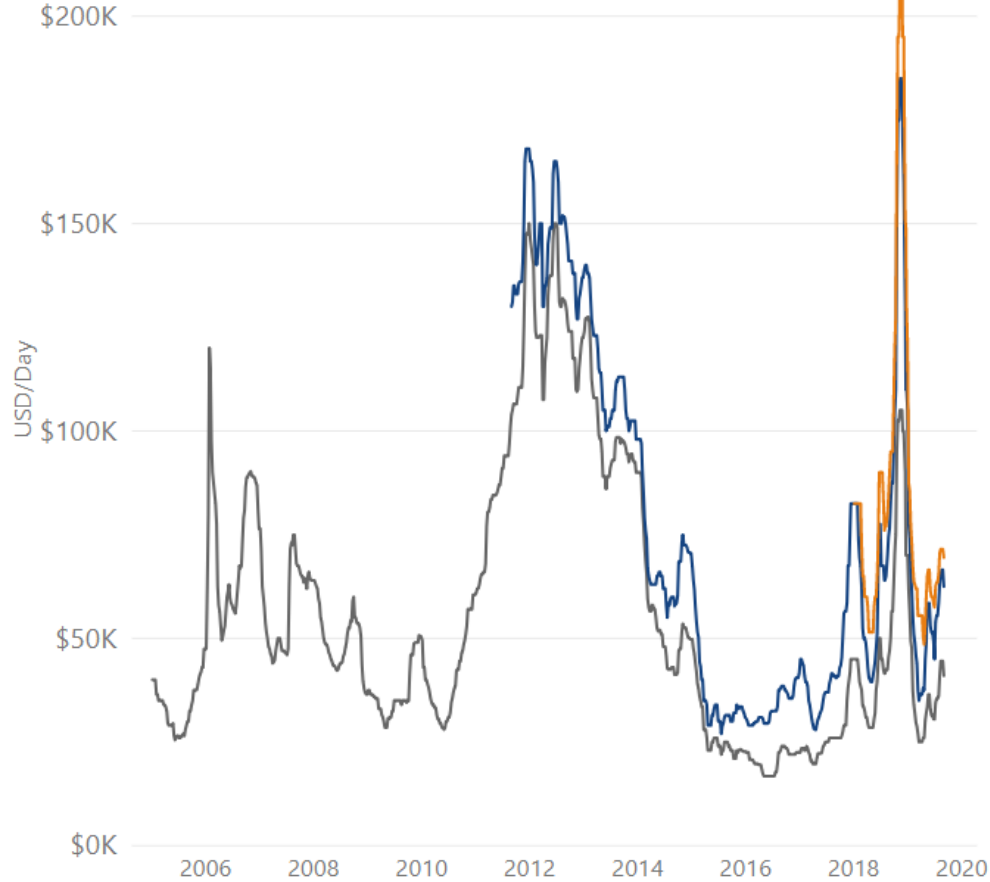
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- Current LNG Chartering market
- Mid-term outlook for LNG carriers

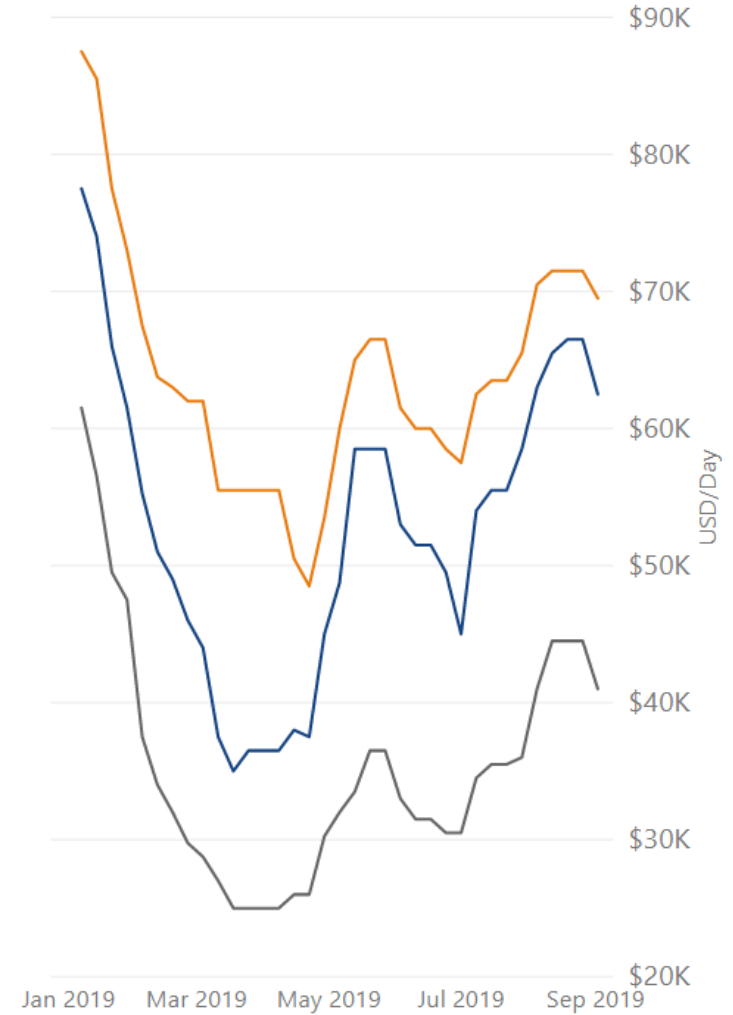
# Spot Charter Rates

2005-2019

— Spot Steam Turbine — Spot Tri Fuel Diesel Ele... — Spot MEGI/XDF



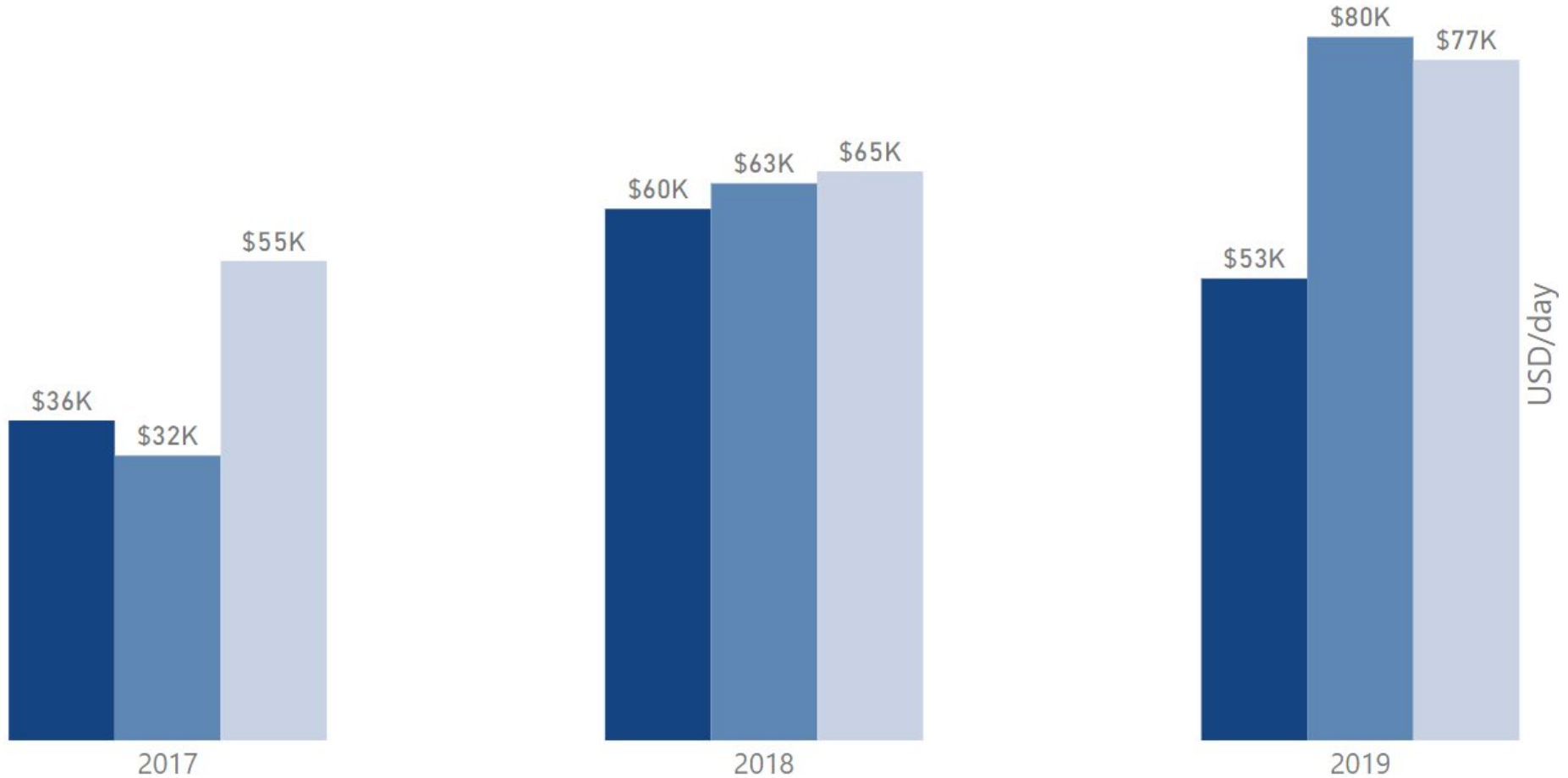
2019



# Spot rates are down 10%, mid-term rates are up 18-27% (YoY)

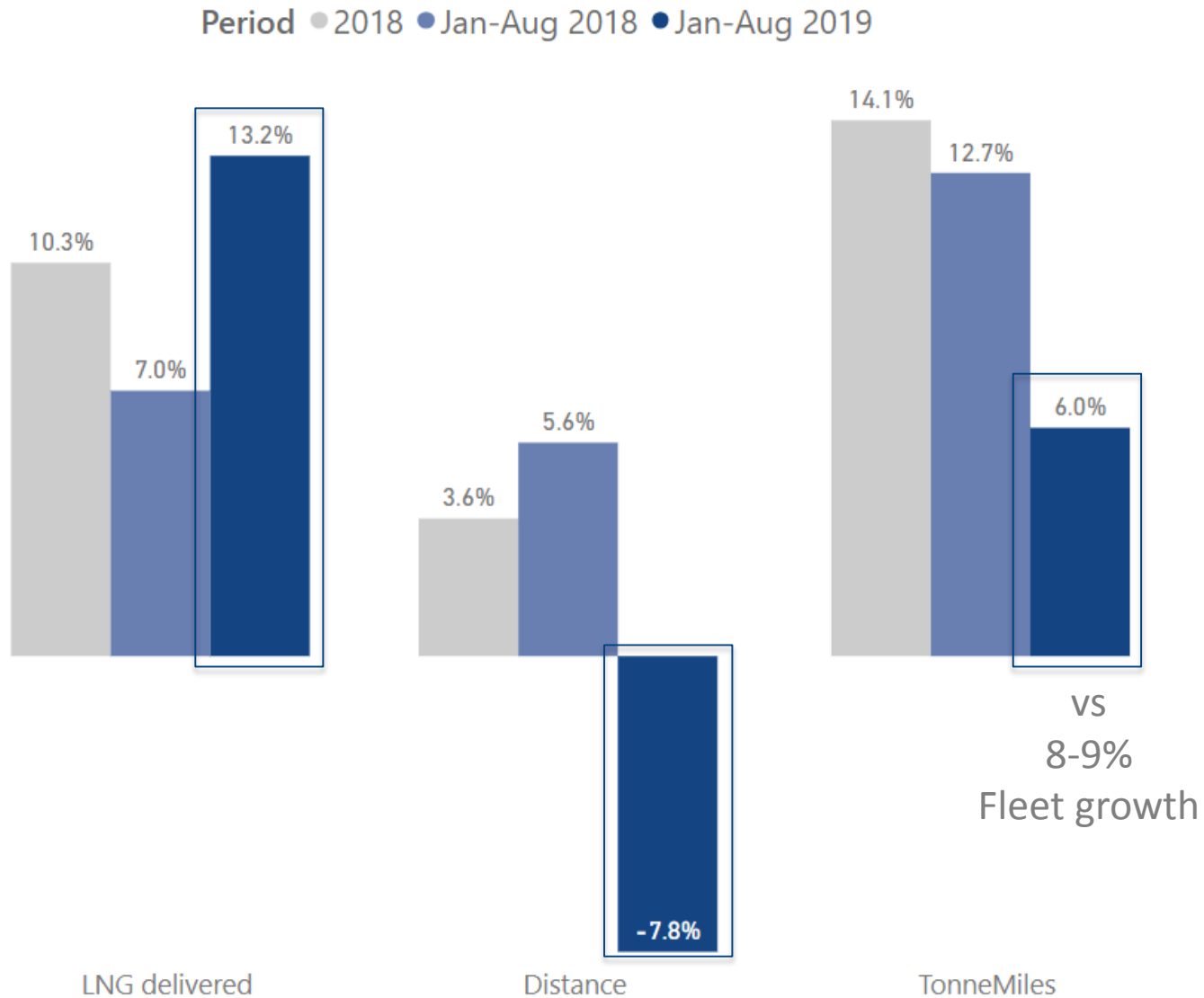
\*January-August Period

TFDE 155-165km3 ● Spot ● 1 year TC ● 3 years TC



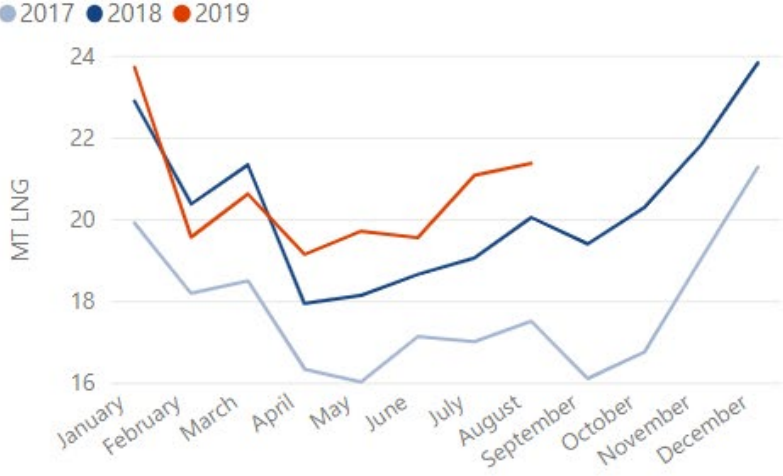
# Shipping demand growth held back by trade distance in 2019

## Year-on-Year Change

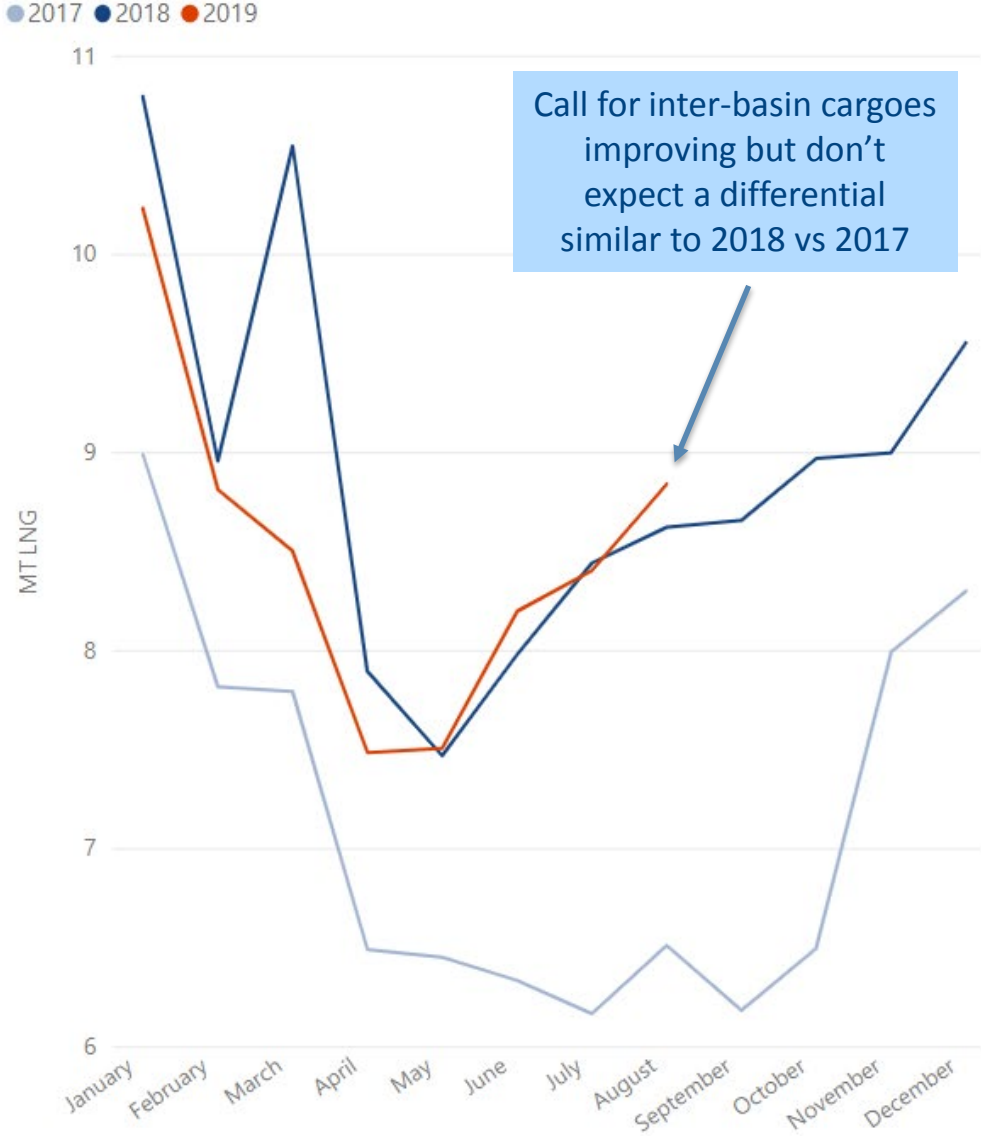


# Asian inter-basin demand is finally growing vs 2018

Asian LNG Imports



Asian Net Interbasin LNG Imports



Asian LNG Exports

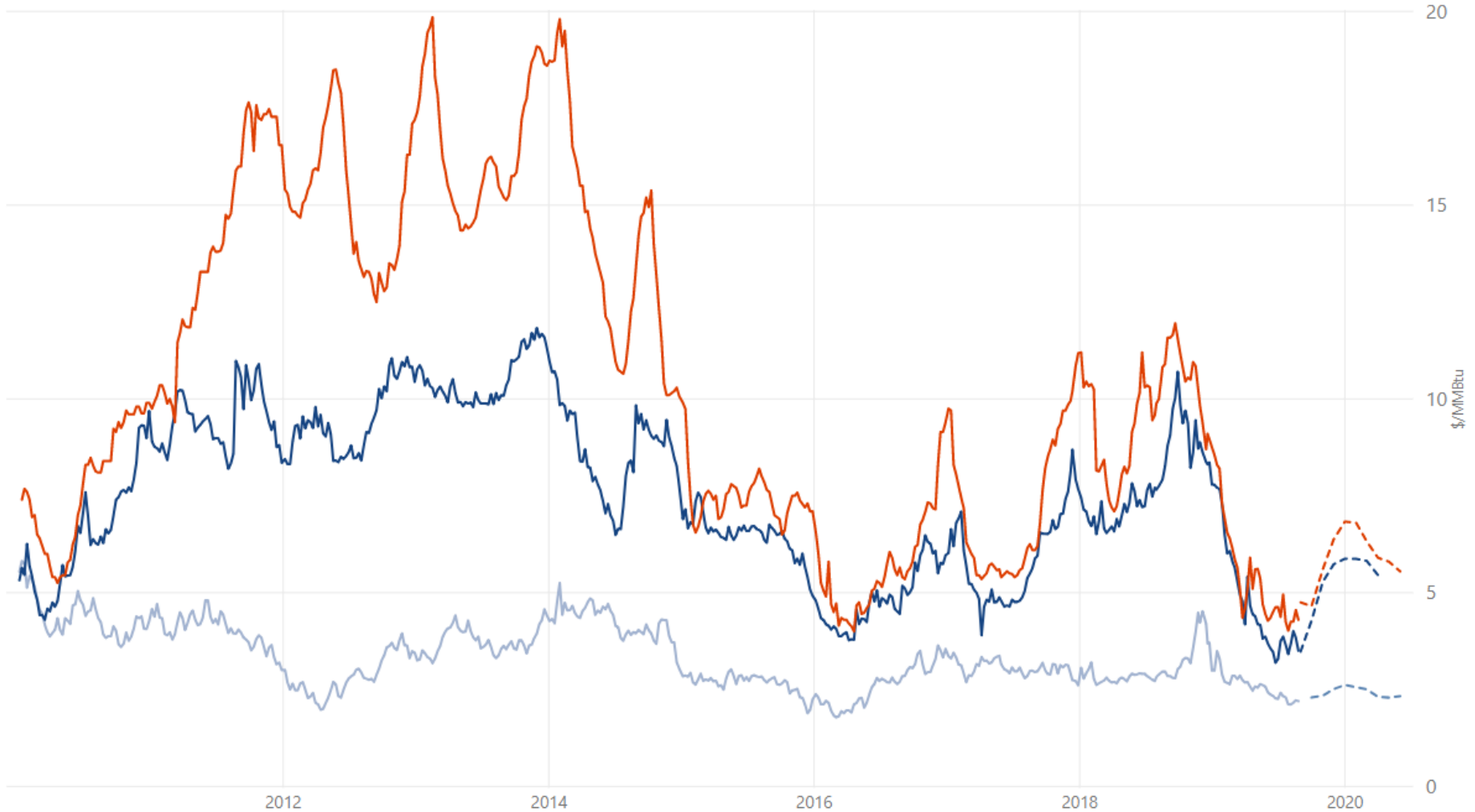


Sources: Fearnleys  
 Note: net imports to Asia from non-Asian regions.

# Expectation of weak LNG prices in winter

## Gas Prices

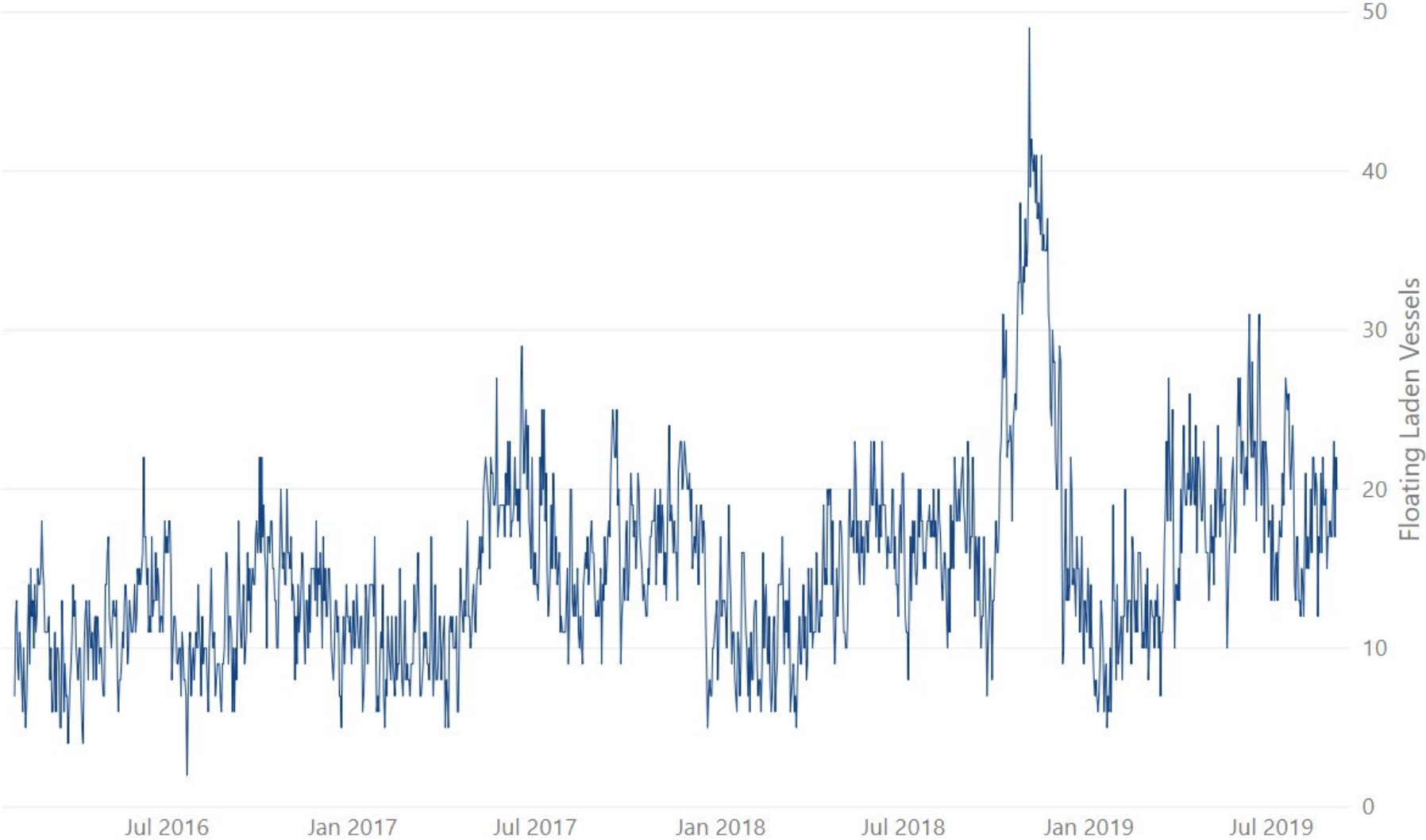
— US Henry Hub - - - US Forward — Europe Reference - - - Europe Forward — Asian Reference - - - Asia Forward





# All eyes on floating vessels end-September and October

Floating Laden LNG Carriers

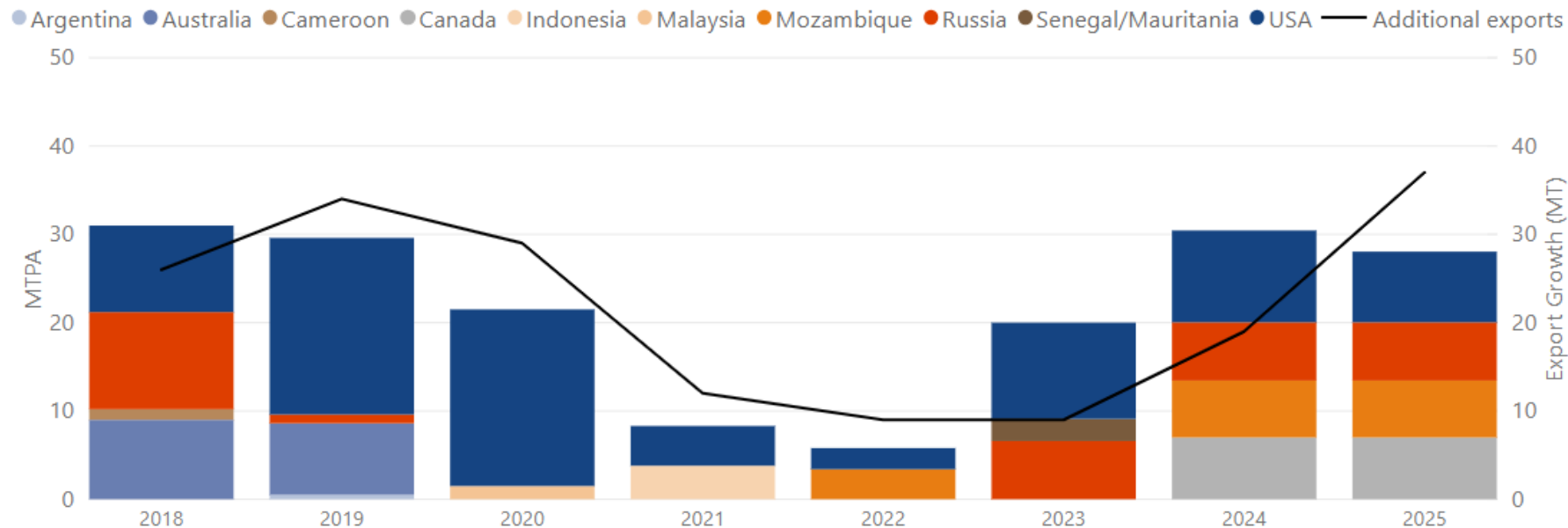


Sources: Fearnleys

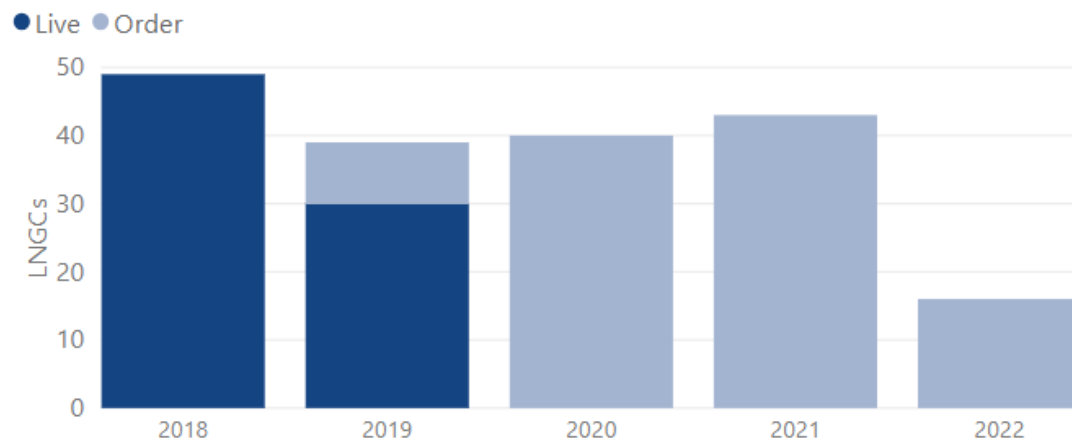
Note:

# Looking ahead – More LNG needs more carriers!

## New Liquefaction Capacity (MTPA) vs LNG Export Growth (MT)



## LNGC Deliveries

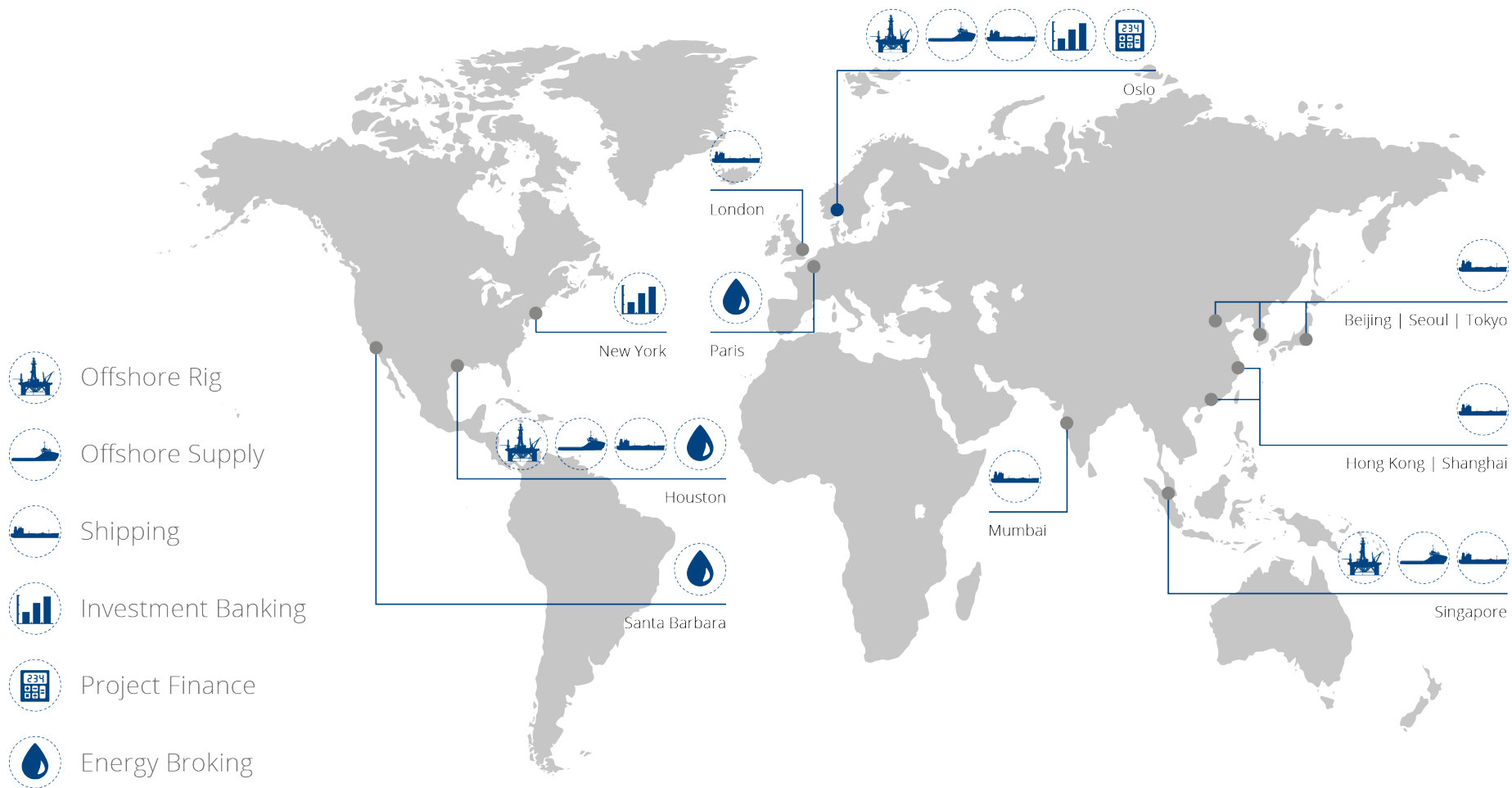


Next LNG wave still open, potentially more FIDs

# Final Remarks

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- Despite record volume growth, spot LNG shipping slowed down in 2019 due to weak trade pattern.
- Some rate improvement expected in Q4 but LNG prices not supportive. The need to float LNG could dry up vessel availability.
- LNG carrier market expected to be relatively balanced to tight in next years. Shipping rates will also benefit from rebalanced product market.



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