LNG WORLD SHIPPING

Editor's Viewpoint

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LNG trade in 2013 - the third year on the plateau

Angola became the 17th LNG export nation in 2013, following the opening of the new Soyo terminal

GIIGNL's preliminary numbers for the LNG industry in 2013 show another year of stability in a global trade which is poised to mushroom

Early figures released by the International Group of Liquefied Natural Gas Importers (GIIGNL), in advance of the association's full report on the LNG industry in 2013 expected later this month, points out that the global trade in LNG last year reached 236.9 million tonnes (mt), or 0.3 per cent more than was shipped in 2012. Worldwide movements of LNG have remained stable for the past three years. While significant growth is due in the years ahead, 2014 will be a year of relatively modest expansion.

The preliminary GIIGNL statistics for 2013 highlight several interesting facts. LNG traded on a spot or short-term basis reached 65 mt, its highest ever level and equal to 27 per cent of total movements. Middle East producers accounted for 41 per cent of global LNG supplies, their highest ever contribution to the total, and Asian buyers 75 per cent of global LNG imports.

As a result of the commissioning of a new liquefaction plant at Soyo, Angola joined the list of LNG export countries in 2013. A total of 12 new receiving terminals entered into service last year and Malaysia, Indonesia and Israel joined the list of LNG importers.

The GIIGNL numbers show that at the end of 2013 the world's 29 LNG import countries possessed 104 regasification terminals with a total capacity of 721 million tonnes per annum. On the other side of the coin the 17 LNG export nations operated 89 liquefaction trains with a total capacity of 286 mta.

Amongst the import nations, the two big winners in 2013 were China and Korea. The two countries between them bought almost 8 mt more than they had in 2012. The two biggest losers were Spain and the UK. Spain imported over 5 mt less than in 2012 while UK purchases were down by over 3 mt.

GIIGNL figures show that the LNG carrier fleet completed 3,998 laden voyages in 2013 in delivering the 236.9 mt of LNG traded worldwide. The fleet at the end of 2013 stood at 393 LNGCs following the completion of 20 newbuildings during the year and the recycling of four older ships.

As the industry welcomed in 2014, there were 113 LNGCs on order. On the basis of cargo-carrying capacity the current orderbook is equal to 32 per cent of the existing fleet. The largest-ever orderbook relative to the in-service fleet was in mid-2006 when it reached a level of almost 100 per cent. By the start of 2011, following the fallow 2008-2010 period when only 10 new LNG carriers were contracted, this figure had fallen to 6 per cent.

Because gas importers were sometimes able to command higher prices from overseas buyers than those pertaining domestically for LNG held in storage, a total of 4.2 mt of LNG was reloaded from regasification terminals during the course of 2013. Spain and Belgium between them accounted for 77 per cent of these re-export cargoes while Argentina and Brazil purchased an aggregate 51 per cent of the 4.2 mt that was reloaded.

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