



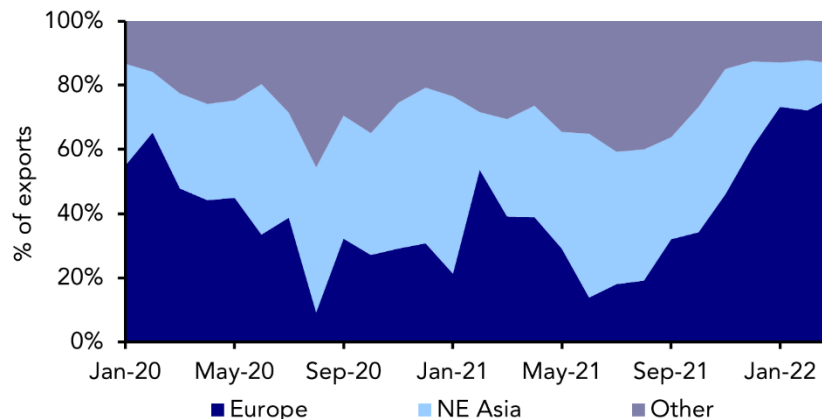
LNG Market Outlook

US Exports Reach New Record in March

US LNG exports hit a new record in March 2022 at an estimated 7.7 MMt which is roughly 20% higher than exports were in March 2021. Through 1Q 2022, the US exported 21 MMt as opposed to 16.8 MMt in 1Q 2021. Capacity expansions at Corpus Christi LNG and Sabine Pass and the commissioning of Calcasieu Pass LNG are the main factors driving the increase in LNG output from the US.

High demand in Asia and Europe is anticipated to keep US LNG exports elevated through 2022. Exports are forecast to climb by roughly 12% to 81 MMt/y in 2022 and 6% in 2023 to 86 MMt/y. Exports over the summer are unlikely to continue at the record seen in March, but they will be higher than last summer due to the strength of European demand.

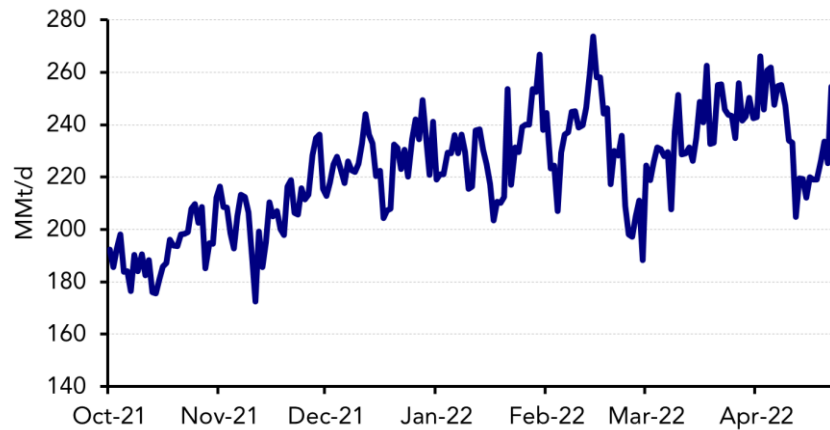
US LNG export forecast



LNG export terminals are running at full capacity. The daily rolling average for US exports shows that the first three weeks of April are close to those seen in March. There were some operational issues at Freeport LNG that brought the daily rolling average down during the second week of March, but those issues have been resolved and the daily rolling average has gained pace.

Currently, US exports are forecast at 6.4 MMt/month in April – a decline of 17% from March figures – but could be higher if there are no interruptions to operations to close out the month.

US LNG export daily rolling average



Roughly 80% of US exports in March went to Europe while just 10% went to Northeast Asia and another 13% went to rest of the world. France took in the most US LNG followed by the UK and Spain. A further increase in US exports to Europe is unlikely. Terminal slots for LNG cargoes in Europe are hard to come by, and there is an oversupply of LNG despite lower Russian pipeline flows. Exports to Northeast Asia are anticipated to rise in the near term as a result. Arbitrage economics currently favor Europe, but European terminals are full and some cargoes will have to be diverted to Asia.

US export destinations

