



# Assessing Efficiency in the Global LNG Market

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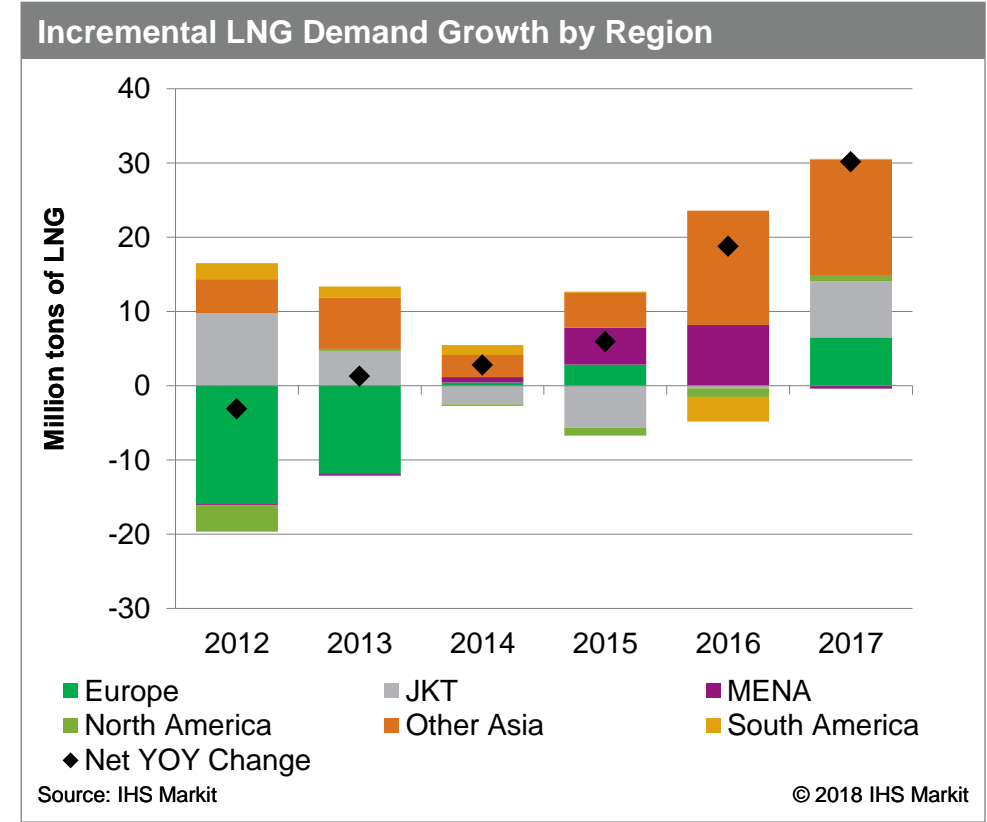
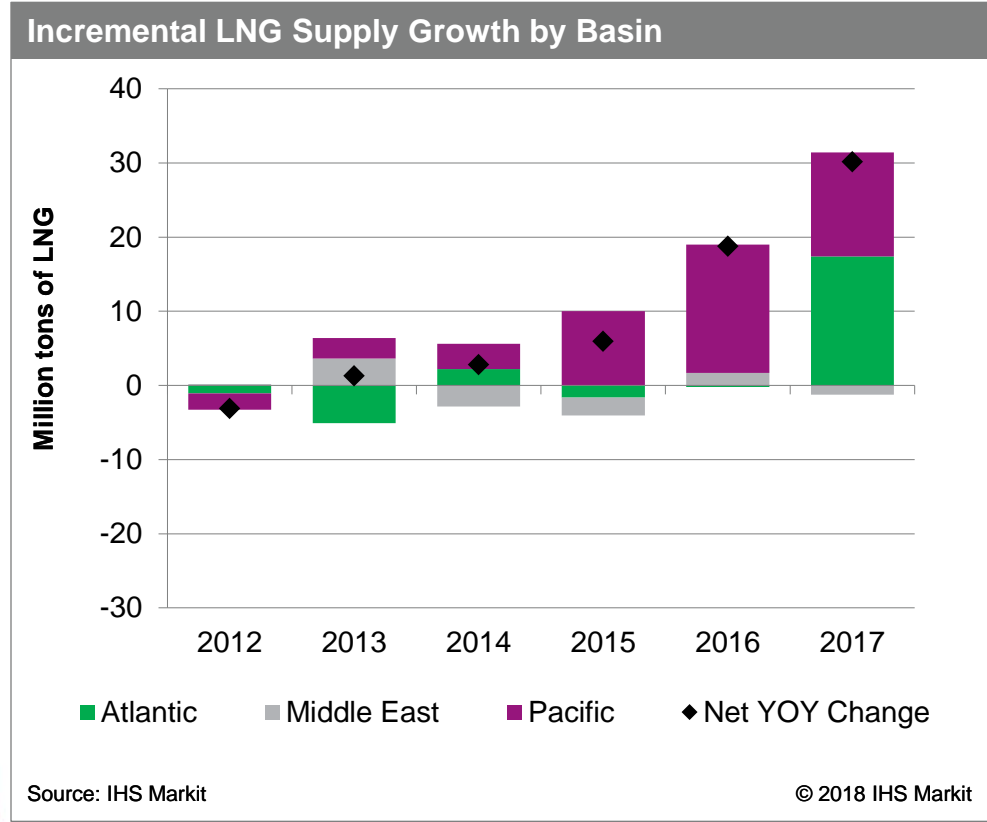
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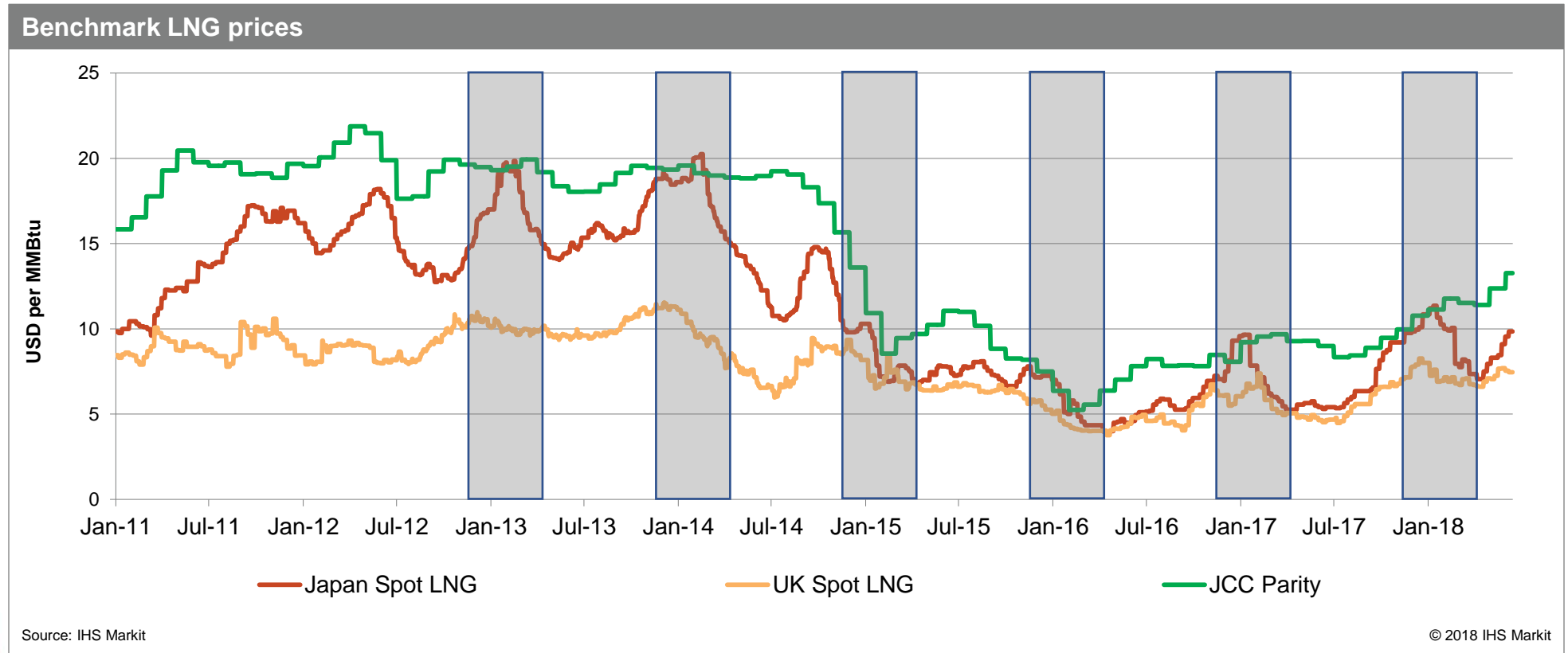
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# LNG supply and demand growing in scale and complexity



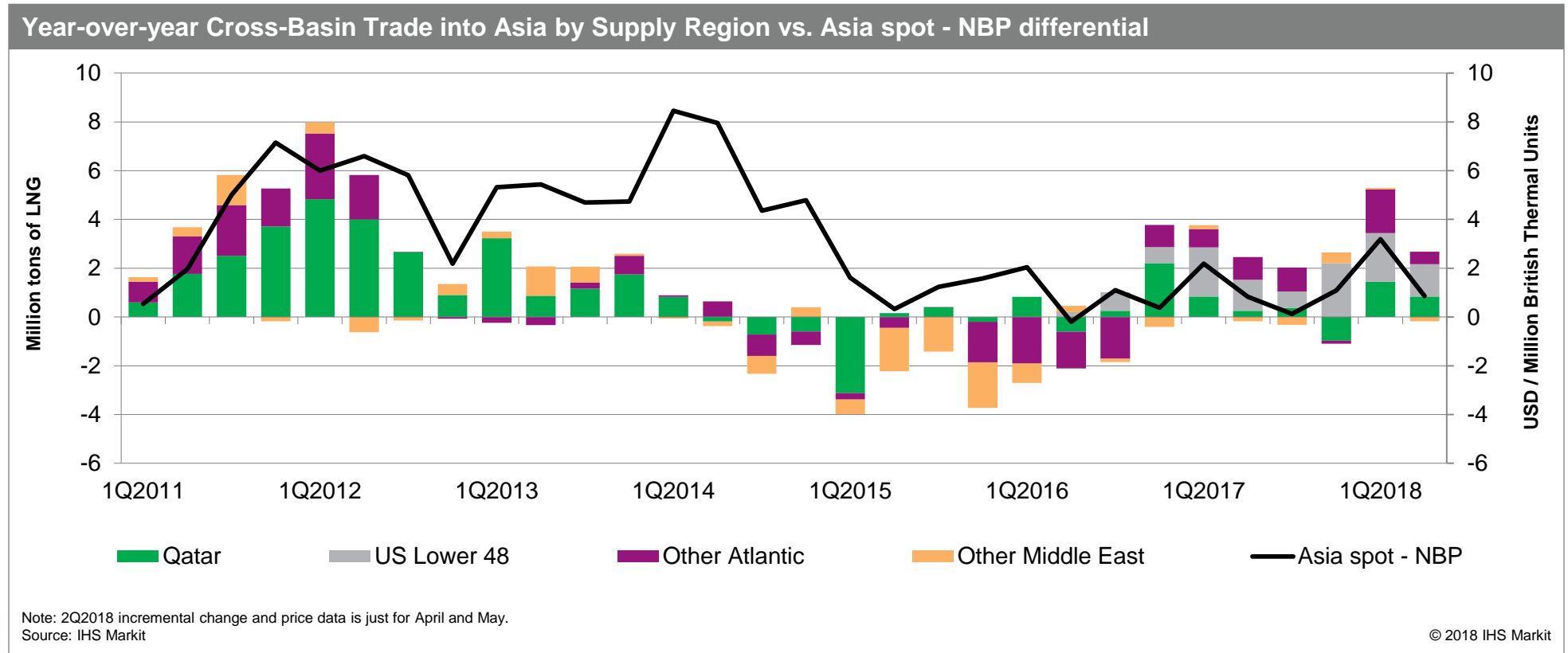
# The market is not in surplus yet – winter rallies still reaching oil price cap



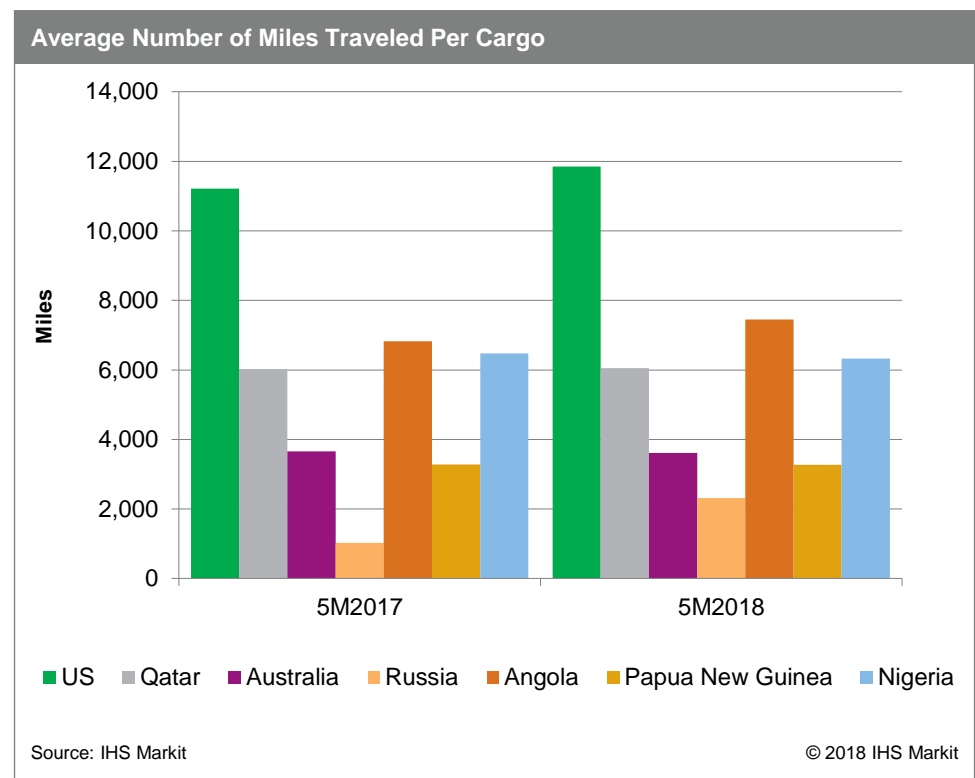
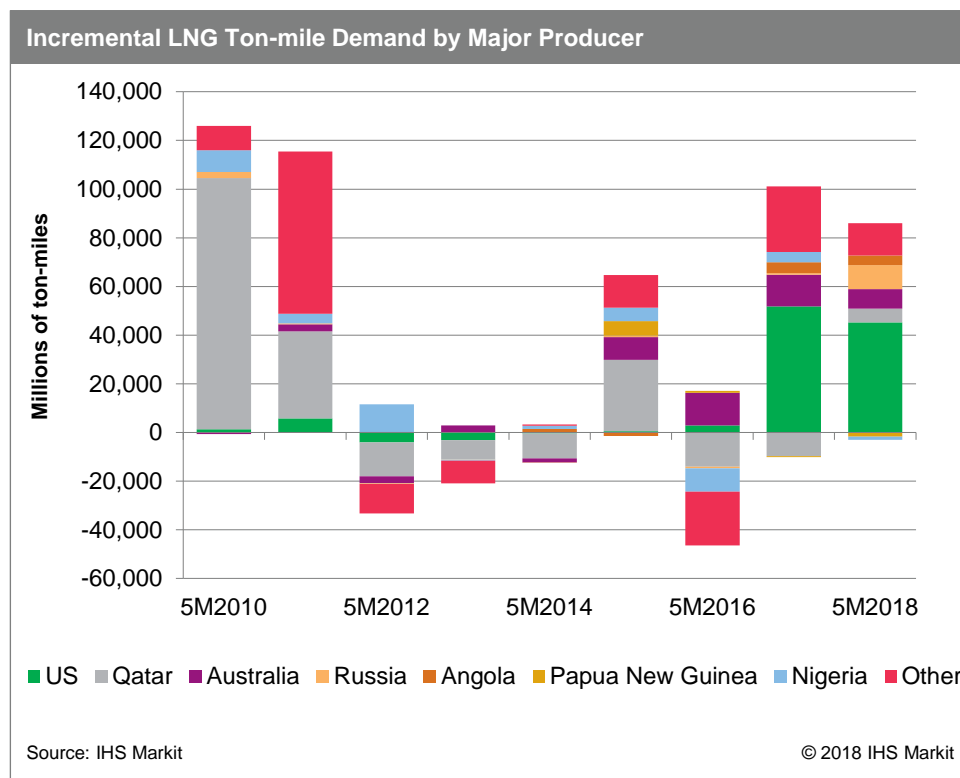
## Assessing LNG trade flow efficiency

1. Cross basin flows and corresponding ton-mileage
2. Asian buyers' relationships with foundational suppliers
3. New dynamics in LNG contracting

# Cross-basin trade flows rise despite narrow differentials



# US ton-mileage will key signpost for market efficiency



# Asian buyers increasingly relying on foundational suppliers



## New dynamics in LNG contracting

- Utilities becoming LNG portfolio players
- Focus on destination flexibility
- Commodity traders growing market share
- Intensification of partnerships and consolidation



## Conclusions

- With differentials under pressure, LNG marketers will be intensifying their focus on efficiency
- Asian buyers' relationships with its major suppliers will be critical in how they continue to procure additional volumes for their home markets
- New contract structures are being put in place to create and take advantage of more liquidity in the LNG market