February 2024

2024 ICIS LNG Global Supply & Demand Outlook

I·C·I·S

Independent Commodity Intelligence Services

EXECUTIVE SUMMARY

Global LNG markets **in 2023** began to rebalance from the shock caused by the cut in Russian natural gas supply to Europe a year earlier. The global gas benchmark, the *ICIS TTF*, began the year at €70.95/MWh ($22.00/MMBtu), reached a mid-summer low of €23.23/MWh ($7.30/MMBtu), before closing out 2023 at €32.00/MWh ($10.40/MMBtu).

Underlying gas consumption in the EU and UK market remained subdued and with relatively mild winter quarters at both the start and end of 2023, annual LNG imports dipped fractionally by 1% year on year, to 111.3m tonnes.

With its economy improving, China regained once again the crown for largest LNG importing nation, with 71.7m tonnes delivered, a gain of 14% on 2022.

The historic power-houses of LNG consumption, Japan and Korea, both witnessed further falls in their imports, as nuclear generation continued to eat into gas-fired power's share in the electricity mix.

As expected, 2023 was a scant year for LNG supply additions. LNG supply increased by almost 13.0m tonnes relative to a year earlier, with Freeport in the US returning following its 2022 fire and a third train starting up at Indonesia's Tangguh.

For our third annual Global LNG Supply & Demand Outlook we expect more of the same **in 2024**. Production additions will again be limited, and gas demand will grow while remaining well below historical normal levels in Europe.

With ongoing declines in Japan and Korea, but modest LNG import-growth in China continuing, we see the unconstrained global market as undersupplied on an annual basis. Once supply is measured at the point of destination, rather than at the point of production, we see a net 12m tonnes of supply shortfall.

Price signals, therefore, will need to remain firm at times through the year to drive the market to balance. As such, a return to pre-Ukraine war, and pre-covid, price levels are not expected for 2024.

Upside risk is seen should China's economy firm more than we expect or if sanctions and shipping constraints make train 1 at Russia's Arctic LNG 2 project a non-starter. Downside risks are possible in Europe, particularly if gas storage holds at very healthy levels driven by ongoing poor industrial recovery and yet more mild weather that mutes heating demand.

LNG supply

ICIS predicts only a small annual increase in global LNG output this year, rising just over 1% from 410.9m tonnes in 2023 to 416.3m tonnes in 2024. This comes as a relatively limited number of new liquefaction projects are expected to enter the market, and downturn from older plants with declining feedgas will likely offset part of the volume from the new projects.

However, there is a major new wave of projects ahead from 2025 onwards, first from the US, Canada and Mexico and later from Qatar, so a new wave of LNG supply is not too far away. If some of those projects make good progress, there could be some upside on growth in late 2024.

The main projects due to start up in 2024 are the relatively small 0.6mtpa Congo LNG and 2.5mtpa Tortue LNG projects off west Africa, as well as the 1.4mtpa Fast LNG project off Altamira, Mexico, with potential upside from early US projects like Corpus Christi's expansion in late 2024.

Russia's Arctic LNG project remains a key uncertainty. The first 6.6mtpa train started producing LNG in late 2023, according to local reports. But while the plant is understood to be operational, it remains unclear how much it can load and sell in the market due to the impact of sanctions.

LNG demand

We predict unconstrained LNG demand in 2024 at 423.4m tonnes, a 5% rise on a year earlier. Given supply additions will not be able to match the 20.8m tonnes year-on-year rise, however, this level of imports will not be met, highlighting the ongoing tightness in the market.

China will add five new terminals and ICIS expects LNG imports to rise 9% year on year, to 78m tonnes. Given the wider Chinese economic environment we still see 2024 LNG imports below the all-time high set in 2021.

Japan will see its LNG arrivals dip almost 3% to 64.3m tonnes as the ongoing nuclear renaissance and lower overall power demand reduce the required run-rates at gas-fired power plants. Korea's LNG imports will fall 10% to 40.1m tonnes, for similar reasons.

Having flat-lined in 2023, relative to a year earlier, we expect LNG imports by the wider EU and UK market area to increase 15%. Assuming underlying gas demand begins to improve in the latter part of 2024 in particular, but with no major changes in pipe supply, we predict that LNG increases will largely cover the difference and therefore rise to 128.0m tonnes.

GLOBAL LNG SUPPLY

United States

ICIS predicts that US exports will remain steady at 2023 values, with total export volumes of 89.5m tonnes. This should allow the US to comfortably retain its status as the largest global exporter in 2024.

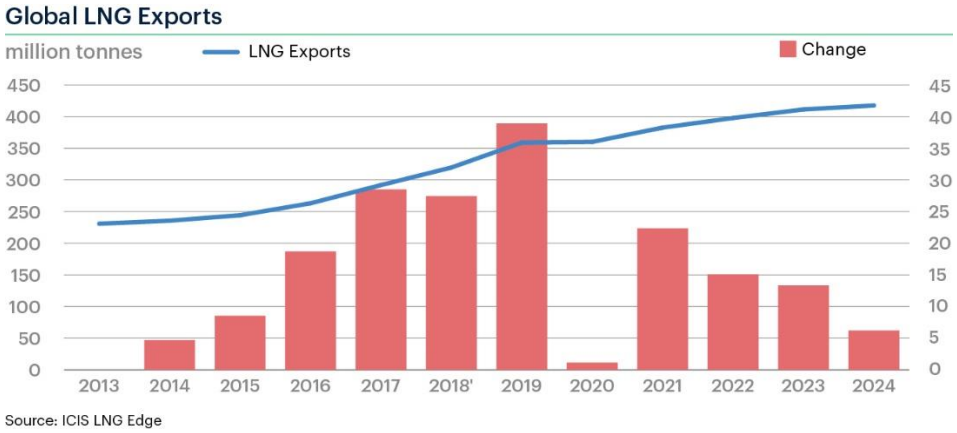
US LNG exports continue to replace large volumes of Russian pipeline gas in Europe. But no major step-up in new production is expected in 2024. The Corpus Christi stage 3 expansion in the US may also come online early in late 2024, which may marginally increase US production. Plaquemines may commission in the closing weeks of the year, while delays to Golden Pass have pushed its anticipated start-up date to early 2025.

The 1.4mtpa Fast LNG Altamira project based in Mexico, which was intended to start production in Q4 2023, is now expected in Q1 2024. The liquefaction terminal is based in Mexico, however the feedgas is sourced from US pipeline gas. Altamira is not included in our United States forecast figures.

We see no reasons to anticipate large scale production issues. Freeport is now expected to operate at full capacity, producing 12.6m tonnes of LNG in 2023, following a fire in 2022 which took the plant offline for over a year.

Despite Venture Global not yet declaring full commercial production at their 2022 Calcasieu Pass liquefaction project, the plant appears to be operating at nameplate capacity, producing 10.4m tonnes of LNG in 2023.

Extreme weather in the Gulf of Mexico can affect local shipping. However, historically this has not considerably altered US LNG production. US cargoes do not have to utilise the Suez Canal and are expected to be largely unaffected by ongoing conflict in the Red Sea area. However, restrictions to passage through the Panama Canal may affect US exports to Asian buyers.



Source: ICIS LNG Edge

Qatar

We forecast Qatar's output in 2024 at around 77.9m tonnes, with no major changes to production capacity affecting the country in the near term. Qatar has been running at a similar rate for some years, targeting a plateau production of 77.0mtpa. Estimating the exact output from Qatar through ship-tracking can be subject to some variation, as Qatar occasionally only part loads its large LNG tankers.

Qatar has ceded its position as the world's largest LNG exporter to the US, but it is planning growth in the coming years. Major expansion projects already underway will take nameplate capacity up from 77.0mtpa to 126.0mtpa capacity in the late 2020s.

The expansions come from the 32.0mtpa North Field East and 16.0mtpa North Field South projects. Qatar has been busy in recent years selecting investment partners for the projects, including major global producers like Shell, ExxonMobil and TotalEnergies, and signing long-term sales contracts to market the future output, including with China's big three oil and gas companies, CNOOC, CNPC and Sinopec.

Recent disruption to Red Sea shipping has the potential to disrupt Qatar's normal deliveries via the Suez Canal to Europe. Sending ships around the Cape of Good Hope to Europe could take twice as long for some destinations. If disruption is prolonged throughout 2024, this may impact annual output unless Qatar mitigates the shipping constraints by chartering more tankers, or arranging swap deals with other producers to reduce its voyage needs.

Australia

Australian LNG exports are expected to remain steady at approximately 80.0m tonnes in 2024, despite losses in production from the Darwin, Wheatstone and North West Shelf terminals.

Darwin is expected to remain fully offline in 2024 due to reductions in feedgas supply after an end to gas flows from the Bayu-Undan field. It is not expected to return until the start-up of the Barossa project in 2025.

Production at other plants is predicted to remain steady, with the exception of Shell's Prelude FLNG. Our current forecast suggests supply from Prelude will increase from 2.0m tonnes to 2.8m tonnes from 2023 to 2024, with the gains here helping offset declines elsewhere. However, the plant has historically suffered from a number of periods of production problems. Despite no expected outages in 2024, there is therefore a possibility that unforeseen issues could cause overall Australian production to dip below 2023 levels.

Russia

Russia was again the fourth largest LNG exporter in 2023, and is likely to remain so in 2024, as new export plants are brought online. We forecast 2024 exports at 33.9m tonnes, up from 31.1m tonnes in 2023.

Sanctions imposed on Russia following its invasion of Ukraine have not affected LNG facilities that are already operational, but there are signs that they have been inhibiting progress at planned plants. Arctic LNG 2, located near the existing Yamal LNG export project, was initially

supposed to launch in Q4 2023 but at the time of writing had not loaded any cargoes in late January. The first train of the project, which is formed of three 6.6mtpa trains, has reportedly started liquefaction.

With much of the western-built equipment for the first train already delivered, train one is said largely to have required only a rearrangement, while Chinese-made equipment will now be used extensively in the other two trains. Potentially of greater significance, however, are sanctions-related delays to the complex ice-breaking ships needed to lift the cargoes and traverse the thick sea ice of the Northern Sea Route. Of a total of 21 vessels ordered, none have yet been delivered, with three cancelled and a maximum of eight in a position to be delivered in the near future.

We see output from the existing Yamal plant fairly steady in 2024 at 19.8m tonnes, with Sakhalin on the east coast rising to 11.1m tonnes, around 1.0m tonnes higher than the year before when there was major maintenance in summer 2023. The small Portovaya plant in the Baltic is forecast around 1.3m tonnes.

Asia-Pacific

Indonesia's Tangguh train 3 started in October 2023, effectively pushing the plant's nameplate capacity to 11.4mtpa. With its ramp-up expected to be completed by Q1 2024, we forecast Indonesia to produce 18.0mtpa this year, up 15% year on year. Nearby Papua New Guinea managed to achieve exports of 8.6m tonnes in 2023, but we forecast a slight decline at 8.4m tonnes in 2024.

Output from Malaysia was maintained at a similar level in 2023 to the previous year. We expect the country to be producing again at a similar level this year, at 26.8m tonnes. An issue to watch will be the shut-in of a portion of the Sabah-Sarawak Gas Pipeline. It remains to be seen if Petronas will build a bypass for this portion to mitigate the downside risk of getting less Sabah gas into Bintulu.

Africa

African exports are expected to increase from 40.9m tonnes in 2023 to 44.2m tonnes in 2024. This is largely due to the start-up of new plants in the region as well as predicted increases in output from existing projects in Mozambique and Egypt.

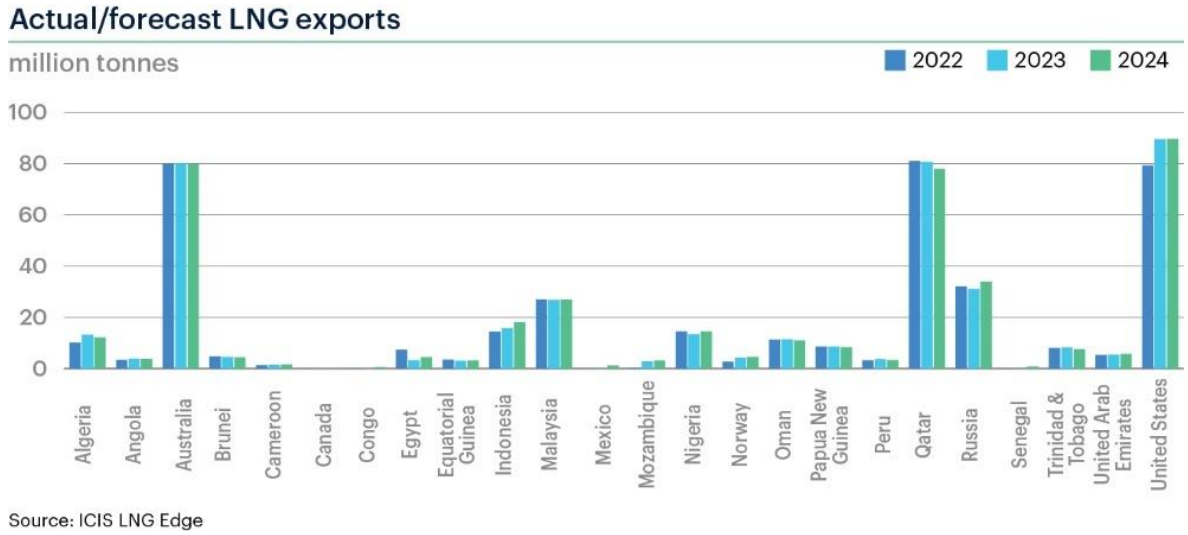
In Mozambique, the Coral South FLNG plant continues to ramp up to 3.2m tonnes after coming online in late 2022. Egypt produced only 3.2m tonnes in 2023 after large scale outages due to increased domestic demand and reductions of pipe imports from Israel due to the conflict in Gaza. However, we forecast output to increase to 4.5m tonnes in 2024.

Tortue LNG in Senegal is expected to come online in Q3 2024, adding approximately 2.5mtpa of capacity as the plant ramps up. The smaller Congo LNG plant in the Republic of the Congo is expected to come online in Q1 2024, initially adding 0.8mtpa of capacity.

The largest African LNG producer, Nigeria, has experienced a downturn in production in recent years due to major flooding, and attacks on pipelines. Our forecast expects Nigerian

production to increase from 13.5m tonnes to 14.5m tonnes in 2024, however continued disruption could affect this prediction.

Algerian production was strong at 13.2m tonnes in 2023, but is currently predicted to decrease to 12.2m tonnes in 2024 as feedgas supplies to the ageing plants Arzew and Skikda decline. The remaining African LNG producers, Cameroon, Equatorial Guinea and Angola are expected to remain steady in 2024 and we foresee no major production issues.



Source: ICIS LNG Edge

Europe, the Americas and UAE

ICIS forecasts predict a marginal increase in production from Norway, the only LNG producer in Europe. Despite suffering an unplanned outage in May 2023, the plant produced a total of 4.2m tonnes throughout the year, just shy of nameplate capacity. Assuming no significant unplanned outages occur in 2024, we expect production volumes to increase slightly to 4.6m tonnes.

Production from Peru is expected to remain reasonably steady in 2024. We currently anticipate no major changes in Peruvian LNG export volumes. ICIS predicts exports from Point Fortin in Trinidad and Tobago will decline slightly in 2024, from 8.3m tonnes to 7.6m tonnes. This is due to declining feedgas levels to the plant. Previous years have seen small rebounds in production as new gas fields have been connected to the plant, which could offer some upside to our production forecast.

In the Middle East, besides Qatar, we forecast steady or slightly higher supplies from the United Arab Emirates (UAE) at Das Island, in the range of 5.5 to 5.8m tonnes.

GLOBAL LNG DEMAND

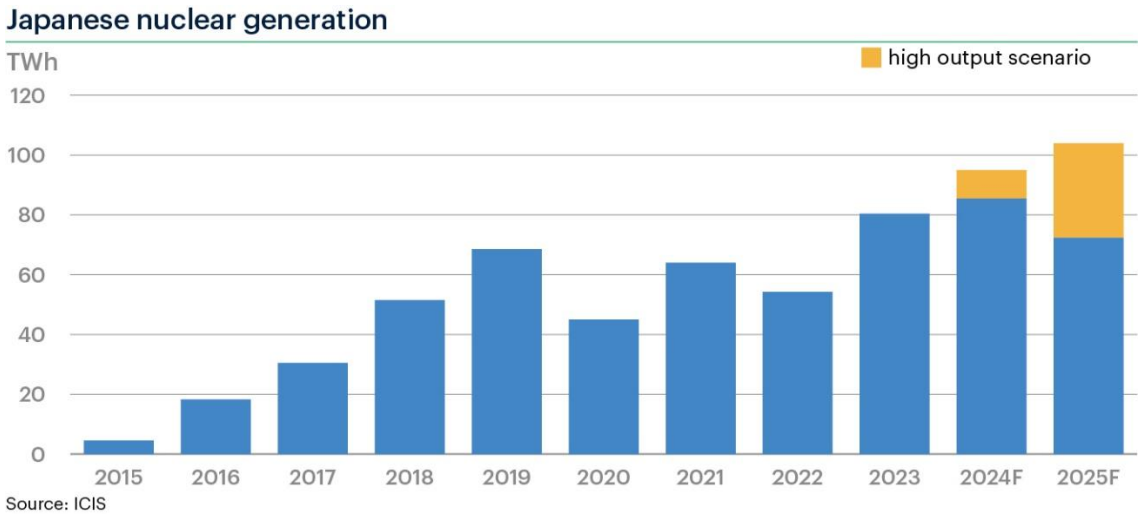
Japan

ICIS has forecast Japanese LNG imports to decline by 3% in 2024 to 64.3m tonnes. Nuclear restarts continue to be the main driver of downward pressure, though the LNG forecast is susceptible to upside risk following a delay announcement.

Tohoku Electric announced on 10 January 2024 it would need to revise its plan to restart the 825MW Onagawa 2 nuclear reactor in May 2024. The restart is now expected to be delayed by several months. Chugoku Electric plans to restart its 820MW Shimane 2 reactor in August, which is also the subject of some uncertainty.

Japanese coal-fired generation fell sharply in 2023. This was despite the commissioning of 3.5GW of new capacity in 2022 and 1.3GW in 2023. A rebound toward historic capacity factor could exert considerable pressure on LNG in the power generation mix, but there has been no sign of change to the downward trend to date. Power consumption has also remained weak amid a mild start to the year, but may start to push higher during the summer months depending on easing electricity rates.

Like last year, 2024 started with unusually high LNG storage volumes, which is likely to cap imports during the first half of the year. Industrial gas demand is forecast to see moderate recovery in line with economic growth expectations but should remain below 2022 levels.



Source: ICIS

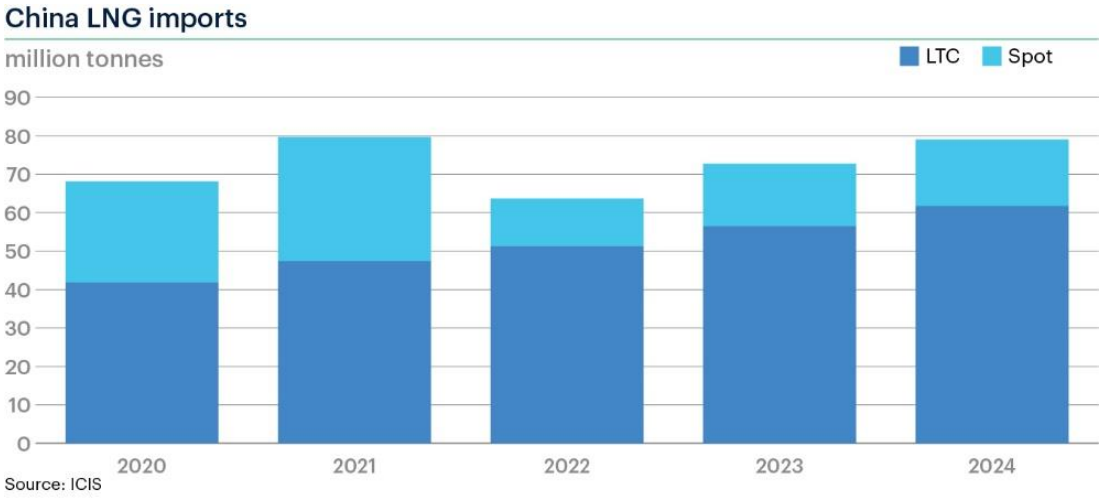
China

China's 2024 LNG imports are forecast at 78.0m tonnes. This is 9% higher than 2023, but still lower compared to the 2021 peak. Despite new regasification capacity and new term contracts, China's demand outlook is clouded by a patchy economic recovery.

Five new LNG regasification terminals started in 2023 and added a total of 17mtpa in new import capacity. China's city gas demand is expected to grow moderately at 3%. Although the latest Purchasing Manager Index indicated an improvement in manufacturing, the higher-than-average spot LNG price continues to put downward pressure on industrial gas demand. With an estimated GDP growth rate of 4.2% in 2024, China's total gas demand is forecast to reach 410 billion cubic metres (bcm), up 6% from 2023.

On the supply side, ICIS estimates domestic production will increase to 245bcm in 2024, up by 5.6% year on year. For seven consecutive years Chinese gas production has added more than 10bcm/year and in 2023 total output reached 230bcm. Pipeline gas imports are expected to increase to 78.6bcm in 2024, from an estimated 70bcm in 2023, rising 11% year on year. The increase in pipe gas imports mainly comes from Russia.

A total of 5.7mtpa in new term LNG contracts will begin delivery in 2024. The new volume will come from the sanctioned Arctic LNG 2 plant in Russia. The output of the plant remains uncertain. ICIS estimates China to import around 62m tonnes of term LNG in 2024.

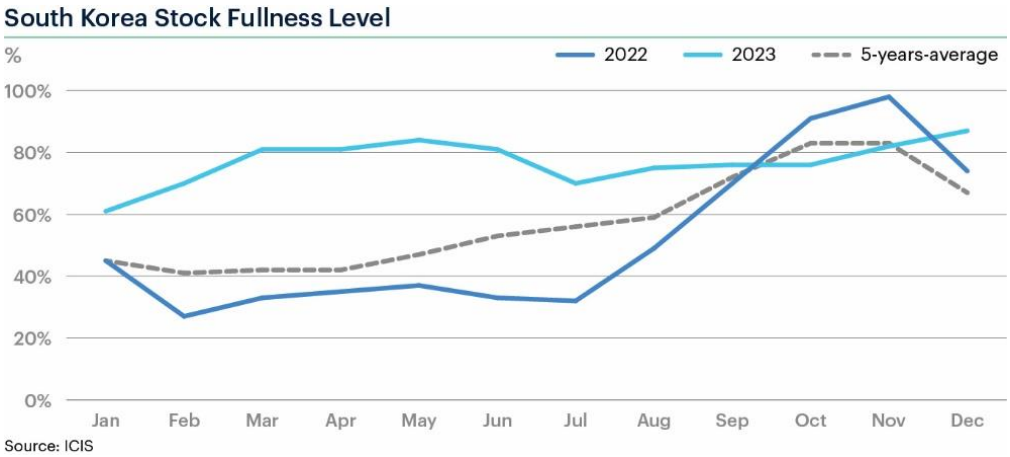


Chinese spot LNG purchases increased by 17% year on year, to 13.6m tonnes, by the end of 2023, but were 56% lower than the peak in 2021. The share of spot demand over total LNG imports dropped to 18% in 2023, from the 5-year average of 50%. The significant fall in spot purchases is partially a response to the expensive Asian LNG spot price, averaging $17/MMBtu throughout the year. We expect a further increase in spot LNG demand when the spot price goes below $10/MMBtu.

The new wave of LNG terminals and expansions will continue to support the growth of LNG demand in China in 2024. We estimate there will be eight-to-nine new LNG terminals coming online in 2024, with total regasification capacity of up to 32mtpa. Existing terminals in Zhuhai and Binhai will also add 6.5mtpa of new regasification capacity and 11 storage tanks with a total volume of 2.9 million cubic meters (mcm) of liquified gas.

South Korea

ICIS forecasts Korean imports in 2024 to decline to 40m tonnes, down 10% compared to 2023, due to a 24% expected fall in gas-fired power and high stocks at the start of the year.



The two main drivers of lower gas-to-power demand are the start-up of new nuclear and coal power plants and the expected higher operation rate of existing coal plants. The commissioning of Shin Hanul Unit 2 and Samcheok Blue Unit 1 will add 1.4GW and 1.05GW in new capacity respectively. In addition, ICIS expects no mandatory curtailment for coal power plants. We estimate the average operation rate of coal-fired power units will reach 70% in 2024, six percentage points higher than in 2023.

A mild winter and higher-than-average LNG stock levels will restrain LNG imports in early 2024. By the end of 2023, LNG stocks were estimated to be 5.8m tonnes, at 90% storage fullness. That is 28 percentage points higher compared to the previous year.

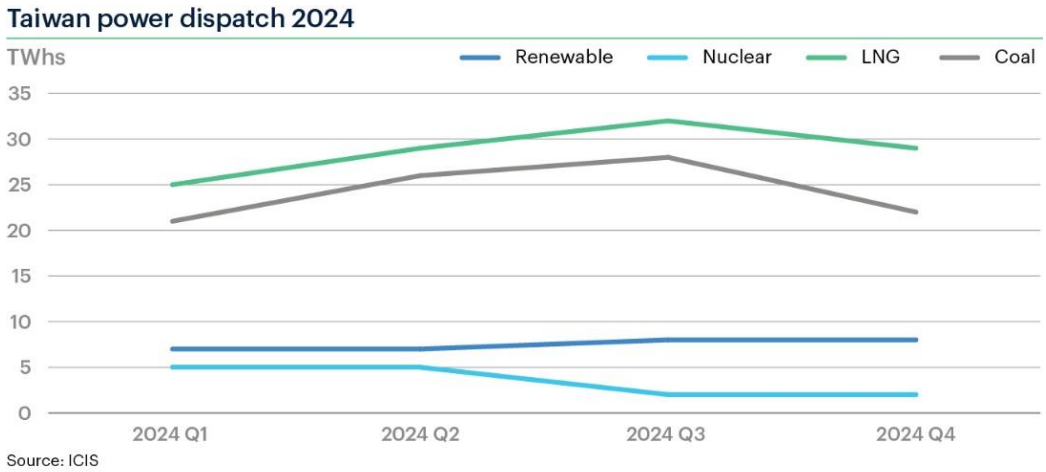
Lower LNG demand and an additional 1.3m tonnes of contractual volume will limit spot LNG demand. Spot demand in the country is expected to decrease by almost 40% on the year.

Taiwan

ICIS expects Taiwan's LNG demand to remain stable at 20.2m tonnes in 2024. This is due to a combination of strong power demand and reduced nuclear output.

Taiwan's total power consumption will grow rapidly by 12% to 274TWh in 2024, driven mainly by robust demand from the industrial sector. The 951MW Maanshan 1 nuclear reactor will cease commercial operation in July 2024, decreasing nuclear output by 17% from 2023.

In response to the rising power demand and declining nuclear power, gas-fired power generation is expected to reach 114TWh in 2024, up 6.7% from 2023. Power supply from coal will increase by 13%, covering a larger share of the demand increase. ICIS modelling shows power generation from renewables will account for 11% of the total power mix in 2024.



Source: ICIS

On the supply side, despite the increase in LNG imports, Taiwan's spot purchases decreased by around 1m tonnes in 2023 due to the start-up of a new term contract with Chevron. ICIS expects Taiwan to take around 5m tonnes of spot LNG in 2024.

The island's two terminals – Taichung and Yung An – continued to operate at a high utilization rate above 100% in 2023, compared with a 52% average for the Asia-Pacific region. The island's third LNG receiving terminal will not be operational until 2025, which puts Taiwan's gas supply at a much higher risk this year. The LNG demand could be higher, but it will be constrained by the lack of import capacity.

Southeast Asia

ICIS forecasts Southeast Asia to import 24.5m tonnes of LNG in 2024, a 4% year on year increase. Around 65% of the region's demand will come from Thailand and Singapore, while new importers the Philippines and Vietnam are expected to ramp-up imports.

Depending on the implementation of its gas power development plan, ICIS projects Vietnam's LNG imports to accelerate rapidly to reach 1.0m tonnes this year. We are also monitoring the uncertainty around PetroVietnam's purchasing strategy and government policy. The Philippines is expected to largely stay flat compared to the year before.

Malaysia and Indonesia are expected to increase imports to nearly 3m and 4m tonnes – with potential upside depending on the countries' economic development. Singapore decreasing pipe import from Indonesia is expected to translate into an even higher LNG import this year, although there is a still a chance that the particular contract could be extended at a lower rate.

We expect Thailand's LNG imports to decrease this year compared to 2023 as PTTEP implements a work-over plan to raise the production level of the battered Erawan field. Myanmar's pipe export to China and Thailand remains unaffected despite civil unrest.

South Asia

ICIS has forecast South Asian LNG imports to increase by 7% in 2024 to 36.9m tonnes. Over two thirds of the growth is expected to come from India, driven primarily by recovery in the city gas sector.

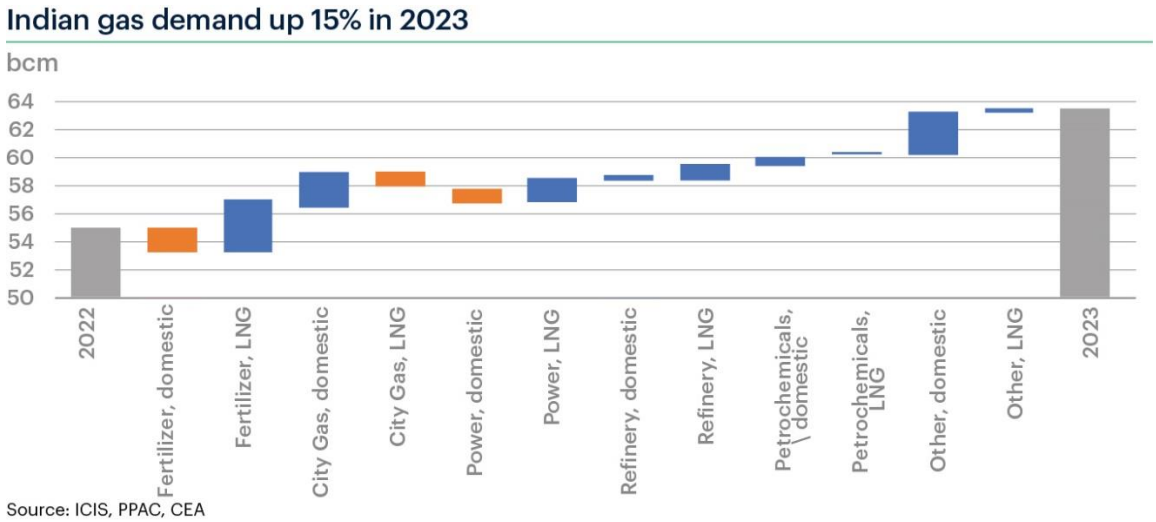
Despite Indian city gas consumption reaching a new high in 2023, it was the only sector to see falls in LNG demand last year. This was because domestic gas supply replaced a large part of the LNG demand. Domestic gas production recorded a third consecutive year of growth and its highest volume since 2013.

Further growth depends on state-owned ONGC's eastern offshore project, KG-DWN-98/2, which is planned to lift gas production by about 7-8mcm/day from mid-2024. But ONGC must also stave off a decline trend across its other gas fields and has struggled to meet previous schedules.

Underpinning demand growth is the rapid expansion of CNG filling stations and pipeline distribution networks. New filling stations increased by 25% in 2023, while residential and industrial pipeline connections increased by 18% and 23%, as part of a push to replace LPG cylinders with piped gas in urban areas. LNG demand growth is also expected in power and industrial sectors.

Pakistan is still recovering from a fuel supply deficit, amid a decline in domestic gas production and balance-of-payment issues which have limited spot buying activity. An increase in contractual volume from Qatar should help to shore up more supply in 2024. Recent spot activity and a new supply arrangement with SOCAR also indicate greater purchasing ability compared to last year.

LNG imports into Bangladesh are not expected to increase greatly, as new coal and nuclear power projects keep demand steady.



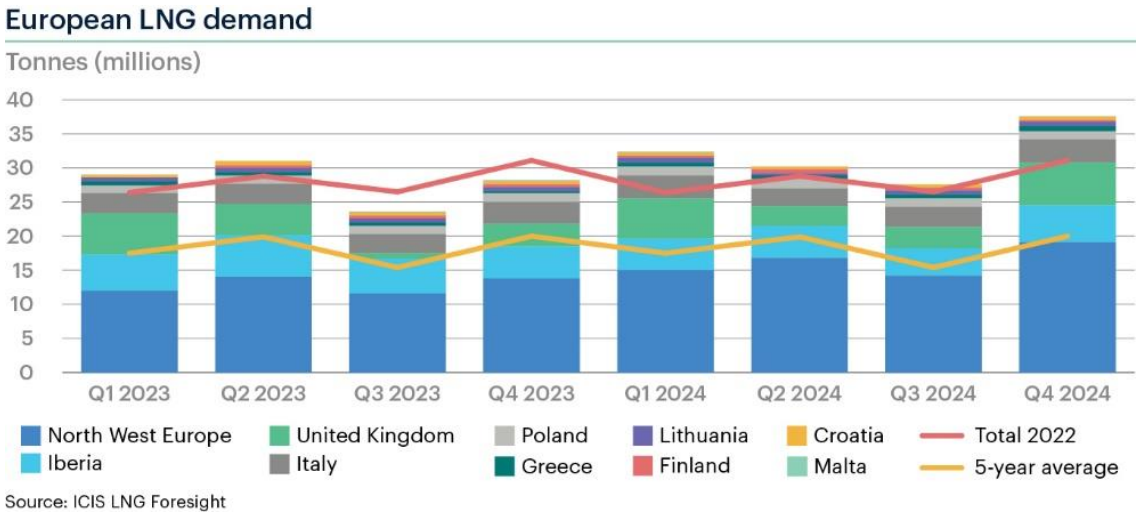
Middle East

ICIS forecasts Kuwait to import 6.5m tonnes in 2024, flat on 2023's level, amid increased import capacity at the Al-Zour terminal and continued progress on the country's oil-to-gas transition. On paper, Kuwait is contracted to take up to 8.5m tonnes of LNG this year, 2.0m tonnes more than our forecast.

The UAE is forecast to import 0.6m tonnes, flat year on year. The access to abundant domestic gas supply and pipeline imports have allowed the country to dramatically reduce its LNG imports since 2022.

Europe

ICIS forecasts European LNG demand (as represented by EU-27 + GB) to increase 15% year on year to 128m tonnes in 2024, with some gas demand recovery expected. Limited growth in pipeline supply will place the burden on LNG to meet the projected increase in gas consumption, with regasification capacity in Europe increasing by 29bcm/year in 2024, a year-on-year increase of 11%.



Source: ICIS LNG Foresight

Despite bearish price signals, European gas demand will not stage a full recovery to pre-crisis levels this year. Year-on-year gains, but below the 2017-2021 average demand, is a reflection of gas prices converging on, but not quite reaching, the multi-year average. For some, European fuel costs remain too high relative to other regions.

Pipeline supply is expected to remain in line with 2023, with any slight increase offset by expected strong Norwegian gas infrastructure maintenance during the summer season. ICIS expects no disruptions in volumes supplied by Gazprom during 2024. The five-year gas transit agreement between Ukraine and Russia does not expire until the end of 2024, therefore we expect Central European buyers that continue to use this route to receive gas from Gazprom throughout the year.

Western Europe will drive the wider continent's LNG growth, as the region expects gas demand growth of 8% year on year and new LNG terminals. Western Europe's LNG imports in 2024 are expected to be 114.4m tonnes, 15% higher than in 2023. Germany is planning to

commission one new floating LNG regasification terminal, Stade, and to expand the regasification capacity at existing terminals such as Lubmin (later Mukran), Brunsbuttel and Wilhelmshaven. Meanwhile, in Belgium, the latest expansion of the Zeebrugge LNG terminal came into operation on 1 January.

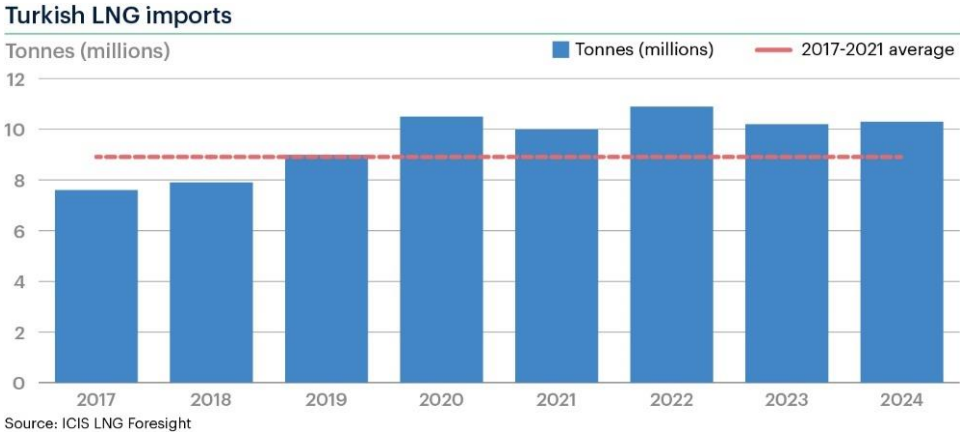
Further east, Poland follows with a 7% year-on-year climb in LNG demand, reaching 5.1m tonnes in 2024. The expectation of some economic growth and the expansion of the Swinoujscie LNG terminal are contributing factors. However, a surge in imports from the Baltic Pipe may support the increase in gas demand and offset LNG demand in 2024.

Elsewhere, ICIS forecast Greece to import 2.4m tonnes of LNG, a 26% increase year on year. The country seeks to establish itself as an energy gateway for Southeast Europe as it continues to invest in gas infrastructure. We expect the Alexandroupolis FSRU to be commercially operational in Q1 2024 with the Greece-North Macedonia interconnector to follow.

Finally, Finland will see its LNG demand increase by 22% year on year to 1.5m tonnes, while Lithuania will remain largely unchanged at 2.3m tonnes. Following the closure of the Baltic Connector pipeline in October 2023 due to a leak, Finland has been completely cut off from the broader continent, making it totally dependent on LNG for its security of supply. The reopening of this route is expected to occur in 2024.

Turkey

Turkish LNG import demand is forecast at 10.3m tonnes in 2024, 1% above 2023's volumes. The modest gain follows expectations that rising alternative gas supplies, led by a sharp upturn in domestic production, will satisfy an anticipated uptick in demand this year.



We expect domestic production to hit 41TWh, remaining as Turkey's smallest source of supply, but more than four-times 2023's levels. Regulatory data shows Black Sea gas production ramp-up from the Sakarya field started in earnest in September, not in April as previously announced. We expect volumes from the field to reach 10mcm/day by April 2024.

Russian gas via TurkStream and BlueStream will continue to dominate supplies available to Turkey with 245TWh to be delivered in 2024, a year-on-year gain of 9%.

Elsewhere, Iranian gas supply is set to record a notable change with a 50% jump to 89TWh this year. Inflows were interrupted during the first quarter of 2023 when system imbalance forced Iran to cut contracted deliveries by 70%. In contrast, Azeri gas supply is forecast to weaken by 7% year on year, reaching 101TWh.

In 2023, Turkey took steps to become an exporter of natural gas to Europe with the aim of supporting the bloc ensure its security of supply. Flows through the old Strandzha-Malkoclar interconnection point started in August, despite its reopening in April 2023, and increased following the signing of two export agreements in September.

South America

LNG demand in South America is forecast to increase to 6.9m tonnes this year, after a low of 6.3m tonnes in 2023. South American buyers have largely stayed away from the spot market since the 2022 price highs.

Brazil was the main reason for the increase in the continent's LNG imports and will continue to be so this year. All other South American countries – Argentina, Chile, and Colombia – are expected to import lower volumes of LNG compared to last year, given the expectation for a continued tight market.

For Brazil, ICIS predicts that LNG supply in 2024 will recover slightly to 3.0m tonnes as gas-fired power demand rises from its 2023 low. Meanwhile, Argentina is expected to complete a number of gas infrastructure projects, including pipelines that connect domestic gas to key markets.

North and Central America

Total imports for both the North American nations of the US and Canada will probably not exceed 1.0m tonnes in 2024, as imports have been declining in recent years, thanks to the dominance of domestic pipeline gas across the two countries. LNG imports are only required to smooth out peaks of demand.

Further south, LNG is now well integrated into some Caribbean islands' infrastructure, and we expect demand to keep rising strongly across the Dominican Republic, Jamaica and Puerto Rico. We expect investments in new infrastructure to pull imports above 5.0m tonnes in 2024, building on the performance in 2023, when the two latter two island nations grew imports by more than 1.0m tonnes to 4.7m tonnes, even as the Dominican Republic flatlined.

We anticipate Mexico will import around 0.5m tonnes, up 26% year on year, while El Salvador will likely import around 0.4m tonnes. In Panama, imports could rise to 0.8m tonnes, with the start-up of a new power plant.

Africa

The prospect of Africa re-starting LNG imports in 2023 failed to materialise due to the relatively higher cost of spot LNG during the first half of the year. While spot prices have generally stabilized at a lower level in the second half of last year, there was risk associated with price uncertainty.

Originally, Ghana, Senegal and Mozambique were all expected to receive their first cargoes to support power generation two-to-three years ago. ICIS now expects the latter two countries to start imports this year. While fuel oil remains competitive relative to LNG, the floating power plants of Senegal and Mozambique are unlikely to switch to gas-fired generation. This is despite the start of LNG production in Mozambique and the expected output from Senegal.

CONCLUSION

For a third consecutive year, the Global LNG Supply & Demand Outlook is predicting a tight market. This suggests *ICIS TTF* prices will remain supported as market signals will be required to create the needed balance.

Supply additions will be minimal once again even as demand is expected to inch-up. The role of sanctions could further impede market equilibrium, while the ongoing global recovery will be key in determining underlying consumption from China to Europe.

Gas storage levels in Europe will again be a crucial in gauging the overall LNG balance worldwide. At the start of 2024 the outlook for EU stocks is for them to end the winter-season higher than normal, indicating some summer-time slack.

In the coming 12-18 months the LNG supply view begins to improve, with new larger projects coming online in the US, in particular. As underlying global gas demand continues its long journey back to something akin to 'normal' in this time, this could mean that the LNG market could begin to expect a breather come 2025.

ICIS LNG Edge

The ICIS LNG Edge platform houses ICIS' entire suite of global LNG market intelligence. Daily gas and LNG prices, real-time cargo tracking, and fundamental forecasts keep users in touch with the increasingly fast-paced and globalized gas and LNG markets.

The ICIS LNG Insight publication *LNG Markets Daily* contains the latest news as well as a full range of price assessments.

ICIS LNG Edge uses satellite data to monitor the imports and exports of global consumers and producers. As part of the LNG Hindsight package, a dedicated team of analysts supplement this physical data with commercial information from customs agencies and other sources to add in-depth price and volume data to voyage records.

ICIS LNG Hindsight users also have access to our market-leading global LNG contracts database, our infrastructure database, as well as prices, news and alert service from ICIS LNG Insight package.

Our LNG Foresight package provides a rolling 24-month forward forecast of global supply and demand for each market individually, allowing users to identify at a granular level risks and opportunities from predicted periods of imbalance. All the functionality of ICIS LNG Hindsight and Insight is also included.

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