

MARCH 2018

Global LPG & NGLs



Service overview

LPG market growth has outpaced other refined products and now accounts for ~ 15% of total global oil demand. The global gas liquids markets are undergoing rapid change with supply growth from North American shale, East of Suez refinery capacity additions and Middle Eastern LNG and gas processing expansion. Demand growth in the residential/commercial and petrochemical sectors is equally global and large.

With in-depth knowledge of the intricate workings of the traded markets, our publications deliver insights to keep you ahead of developments in this complex arena.

Along with our unique geopolitical commentary and longer term, strategic analysis, the service reports offer complete coverage of the global NGL and LPG markets.



LPG & NGLs Outlook

This is our flagship monthly publication. Spanning global supply and demand factors, this monthly report combines commentary on key market themes with analysis of the important developments affecting the market and future prices. The Outlook details the factors behind price determination, looking at the latest data releases from the key regions of Europe/FSU/Africa, the Americas and East of Suez.

Published monthly (12 per annum). Format: PDF



LPG & NGLs - Regional Overview

The report drills down in granular detail into the key indicators of demand, supply, trade, inventory and prices for these products by region - Asia Pacific, Middle East and Africa, Europe, FSU, North America and Latin America - to give the reader insight into a complex area.

Published monthly (12 per annum). Format: PDF

Energy Aspects 9 Nov 2017 Oil - E-mail alert (Crude oil, Light ends, Middle distillate)
 Chinese October crude imports fell to a five-month low and set to remain low through Q4. 15, net product exports at record levels.

In summary:

- Chinese October crude imports fell to a five-month low of 6.22 mbd/d, due to lower refinery runs, port congestion and full SPR storage facilities.
- We continue to expect lower Q4 15 crude intakes due to these factors, potentially averaging below 6.5 mbd/d.
- Net product exports surge to a record 0.3 mbd/d, on low fuel oil imports and high diesel exports. Singapore to raise diesel exports by over 10% m/b.
- But Chinese gasoline component loading is on the rise, with China importing over 1.6 Mt of components from the Atlantic Basin in recent weeks. However these are likely being classified as petrochemical imports, such as xylene, rather than petroleum products.

Products:
 China remained a net exporter of products in October, by 0.3 mbd/d, a record high. Both exports and imports eased m/m but the decline in imports was far more substantial. Exports fell to 0.78 mbd/d, higher by 0.4 m, while imports fell to 0.48 mbd/d, the lowest since July 2016, lower by 0.3 mbd/d (11%), likely by falling fuel oil imports.

Exports
 Chinese refiners have indicated they intend to keep diesel exports near record levels into the New Year, as they work to keep domestic diesel stocks under control and the elevated total product export figure is likely linked to this. October diesel exports hit a record high of 2.0 mbd/d. Singapore's October diesel exports may have set a new 2017 high, due to a reduction in refinery price of gasoil sold in the domestic market. The company's October diesel export price (net including volume from its subsidiaries) was set at over 0.3 mbd/d, higher m/m by around 10 thousand/d. Gasoline exports could have also remained elevated as destocking ahead of the switch to China V in coastal areas continues.

Fig 1: China crude imports, mbd/d


Fig 2: China net products imports, mbd/d


Source: China Customs, Energy Aspects

E-mail alerts

We provide rapid insights into how market events and policy developments will influence the LPG & NGLs markets. E-mail alerts offer a short summary of the event/development as it happens, together with any implication for balances and our market outlook. Example topics include condensate splitter outages, demand hotspot stories, trade flows, East-West arbs and short-term changes in regional balances and their impact on prices and spreads.

Published frequently (50+ per annum). Format: E-mail



North America LPG Demand, kb/d

Country	Month	Production	Storage	Imports	Exports	Net Demand
USA	Jan	1000	100	0	0	900
USA	Feb	1000	100	0	0	900
USA	Mar	1000	100	0	0	900
USA	Apr	1000	100	0	0	900
USA	May	1000	100	0	0	900
USA	Jun	1000	100	0	0	900
USA	Jul	1000	100	0	0	900
USA	Aug	1000	100	0	0	900
USA	Sep	1000	100	0	0	900
USA	Oct	1000	100	0	0	900
USA	Nov	1000	100	0	0	900
USA	Dec	1000	100	0	0	900
Canada	Jan	100	10	0	0	90
Canada	Feb	100	10	0	0	90
Canada	Mar	100	10	0	0	90
Canada	Apr	100	10	0	0	90
Canada	May	100	10	0	0	90
Canada	Jun	100	10	0	0	90
Canada	Jul	100	10	0	0	90
Canada	Aug	100	10	0	0	90
Canada	Sep	100	10	0	0	90
Canada	Oct	100	10	0	0	90
Canada	Nov	100	10	0	0	90
Canada	Dec	100	10	0	0	90

Database access

We offer our proprietary balances data for LPG and ethane as part of the overall LPG & NGLs service. The data is presented in Excel for easy download, integration, and manipulation. We currently offer global databases for LPG supply, LPG demand, steam crackers, naphtha supply and naphtha demand. The database categories will expand over the coming months.

Updated monthly (12 per annum). Format: Online Excel download



Access to Analysts

Call, email, IM, meet. Contact our analysts for rapid response – explanations of analysis and comment requests. Attend our regularly held functions, events and meetings.