



# Optimizing Spot LNG Delivery Strategies Across Global Markets

**LNG Analytics – Season 1, Episode 10:  
"Diversification Pays Off"**

Presented by Alto Commodities

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# Key Discovery: Market Diversification Creates Value

Our analysis of LNG cargo delivery optimization from Sabine Pass to global markets reveals a critical insight for traders and portfolio managers:

- Market diversification unlocks significant additional value
- AI-based optimization engine simulates various delivery scenarios
- Results show improved scheduling strategies enhance portfolio economics



# Scenario Comparison: The Numbers Speak

**\$154M**

**Europe-only (TTF)**

Total value generated with European  
market focus

**\$142M**

**Asia-only (JKM)**

Total value generated with Asian  
market focus

**\$176M**

**Diversified**

Total value generated with optimized  
diversification

The diversified approach creates a **\$22M uplift** through dynamic routing and economic optimization across multiple markets.

# Why Diversification Strategy Outperforms

## Independent Market Fluctuations

European (TTF) and Asian (JKM) LNG markets often move asynchronously, creating arbitrage opportunities that single-market strategies miss.

## Regional Price Spike Capture

Multi-market exposure allows traders to capitalize on seasonal and event-driven price spikes that occur in different regions throughout the year.

## Netback Maximization

Our optimizer allocates cargoes based on real-time netback calculations rather than static routing, ensuring maximum value extraction from each shipment.

# The Optimization Engine: How It Works



AB

The diagram illustrates a three-step process for the Optimization Engine. It consists of three light gray chevron-shaped boxes pointing from left to right. The first box contains the text 'AB' inside a small square. The second box contains a square icon with a circuit board pattern. The third box contains a square icon with a speaker symbol.

## Input Parameters

- Vessel speed and charter rates
- Forward curves: Henry Hub, TTF, JKM
- Loading terminal constraints
- Shipping route options



## AI Engine Processing

- Machine learning simulation
- Logistical constraint modeling
- Voyage time calculations
- Cost structure analysis



## Optimized Outputs

- Value-maximized delivery schedule
- Cargo allocation recommendations
- Risk exposure analytics
- Sensitivity analysis



# Real-World Application: Case Study

We tested our optimization engine against historical data from Q4 2022 through Q1 2023, when market volatility was exceptionally high:

- European prices fluctuated by 45% during this period
- Asian demand surged unexpectedly in January
- Panama Canal congestion created logistical challenges

The diversified strategy outperformed single-market approaches by 14.3% during this volatile period, with particular advantages during extreme weather events.



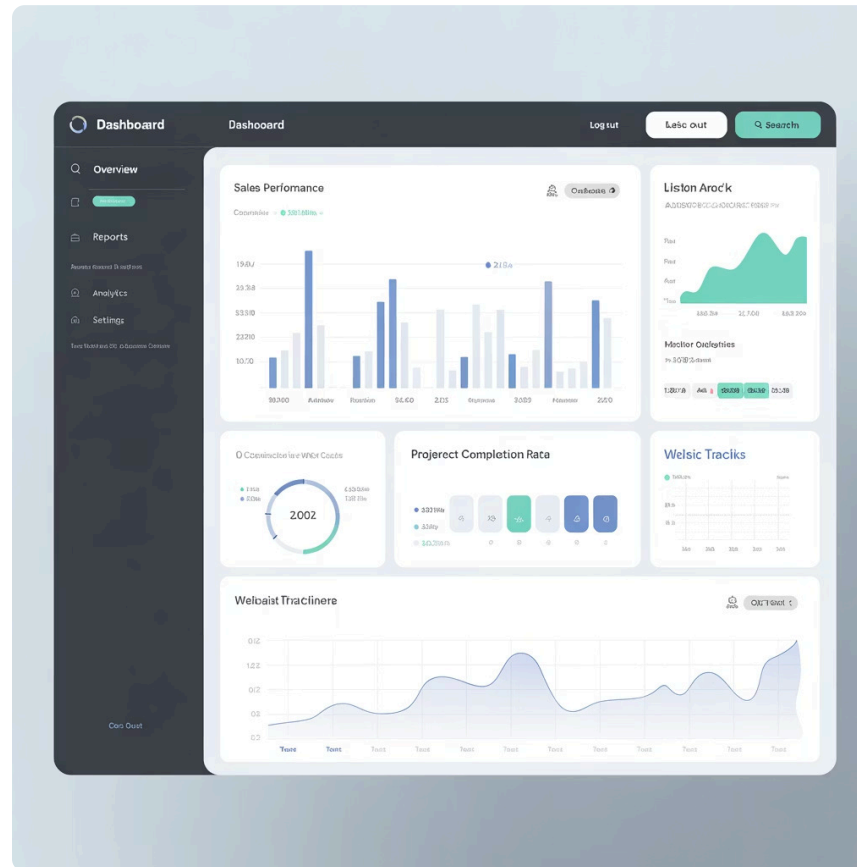
# Try It Yourself: Interactive Demo

## Customize Your Analysis

- Upload proprietary price curves
- Adjust fleet parameters and specifications
- Modify operational constraints
- Generate scenario results instantly

Access our live demo at:

<https://apfproduction.onrender.com/>



# Smarter Scheduling. Smarter Strategy.

Leverage our AI-powered optimization engine to:



## Maximize Portfolio Value

Enhance returns by \$20M+ through intelligent market diversification



## Reduce Market Risk

Mitigate exposure to regional price volatility through dynamic allocation



## Optimize Fleet Utilization

Maximize asset efficiency through data-driven scheduling decisions

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