LNG Market Overview: Demand, supply, the future

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Agenda

Introduction
Market Overview
Scenario 1: Gas Glut
Scenario 2: Tight Market
Scenario 3: The Certainties
Conclusion
Market Overview: Supply

World supply up over a third in two years

Middle East: Qatar
Pacific Basin: Australia, Indonesia, Malaysia, Russia
Atlantic Basin: West Africa, Caribbean

Market Overview: Demand

Middle East: a minor player at present
Pacific Basin: Japan, South Korea, China
Atlantic Basin: demand higher than supply
Scenario 1: Gas Glut

High supply and demand
Conventional reserves: 125 years
Shale gas
Implications for LNG’s use as shipping fuel
Scenario 2: Tight Market

Demand grows: China, India  
Nuclear’s unpopularity  
Shale gas: uncertainties  
Supply tightens: Shale gas limited  
Australia, Qatar, Iran?  
Atlantic Basin  
Vessel supply?  
Implications for LNG as a fuel for shipping

Scenario 3: the Certainties

Demand grows: China, India  
Nuclear’s unpopularity  
Shale gas: Uncertainties  
Supply grows: Shale Gas  
Australia  
Atlantic Basin  
Pricing
Conclusion

Rising demand will continue
Gas as part of a low carbon fuel strategy
Pricing: oil-indexation or gas-on-gas?
Policy support
LNG as mainstream fuel – market drivers not yet there

Thank You

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