

LNG MARKET FUNDAMENTALS

Led by: **Andy Flower**, LNG & Natural Gas Consultant, UK

8 February 2010, 2pm – 5pm, Singapore

**INDIVIDUALLY
PRICED AND
BOOKABLE
SEPARATELY**

The first 9 months of 2009 have seen a dramatic change in LNG trading patterns. The flow of cargoes from the Atlantic Basin to Asia, which was a major feature of trading in 2008, has almost come to a halt as demand for LNG in Asia has fallen for the first time in 40 years.

The established markets of Japan, Korea and Taiwan, which together accounted for 62% of LNG imports globally in 2008, have been hit hard by the economic recession with imports down by over 10% in the first 9 months of 2009. China and India have increased their imports but the most of the surplus LNG has found its way into the flexible markets of north-west Europe and the USA. Imports were up by 4.1mt in the UK, 2.6mt in Belgium and 1.9mt in the USA in the first nine months of 2009. New markets in Brazil, Chile, Canada and Kuwait opened up in 2009 and absorbed some of the surplus LNG released by the fall in demand in the main established market. The LNG production in the early part of the year was significantly less than expected because of delays in the start-up of new trains and problems with the gas supply to liquefaction plants in Nigeria, Algeria and Indonesia. As these problems are overcome and more new trains come into operation in the remaining months of 2009 and in 2010, the flow of LNG into the flexible markets is set to increase but how will this affect prices in these markets? The delivery of new ships into service has continued at record levels but no new ships have been ordered since May 2008. Does this mean that the shipping market will tighten and if so when?

THE HALF-DAY WORKSHOP WILL CONSIDER THESE ISSUES FACING THE LNG BUSINESS BY:

- Reviewing the status of the **LNG industry in February 2010** in terms of liquefaction, shipping and regas capacity in operation and under construction
- Looking at the **prospects for new liquefaction capacity from 2014 including floating LNG and plants supplied with coal bed methane (CBM)**
- Discussing current trends in the **cost of constructing of new liquefaction capacity**
- **Reviewing** current plans for **receiving terminal capacity** – why are new terminals being planned when many existing terminals are operating at low throughput levels?
- Analysing the current **shipping capacity** and the **order book** for new **ships** – will scrapings and the conversion of ships to floating liquefaction or regas units help reduce the current surplus?
- Assessing the **prospects for LNG demand growth** in the **established markets** and **emerging markets in Asia**
- Examining current **short-term trading patterns** and how they might change in the future
- Estimating the outlook for the **global LNG supply/demand balance** to 2020

The cost is US\$625 per person plus 10% discount if you wish to attend both the conference and workshop.

ABOUT YOUR WORKSHOP LEADER

Andy Flower has been working as a consultant in LNG & Natural Gas since his retirement from BP over eight years ago. During his 22 years working on LNG in BP, Andy managed diverse projects in Nigeria, Abu Dhabi, Qatar and Australia. He has also been responsible for evaluating new projects in PNG, Venezuela, Angola, Egypt, Indonesia and Iran. His key expertise is in the commercial aspects of LNG including, marketing, project development, supply and demand, contracts, pricing, shipping and short-term trading. He has run LNG courses in Europe, Asia, USA and the Caribbean. He frequently speaks or chairs sessions at major conferences and is the author of a number of papers and books on LNG.



CERTIFICATE OF ATTENDANCE – All participants who successfully complete the workshop will be given a **Certificate of Attendance**.

Both workshops are individually priced and bookable separately with Joint Attendance Discounts.

MAXIMUM FLEXIBILITY: Companies may nominate different participants to attend the Conference & Courses and still benefit from the JA discounts.

SPECIAL EARLY BIRD DISCOUNT FOR LNGA 2010 CONFERENCE IS AVAILABLE.

PLEASE SEE BACK PAGE FOR DETAILS