

LNG WORLD MARKET UPDATE

January 18, 2018

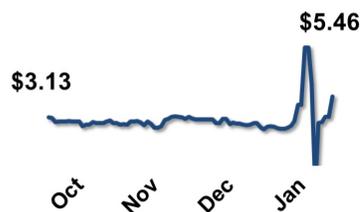
Japan December spot LNG contract price hits near 3-year high; Cheniere and Trafigura LNG Sale and Purchase Agreement Indexed to Henry Hub; Woodside bullish on Australian Pluto LNG expansion prospect; Wheatstone LNG's second train 90% done. Subscription options for this report are available at the bottom of this email. Please contact AGDC External Affairs at externalaffairs@agdc.us with questions.

Natural Gas

HH Spot Price
\$5.46 (\$/MMBtu)
January 16 close

Weekly Change
↑\$2.53 (86.35%)

Trend



Source: EIA

LNG Import Price

Japan
\$7.75 (\$/MMBtu)
January 2017

Trend

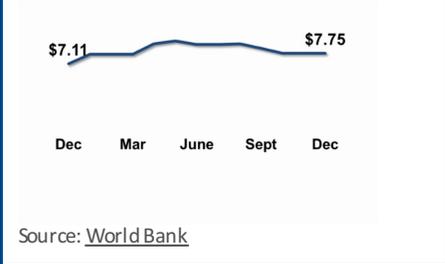
Japan December Spot LNG Contract Price Hits Near 3-year High

(ET Energyworld, January 15) - Prices for liquefied natural gas (LNG) spot cargoes for Japan, the world's top buyer, rose to their highest in nearly three years in December, official data showed on Monday, in line with firm spot prices in the region. The average contract price for spot liquefied natural gas (LNG) cargoes for shipment to Japan last month was \$10.20 per million British thermal units (mmBtu), up \$1.20 from the previous month, preliminary data from the Ministry of Economy, Trade and Industry (METI) showed. That marked the highest since January 2015. [Read more.](#)

Cheniere and Trafigura LNG Sale and Purchase Agreement Indexed to Henry Hub

(LNG Global, January 16) - Cheniere Marketing has entered into a LNG sale and purchase agreement with Trafigura. Trafigura has agreed to purchase approximately 1 million tonnes per annum of LNG from Cheniere Marketing on a free on board basis for a term of 15 years beginning in 2019. The purchase price for the LNG will be indexed to the monthly Henry Hub price, plus a fee. [Read more.](#)

Woodside Bullish on Australian Pluto LNG Expansion Prospect



(LNG Industry, January 18) - Woodside Petroleum expects to reveal plans for expanding its prized Pluto LNG project and connecting it to the North-West Shelf LNG complex soon. Talks with the owners of the Scarborough gas resource off Western Australia, led by ExxonMobil Corp, as well as drilling of an exploration well, Ferrand-A, around March, and other tie-ins could help underpin the expansion. Woodside is still targeting growth in Myanmar, where it discovered gas last year and expects to drill three wells this year, starting around March or April. [Read more.](#)

Wheatstone LNG's Second Train 90 pct Done

(LNG World News, January 18) - The construction of the second liquefaction train at the Chevron-led Wheatstone LNG project in Western Australia is over 90 percent complete. A partner in the project, Woodside, noted that the key priorities for the second train are the completion of final mechanical fit-out and instrumentation and controls pre-commissioning for refrigeration compressors. First cargo from the second Wheatstone LNG train is expected to ship out in the second quarter of 2018, with the domestic gas production is expected to start in the second half of the year. [Read more.](#)