

LNG WORLD MARKET UPDATE

October 26, 2017

India is working on a policy framework for increasing oil and gas production from aging fields; LNG sellers lay out new strategies for wooing buyers in crowded market; Wison, GTT ink LNG cooperation agreement; GasLog Partners see rise in profit. 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

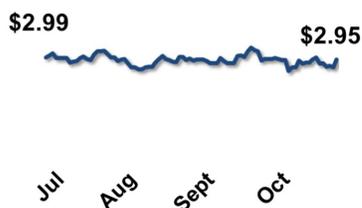
\$2.85 (\$/MMBtu)

October 23 close

Weekly Change

↑\$0.08 (2.79%)

Trend



Source: [EIA](#)

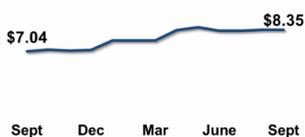
LNG Import Price

Japan

\$8.35 (\$/MMBtu)

October 2017

Trend



Source: [World Bank](#)

[\\$40 Billion Investment Expected in Indian Oil & Gas Sector in 5 Years](#)

(Livemint.com, October 26) - India's oil exploration and production sector will see investments worth \$40 billion over the next four to five years, petroleum and natural gas minister Dharmendra Pradhan said in Mumbai on Thursday. Field development plans worth \$13.6 billion are already approved and investment worth \$11.6 billion have declaration of commerciality. In July, India opened 2.8 million sq km of sedimentary basins for oil and gas exploration with a view to raise domestic production and reduce dependence on oil and gas imports. "More than 100 companies have visited our data room. They are analyzing the data and all companies are coming to the Indian market," added Pradhan. India is also working on building a natural gas trading hub that will bring in transparent pricing mechanisms for domestic as well as imported gas, said the oil minister. [Read more.](#)

[LNG Sellers Lay out New Strategies for Wooing Buyers in Crowded Market](#)

(Reuters; October 25) - Liquefied natural gas (LNG) sellers have new strategies to woo Asian buyers in a market that is set to be flooded with more supply, according to statements from industry executives this week at a conference. Producers of LNG are drawing customers by offering shorter term contracts, removing restrictions that limit

where cargoes can be re-sold, providing equity in terminals, or offering a flexible tolling fee. Others are negotiating for contracts to be done over a shorter period. "Customers are signing more short-term contracts... 5 to 10 years is a good compromise," Dennis Bonhomme, senior vice president of ENGIE Global LNG's business development unit in Asia, said on Thursday. "As a Japanese or Korean utility, you can secure long-term supply for your country which is what you paid for and you don't take too much risk." [Read more.](#)

Wison, GTT Ink LNG Cooperation Agreement

(LNG World News; October 26) - Wison Offshore & Marine has signed a strategic cooperation agreement with the French liquefied natural gas (LNG) containment specialist GTT, to cooperate on LNG projects. Under the agreement, the two companies plan on cooperating on various LNG projects, such as LNG carrier, LNG FSRU, FLNG or other LNG floating units with GTT membrane tanks. The cooperation with GTT will help to strengthen Wison's position in offering clients floating LNG products in full range of capacities. The cooperative work will enable Wison's to design and build facilities that integrate GTT technology and engage GTT licensed outfitters. [Read more.](#)

GasLog Partners See Rise in Profit

(LNG World News, October 26) - GasLog Partners, the New York-listed spinoff of LNG shipper GasLog, reported a profit of \$25.4 million for the third quarter of 2017. The figure represents a 27 percent increase over the corresponding quarter last year and a 7 percent increase over the previous quarter. Whilst the recovery in spot rates to mid-cycle levels is taking longer than anticipated, GasLog Partners said there are significantly more fixtures in 2017 compared to the same period in 2016, greater seasonality and consistently higher rates in 2017 than in 2016. This improvement in rates, coupled with no new vessel orders in the quarter and only eight in 2017 to date, gives confidence in a continuing market recovery, the partnership said. [Read more.](#)