

## LNG WORLD MARKET UPDATE

November 3, 2016

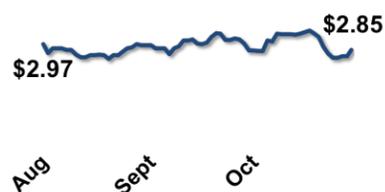
Natural gas demand outlook shows long-term growth; Japan's Tokyo Gas and Malaysia's Petronas LNG sign memorandum of collaboration; Canadian LNG developers are likely to merge project proposals similar to Exxon's model; and Eni may make an FID on Mozambique LNG project this year. This weekly news blast is intended to provide relevant industry information to Alaskan stakeholders and inform audiences of the competitive landscape in the global LNG market. Subscription options for this report are available at the bottom of this email. Please contact Leah Levinton at [llevinton@agdc.us](mailto:llevinton@agdc.us) with questions.

### Natural Gas

**HH Spot Price**  
\$2.8 (\$/MMBtu)  
October 31 close

**Weekly Change**  
↑\$0.07 (2.5%)

#### Trend

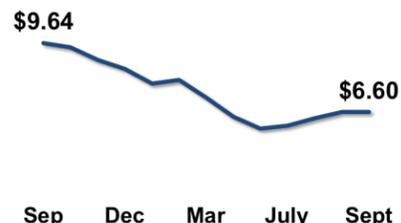


Source: EIA

### LNG Import Price

**Japan**  
\$6.60 (\$/MMBtu)  
September 2016

#### Trend



Source: World Bank

### Long Term Outlook Shows Demand Growth for Natural Gas

(Forbes; Oct. 31) - Forbes columnist sees long term growth for natural gas based on a number of drivers. Namely, natural gas producers will have to aggressively expand production in order to keep up with growing demand, which will create many opportunities for natural gas producers and infrastructure providers. Natural gas production in the U.S. has increased by 50%. [Read more](#)

### Petronas Signs LNG Deal With Tokyo Gas

(LNG World Shipping; Oct. 31) - Japan's Tokyo Gas and Malaysia's Petronas LNG Ltd signed a memorandum of collaboration to jointly explore LNG business opportunities in Southeast Asia. The MOC enables both parties to pursue potential collaboration to further strengthen their global presence in the energy market especially in Southeast Asia, Atlantic, and Pacific Basins. [Read more](#)

### LNG Developers Could Be Merging Proposals Along Lines of Exxon Model

(Bloomberg; Oct. 27) - Canadian LNG developers will mostly likely start to band together and merge proposed projects, similar to developers in Papua New Guinea as the low price of natural gas limits cashflow for individual export terminals, according to IHS Markit Ltd. [Read more](#)

### Mozambique Expects Eni Decision on LNG Investment This Year

(Reuters, Nov. 2) - Italy's Eni should make a final investment decision on its first offshore deep-water Liquefied Natural Gas project in Mozambique by the end of this year. Mozambique has some 85 trillion cubic feet of gas reserves -- enough to supply Germany, Britain, France and Italy for nearly two decades. [Read More](#)