GIIGNL ANNUAL REPORT 2017

HOW IS THE GLOBAL LNG MAP CHANGING?

FLAME : The Global LNG Summit – May 8, 2017

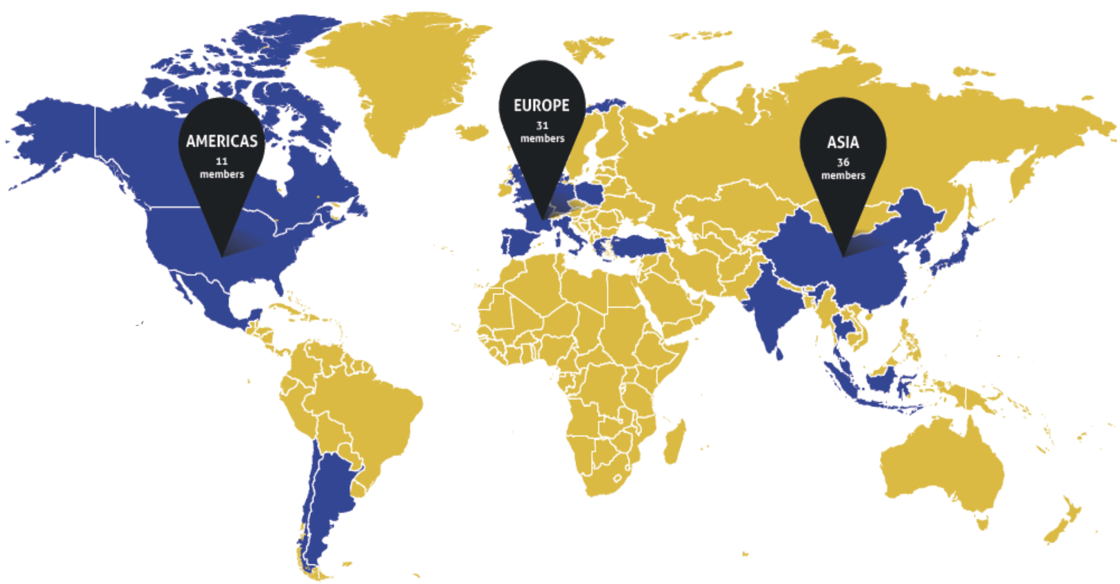


GIIGNL members as of the end of 2016

78 members, **25** countries

- 11 in the Americas
- 31 in Europe
- 36 in Asia

New 2016 members: Excelerate Energy, Gazprom Marketing & Trading and ENN



Summary

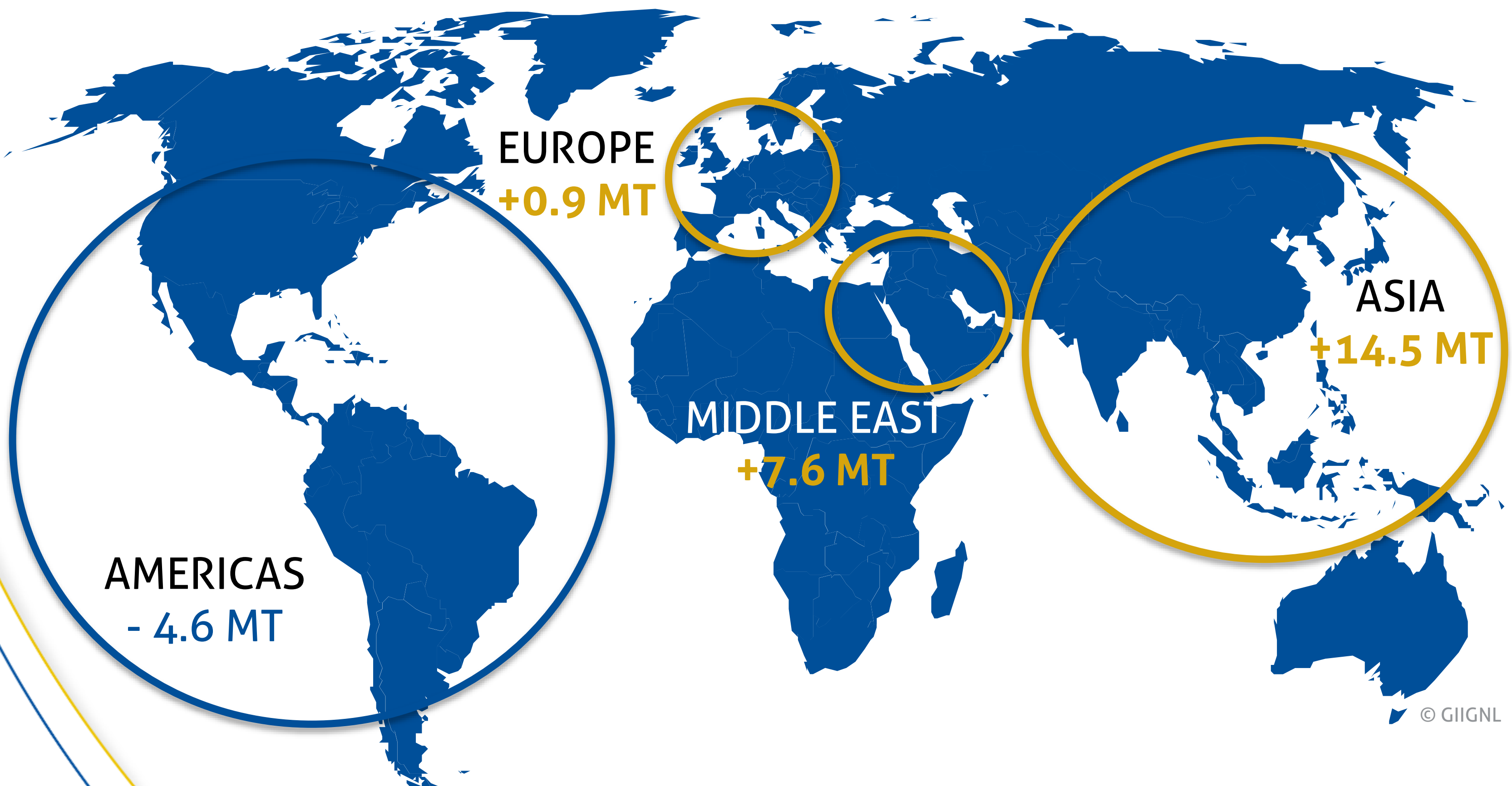
- KEY LNG MILESTONES IN 2016
- GLOBAL LNG IMPORTS
- GLOBAL LNG SUPPLY
- LNG SPOT AND SHORT-TERM MARKET

Key 2016 Milestones

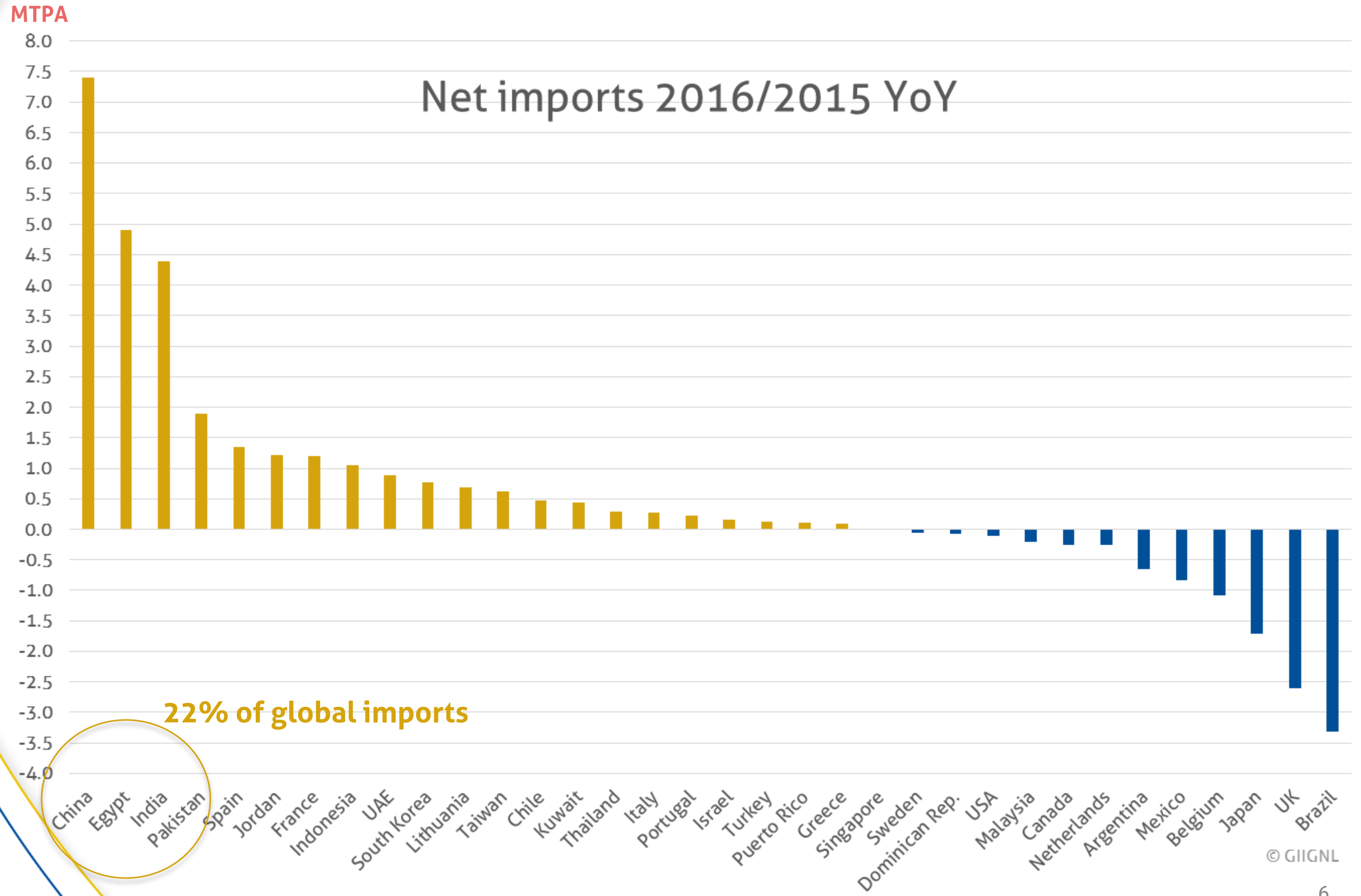
- **SHELL & BG** MERGER EFFECTIVE
- START-UP OF EXPORTS FROM THE **US GOM**
- **FIRST FLNGS** ACHIEVE MAJOR BREAKTHROUGHS
- **ONLY 2** FINAL INVESTMENT DECISIONS
- FIRST LNG CARRIER THROUGH EXPANDED **PANAMA CANAL**
- **90 000 CARGOES MARK** IS GETTING CLOSER
- **4** NEW IMPORTING COUNTRIES
- IMO SULPHUR CAP **BY 2020**

Global LNG imports: 2016/2015 YoY

245.2 MT (2015)
263.6 MT (2016)



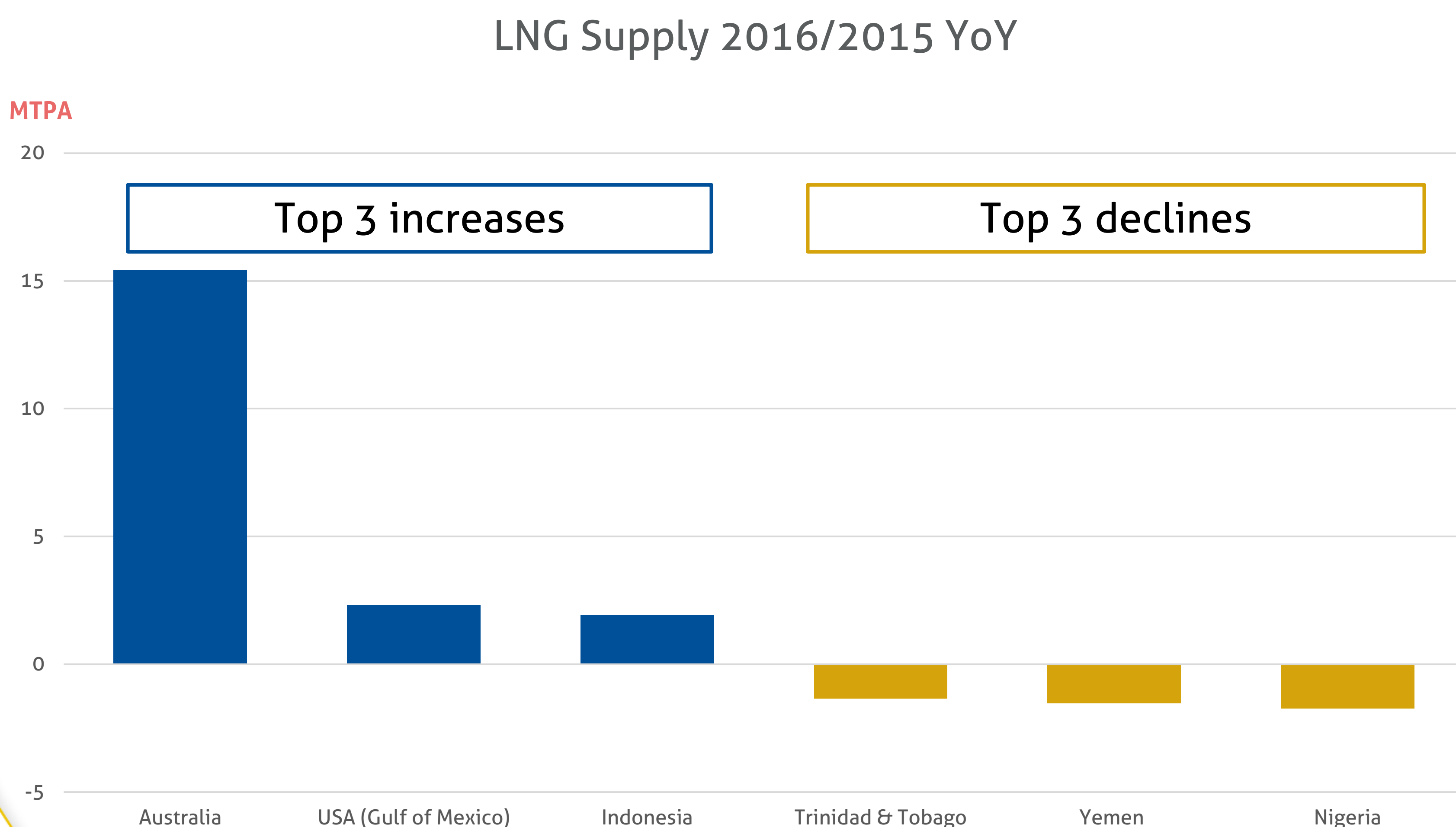
China, India and emerging importers driving demand growth



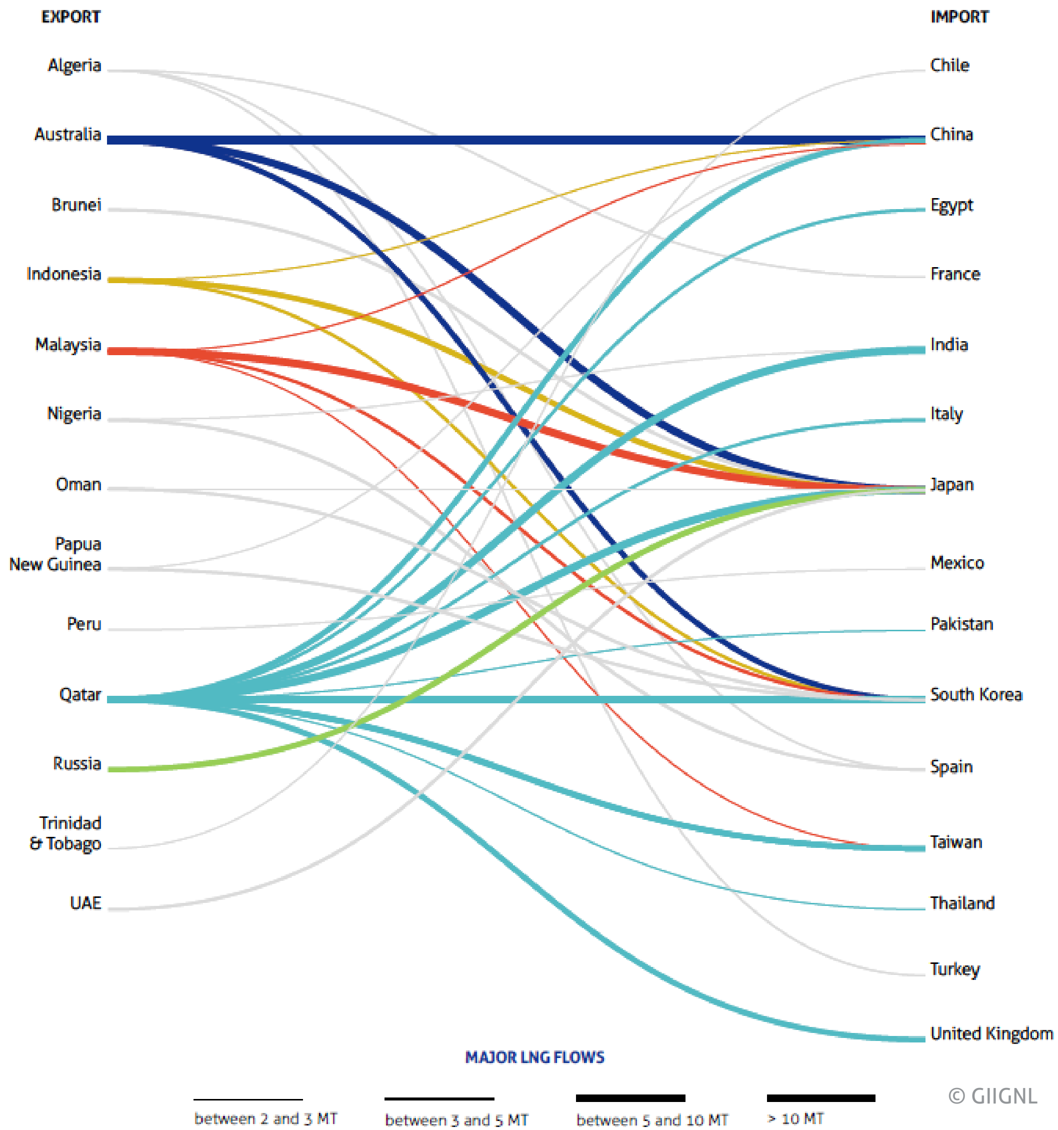
Global LNG Supply: 2016/2015 YoY

+18 MT of new supply

Supply growth slowly ramping-up

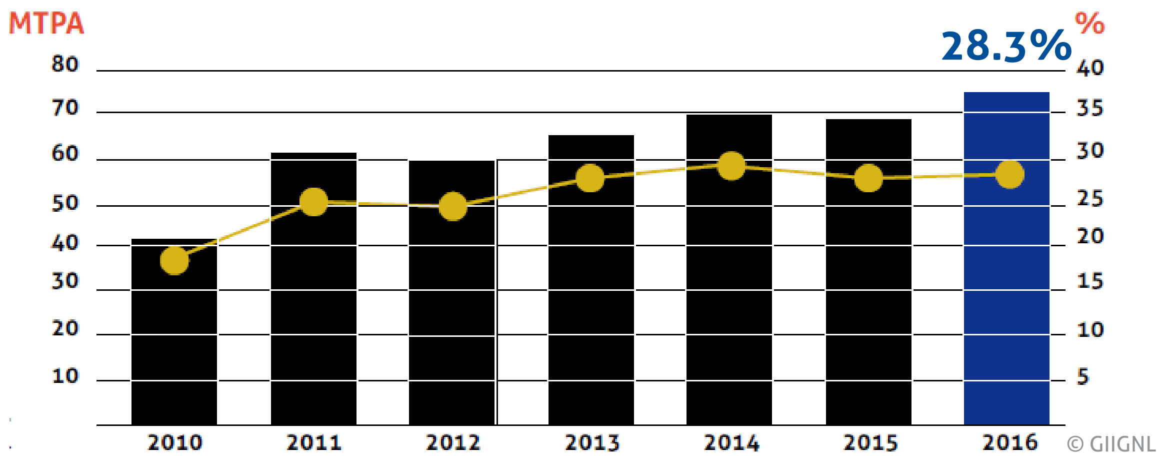


Towards a more flexible market? (1/2)



Towards a more flexible market? (2/2)

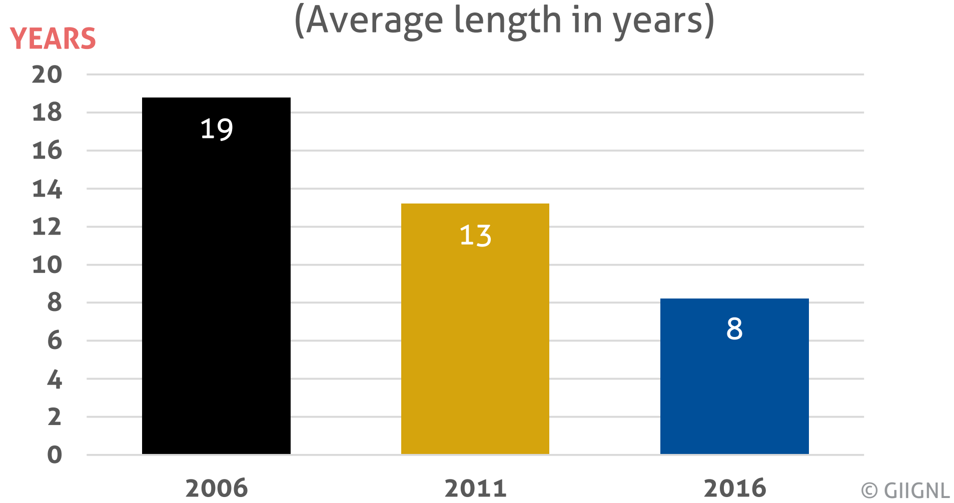
SPOT & SHORT-TERM* VS TOTAL LNG TRADE



* Short-term trade denotes trades under contracts of a duration of 4 years or less.

CONTRACTS CONCLUDED

(Average length in years)



Conclusion

- LNG MARKETS INCREASINGLY **FRAGMENTED**
- **NEW** PLAYERS
- **EMERGING DEMAND** ABSORBING NEW SUPPLY QUICKLY
- **CHINA AND INDIA** IN THE LEAD ROLE
- PLAYERS REQUIRING **FLEXIBLE** NEW SUPPLY TO MEET NEW DEMAND

Thank you for your attention

central-office@giignl.org