GIIGNL CSG Meeting

Asia Regional Markets

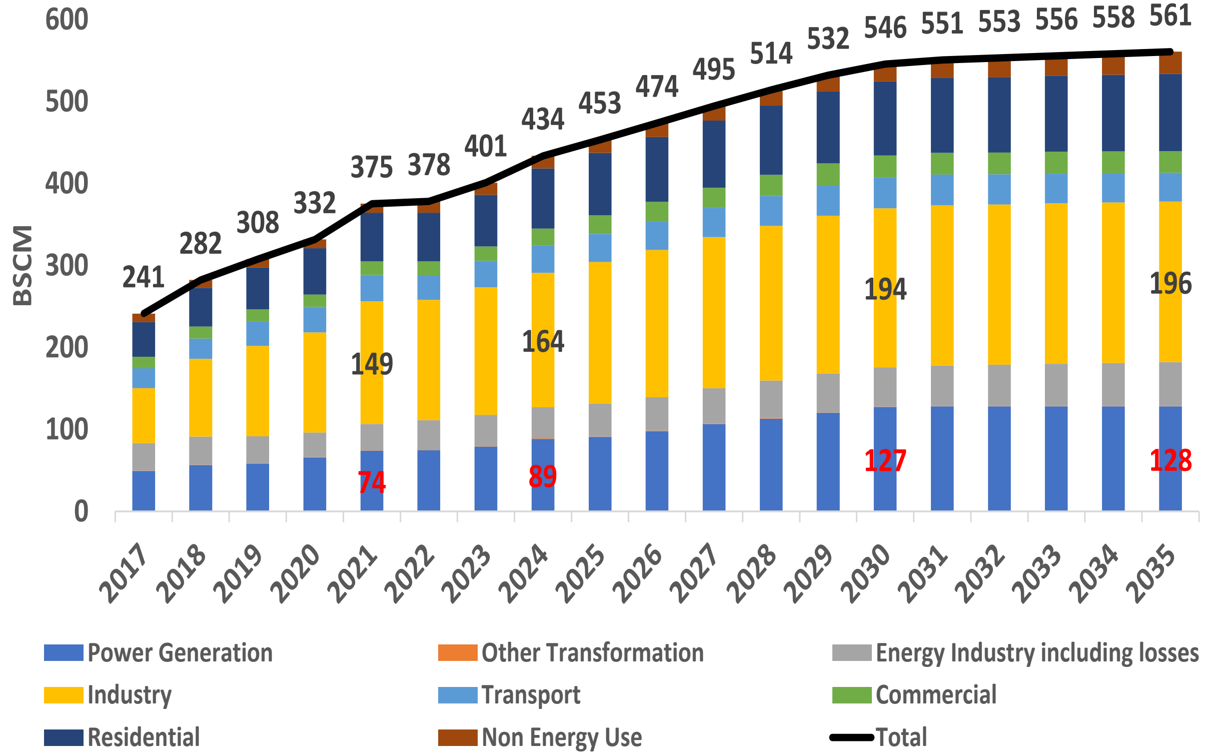
Mike Fulwood, Senior Research Fellow

May 6, 2025

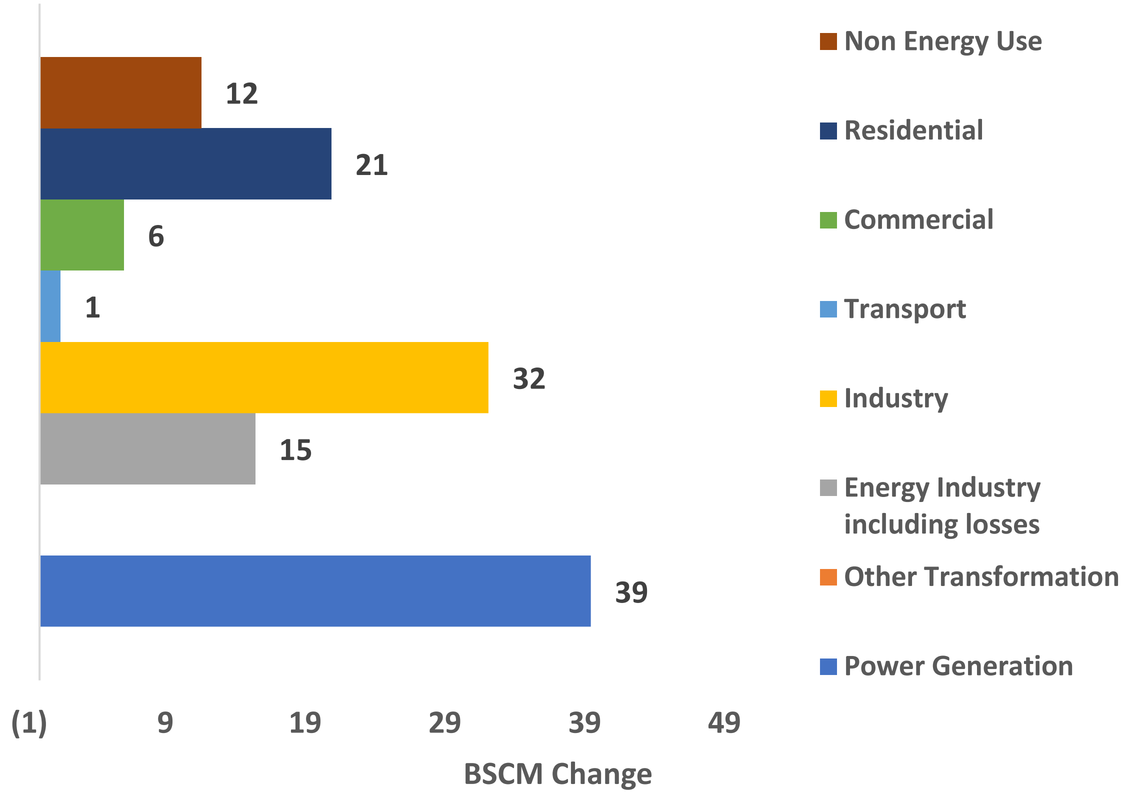
Data source: OIES, IEA, NexantECA WGM

China

China Demand



Change in China Demand 2024 – 2035



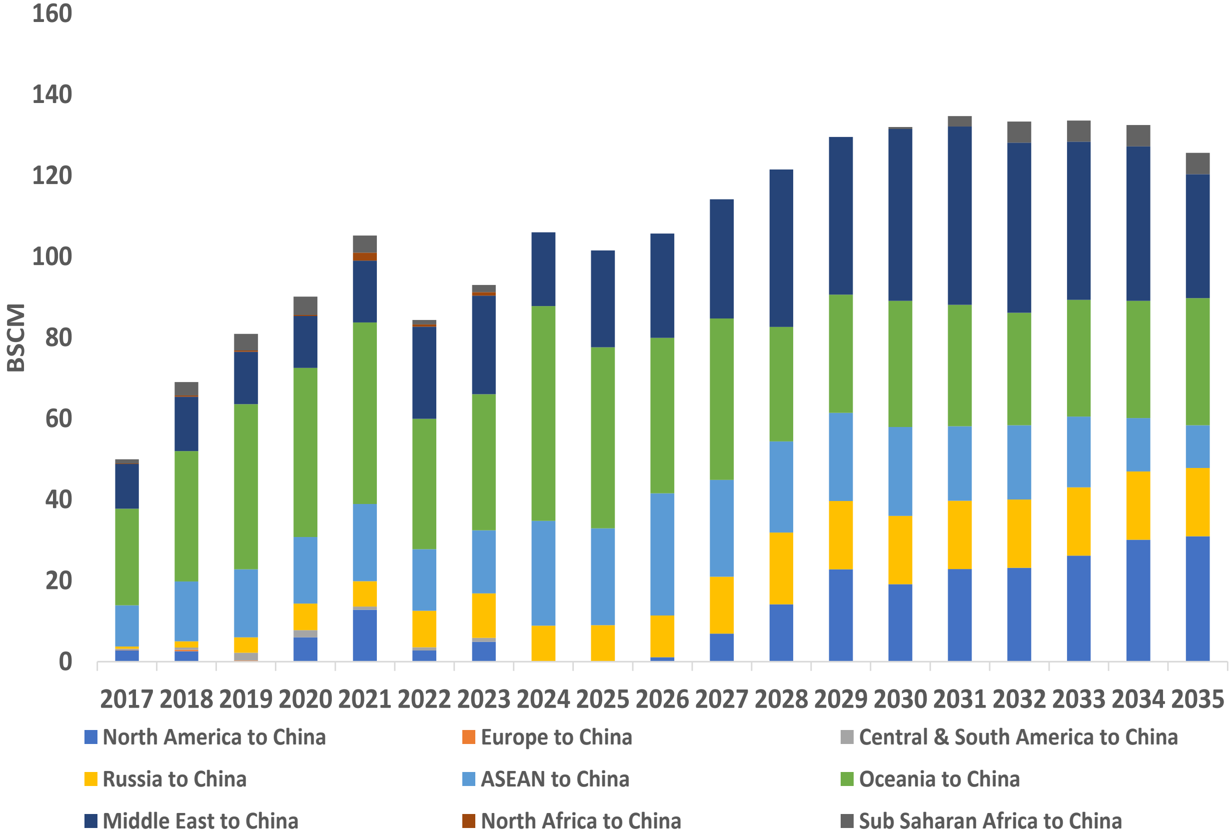
Plateauing China demand in 2030s

Demand growth across the board – coal replacement and economic growth

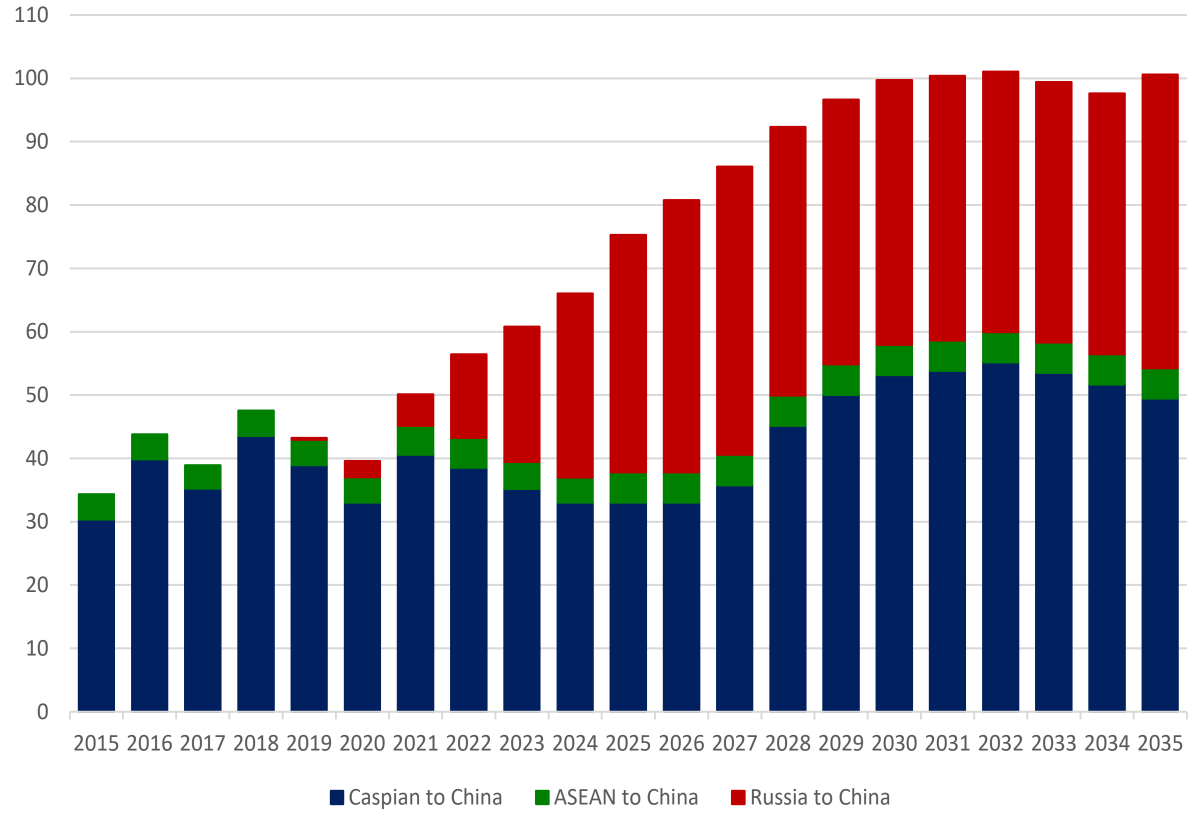
China

Data source: OIES, IEA, NexantECA WGM

China LNG Imports



China Pipeline Imports by Source (Bcma)

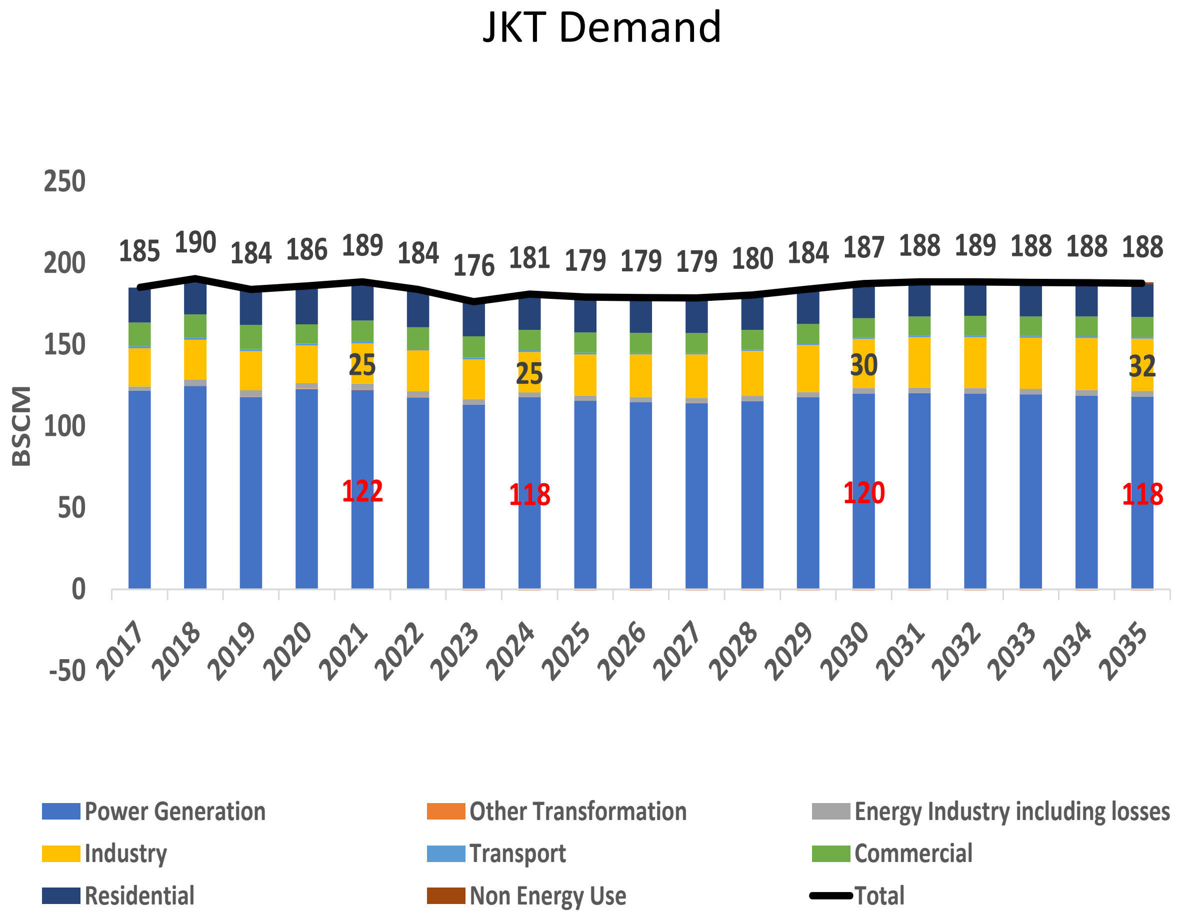


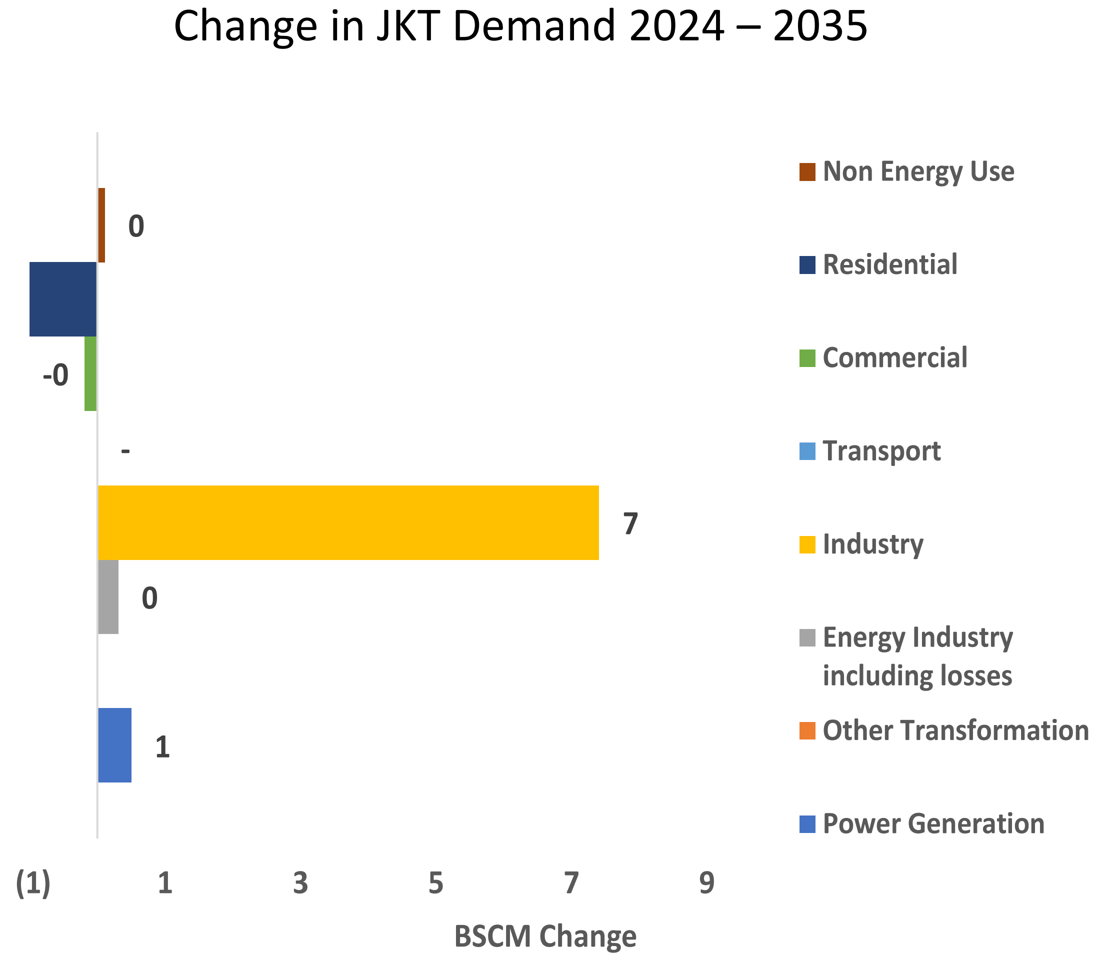
China's growth in LNG imports is from North America – as tariffs removed – and Qatar

Growth of pipeline imports from Russia as Sakhalin pipeline added and Central Asia Line D – no Power of Siberia 2 until 2035

Japan, Korea, Taiwan

Data source: OIES, IEA, NexantECA WGM



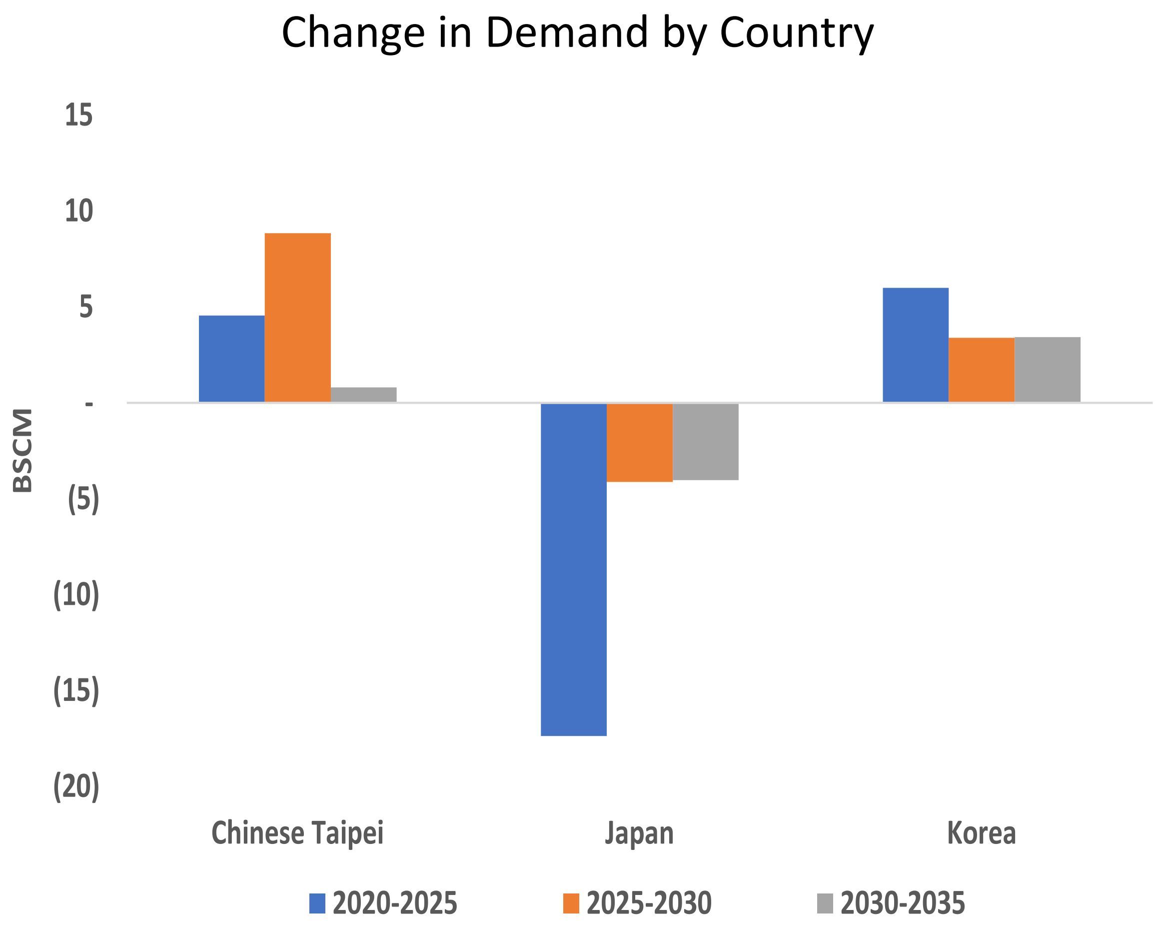


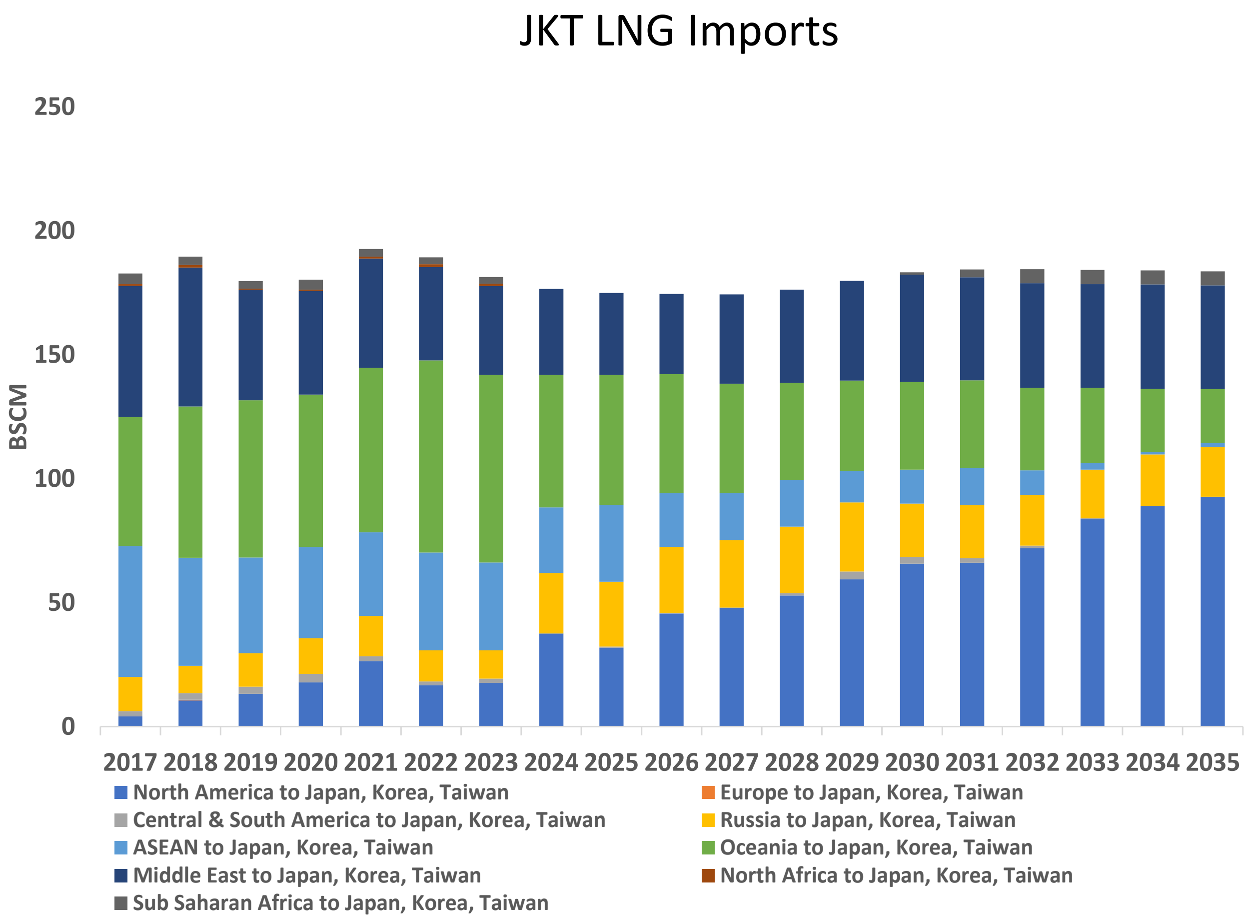
Flat demand from the traditional importers, wholly reliant on LNG

Small growth in Industry – rest unchanged

Japan, Korea, Taiwan

Data source: OIES, IEA, NexantECA WGM





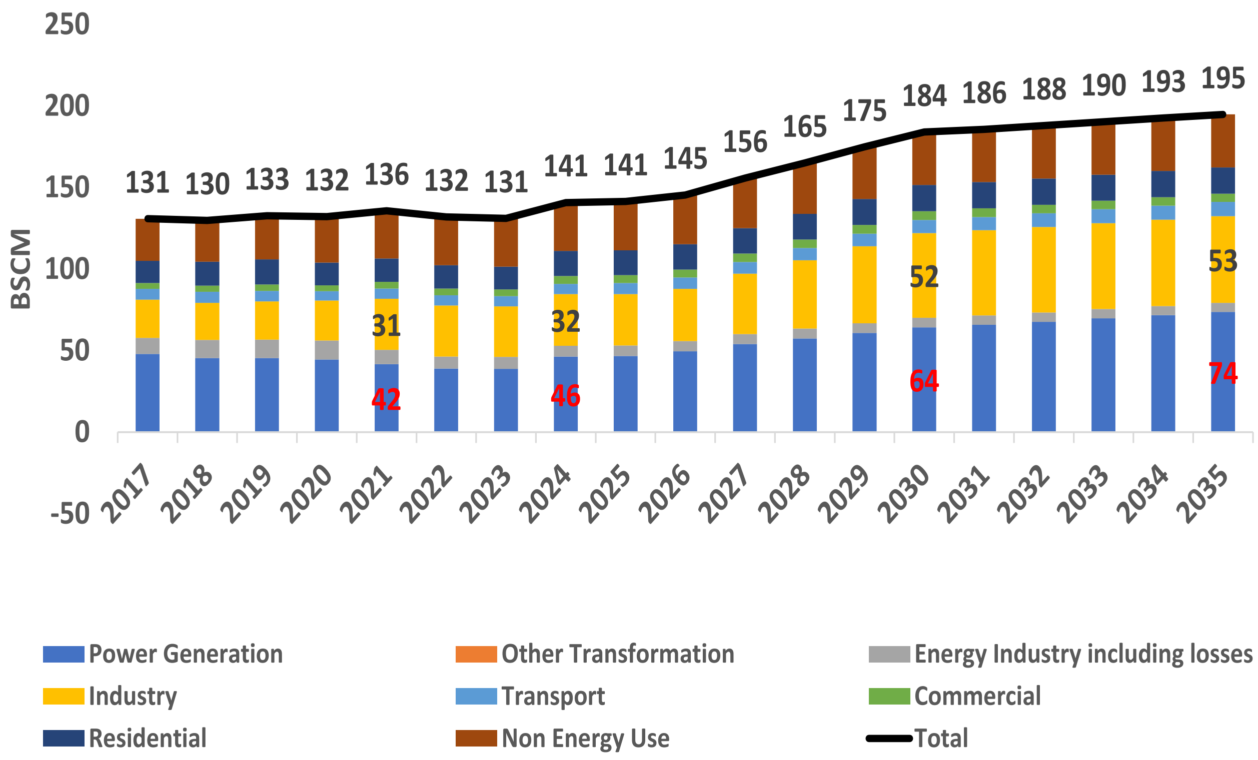
Growth in Taiwan and Korea offsets decline in Japan

North America becomes significantly more important source of supply

Data source: OIES, IEA, NexantECA WGM

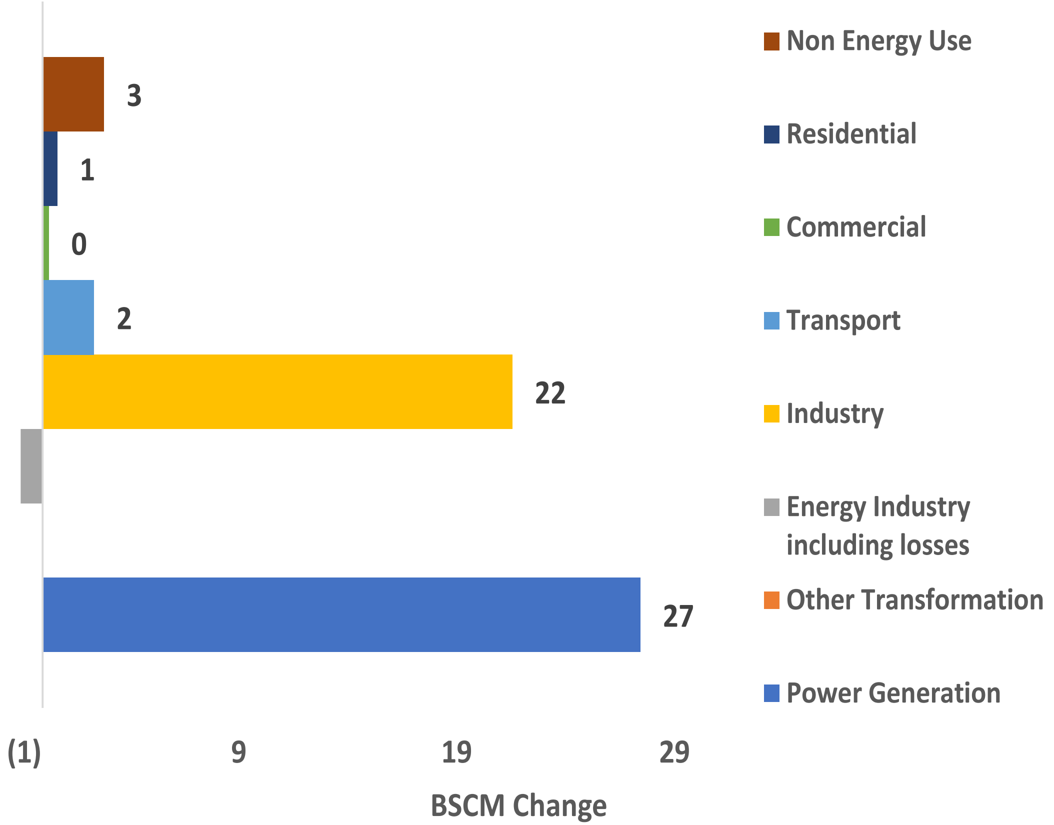
South Asia

South Asia Demand



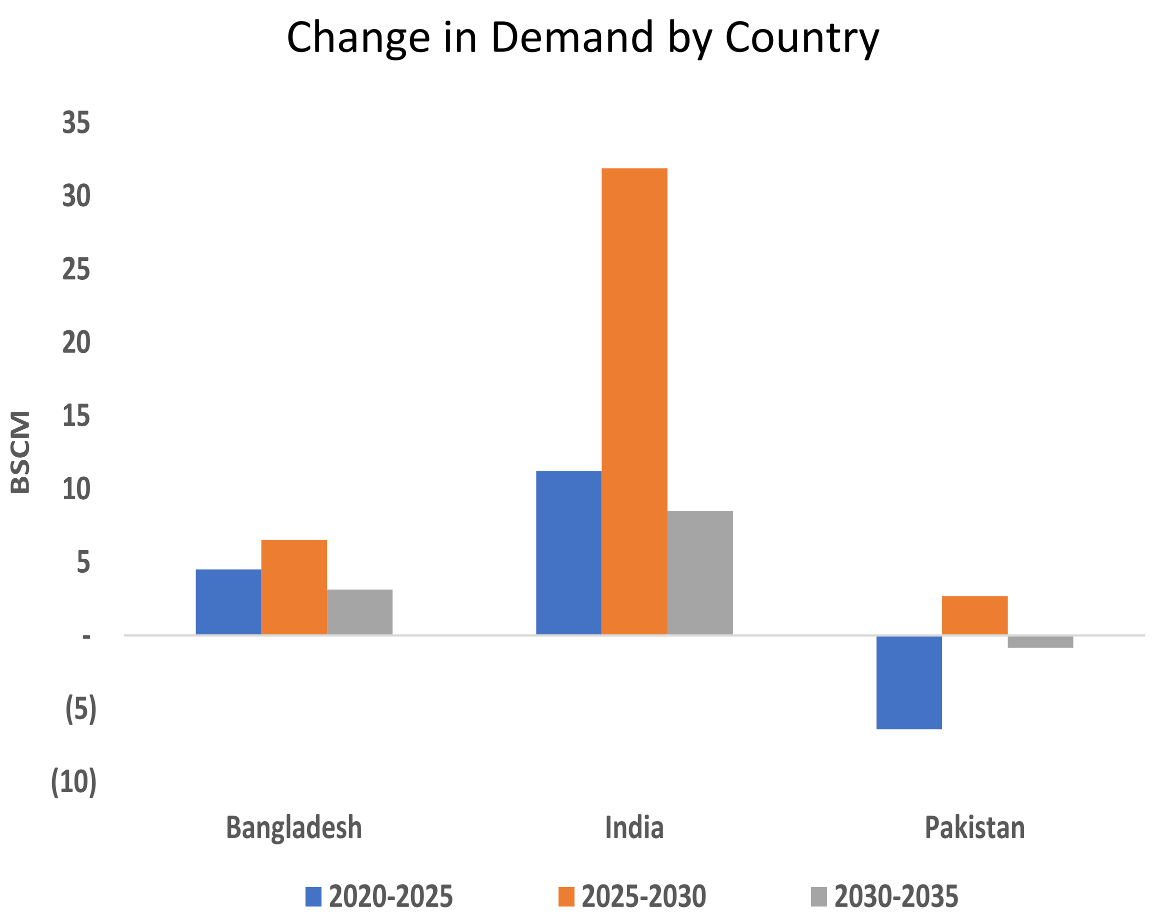
Demand growth takes off in second half of 2020s

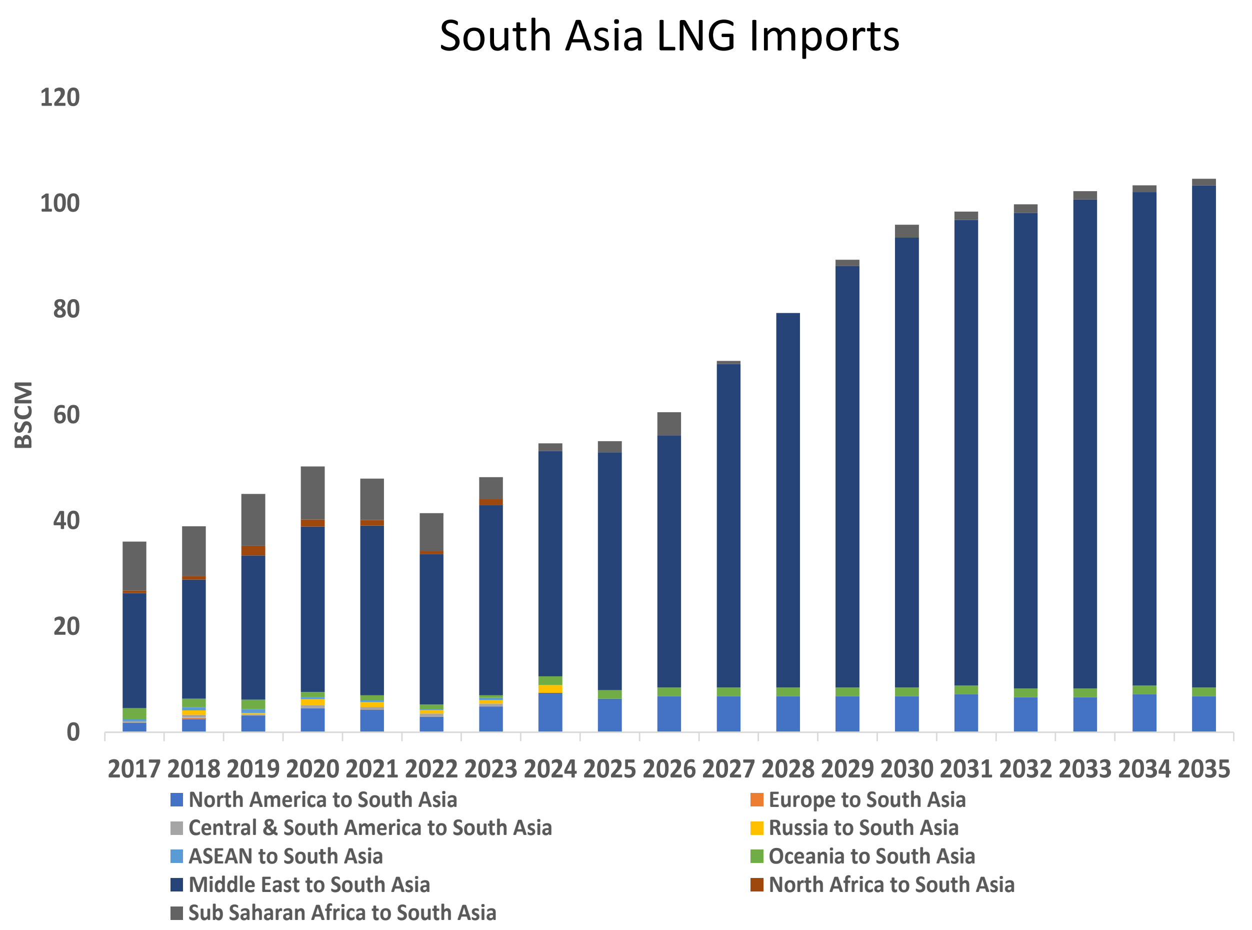
Change in South Asia Demand 2024 – 2035



Power and industry at the forefront of growth

South Asia





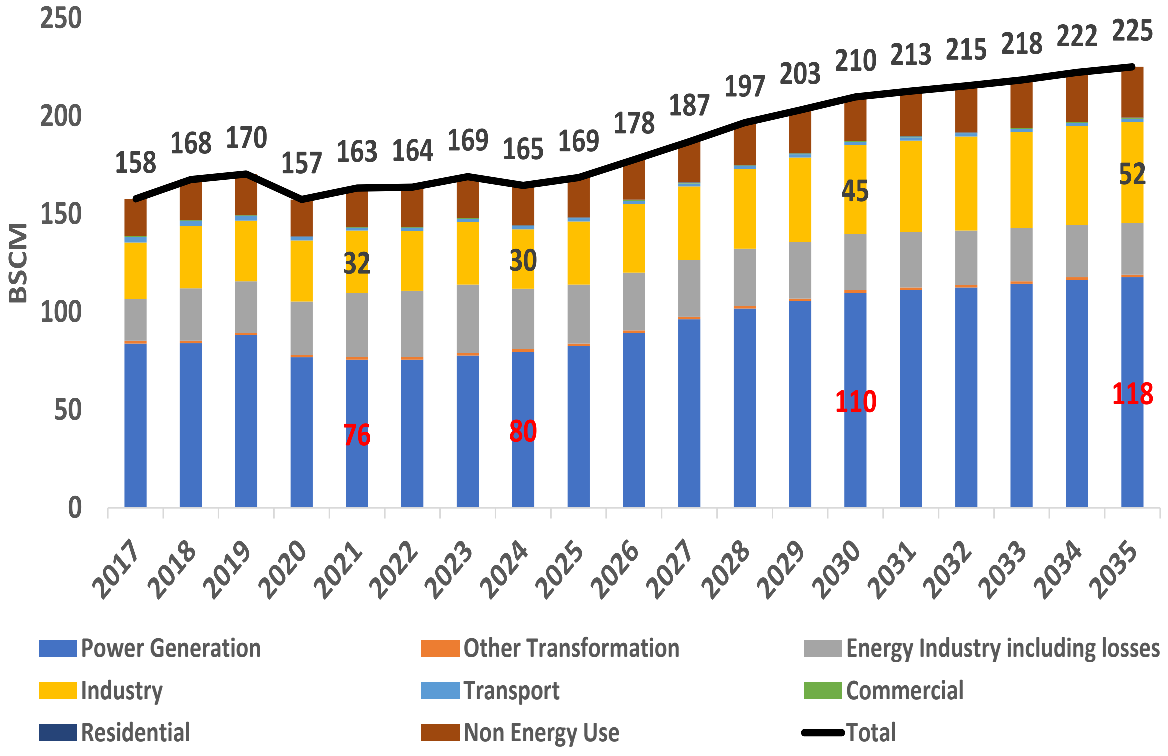
India as largest market dominates demand growth. Pakistan flat

Middle East (Qatar) continues to dominate imports

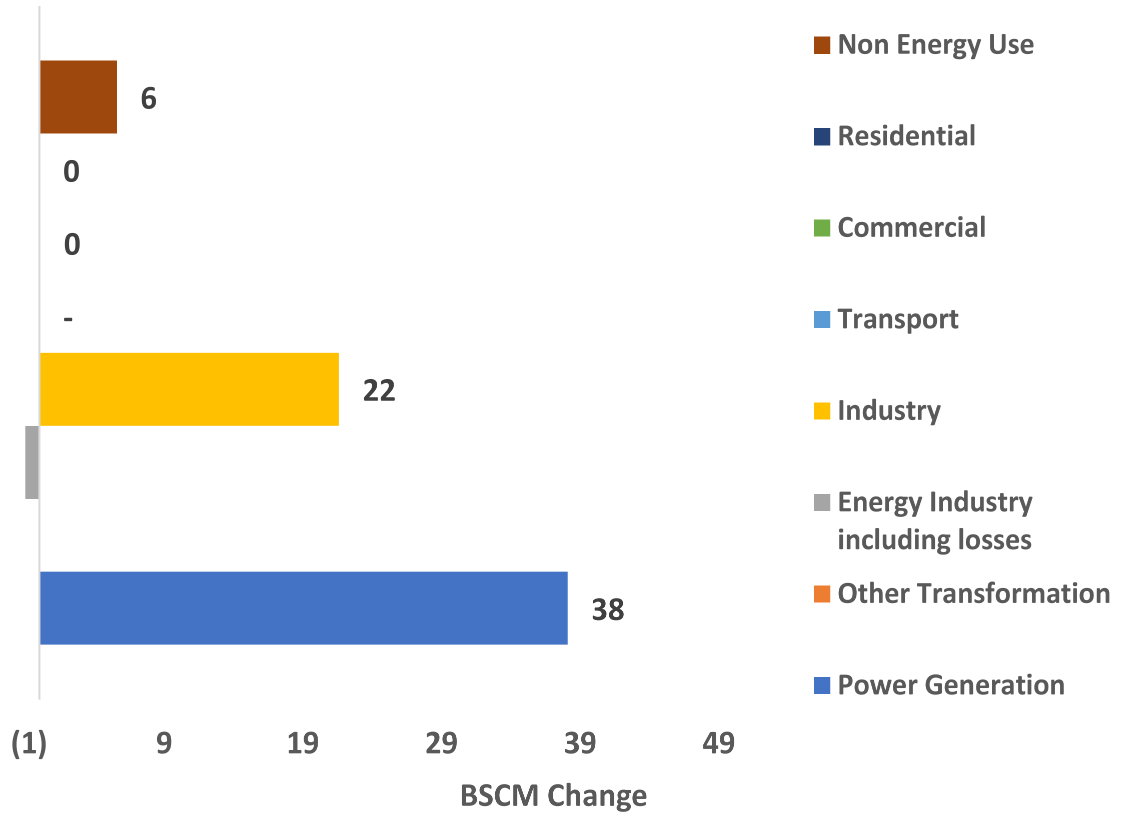
ASEAN

Data source: OIES, IEA, NexantECA WGM

ASEAN Demand



Change in ASEAN Demand 2024 – 2035

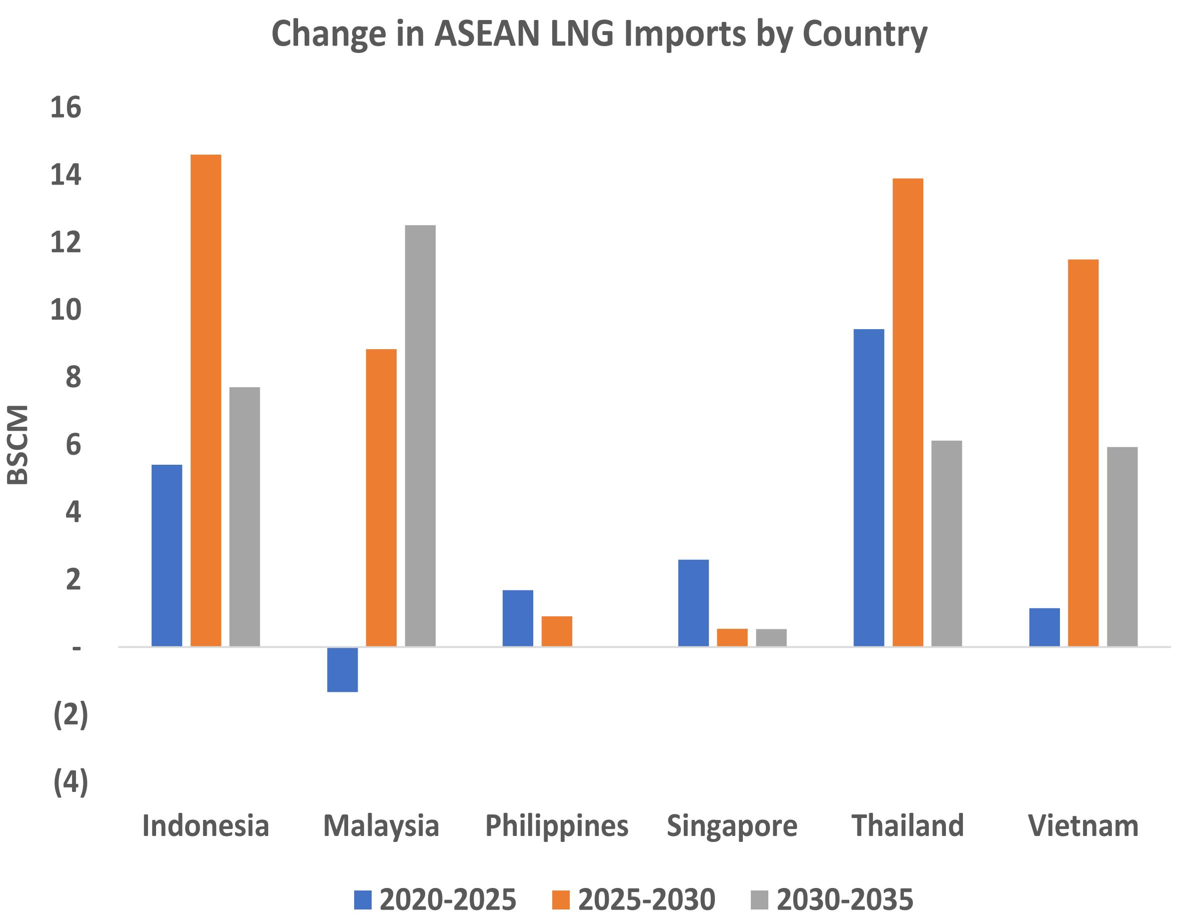


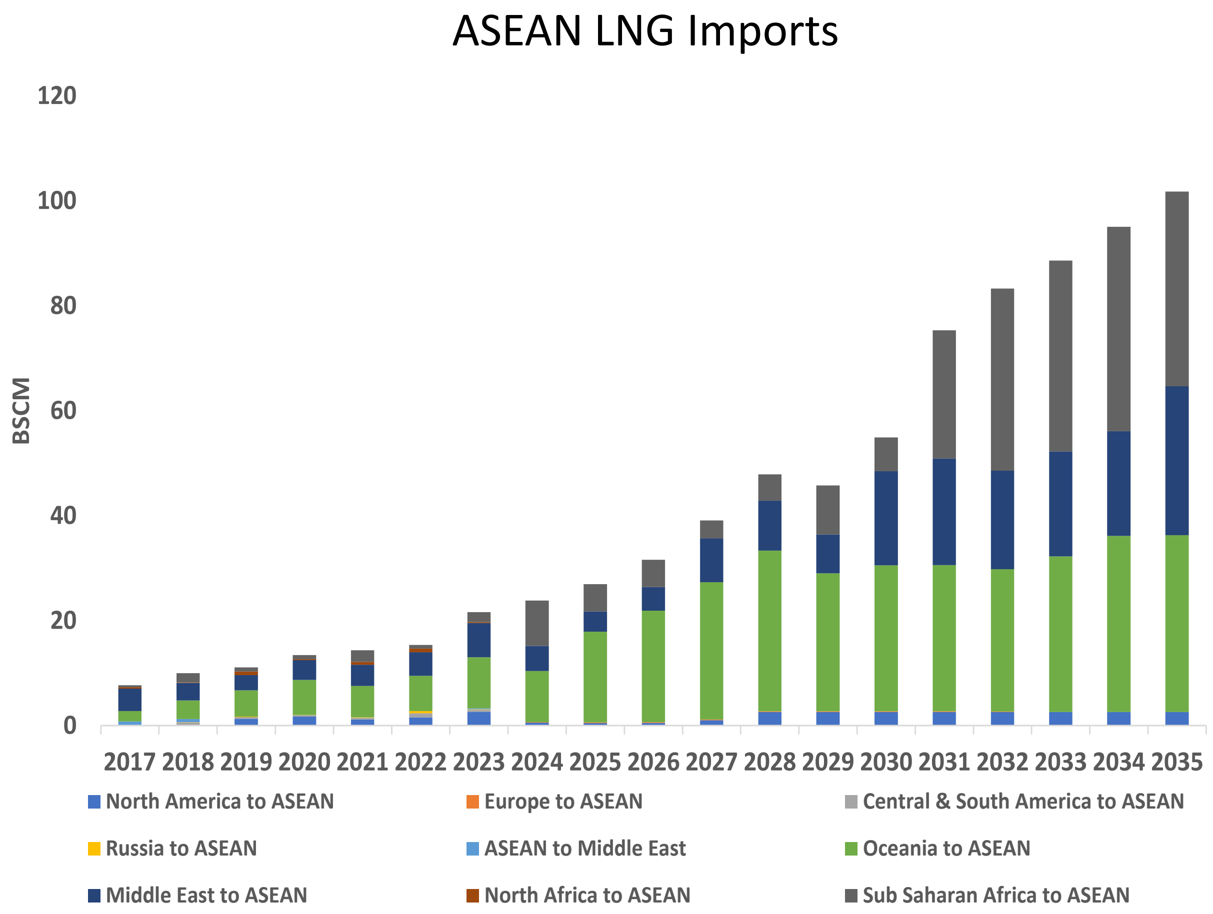
Growth in demand beginning to take off

Power and Industry drives growth

ASEAN

Data source: OIES, IEA, NexantECA WGM



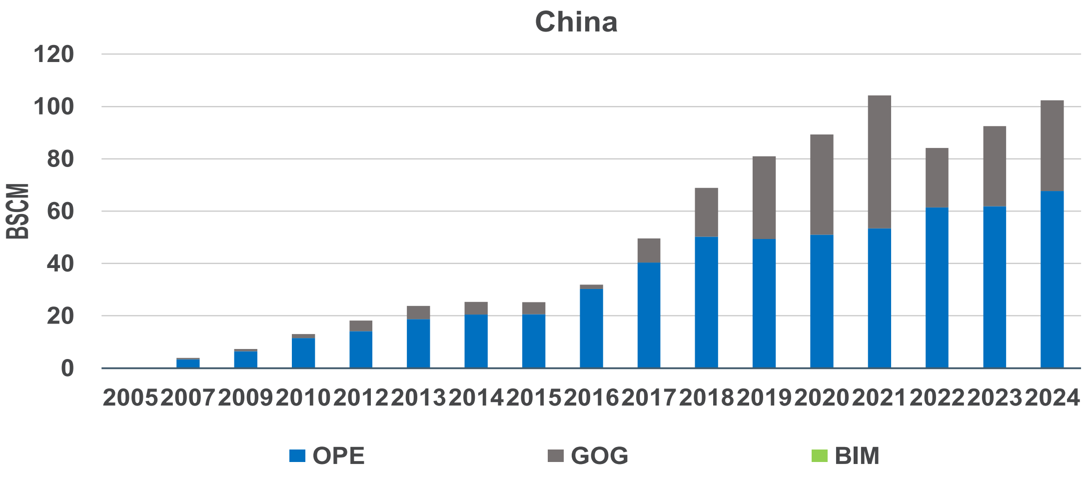


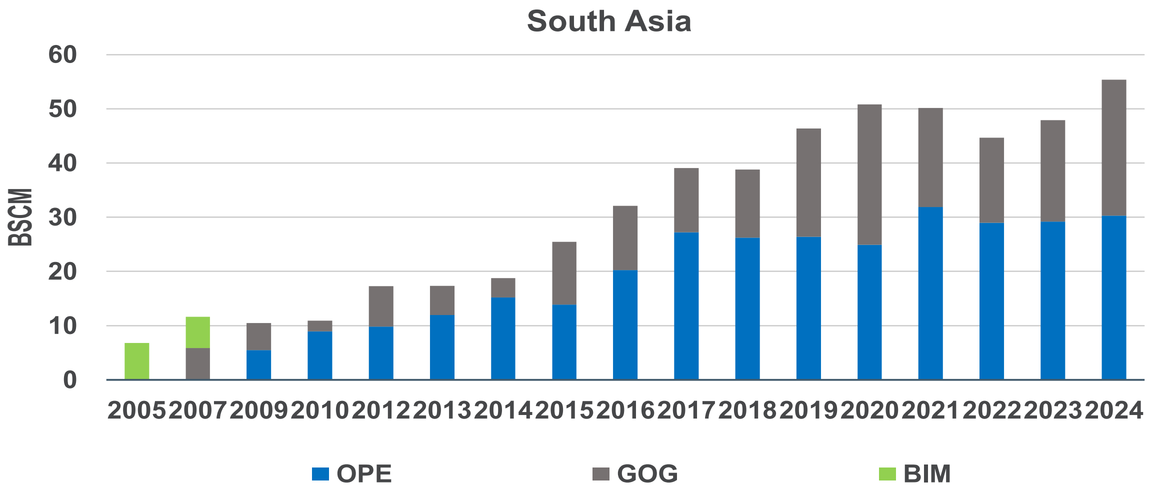
LNG imports growth not all demand driven as production in Indonesia, Malaysia and Thailand

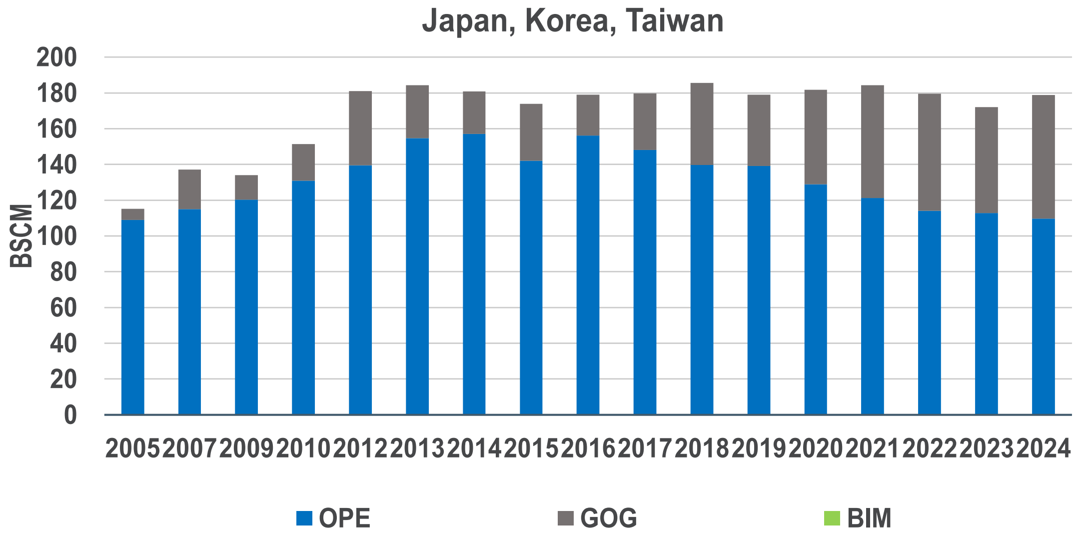
Australia, Sub-Saharan Africa and Middle East primary suppliers

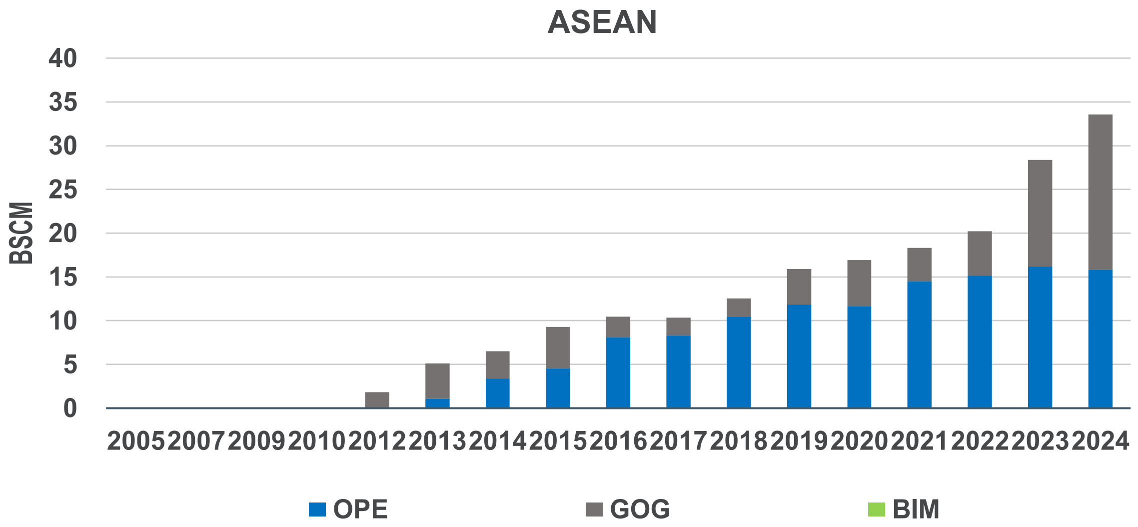
Gas Pricing LNG Imports

Data source: IGU Wholesale Gas Price Survey 2025



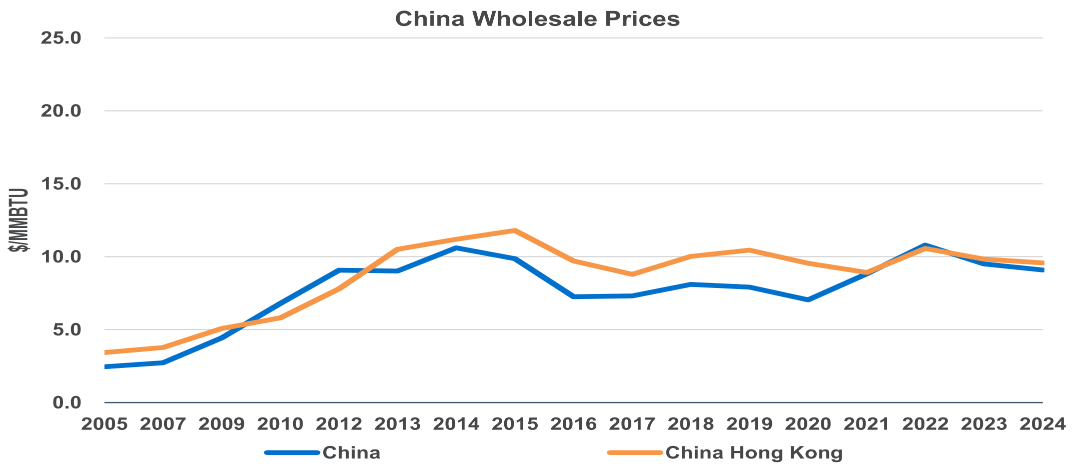


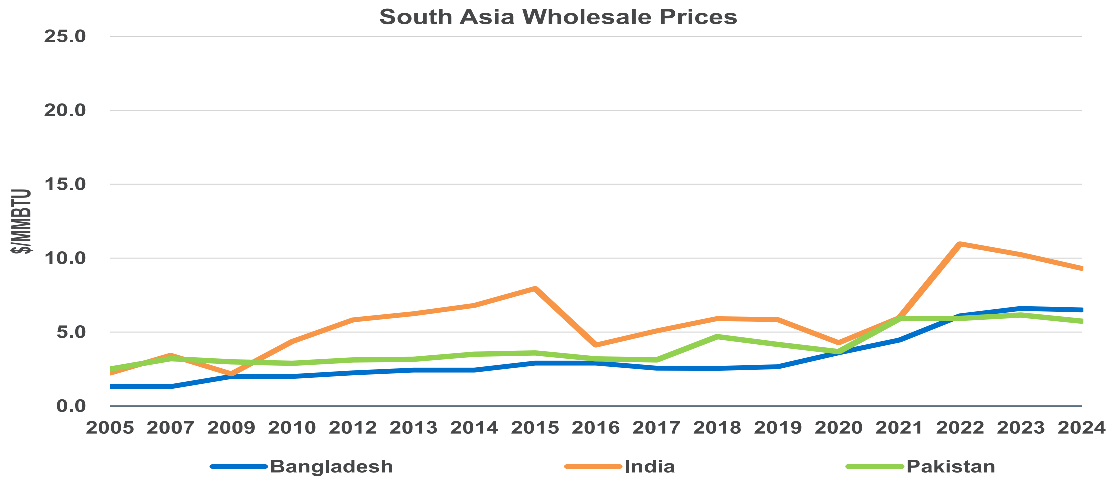


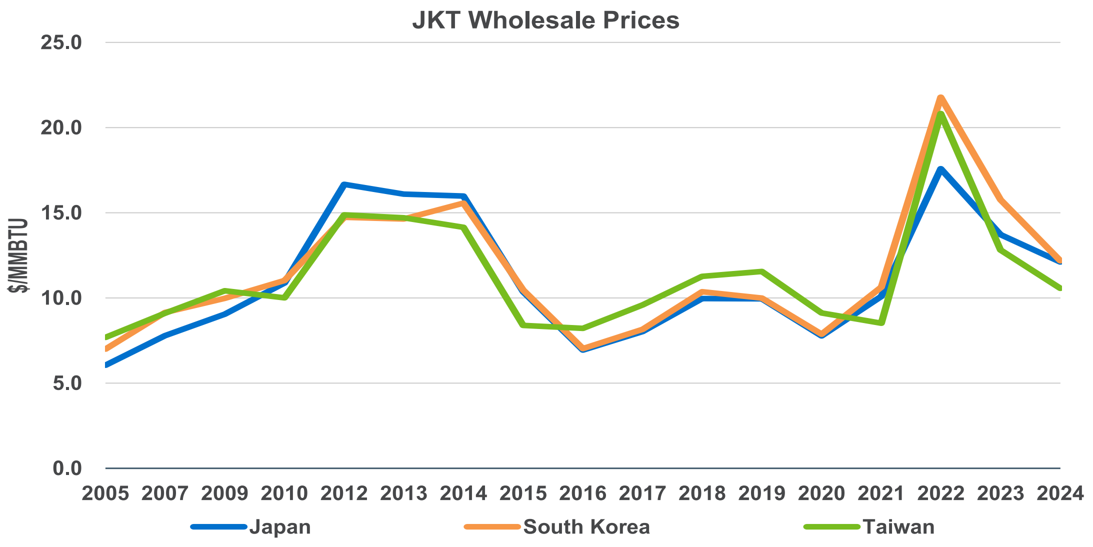


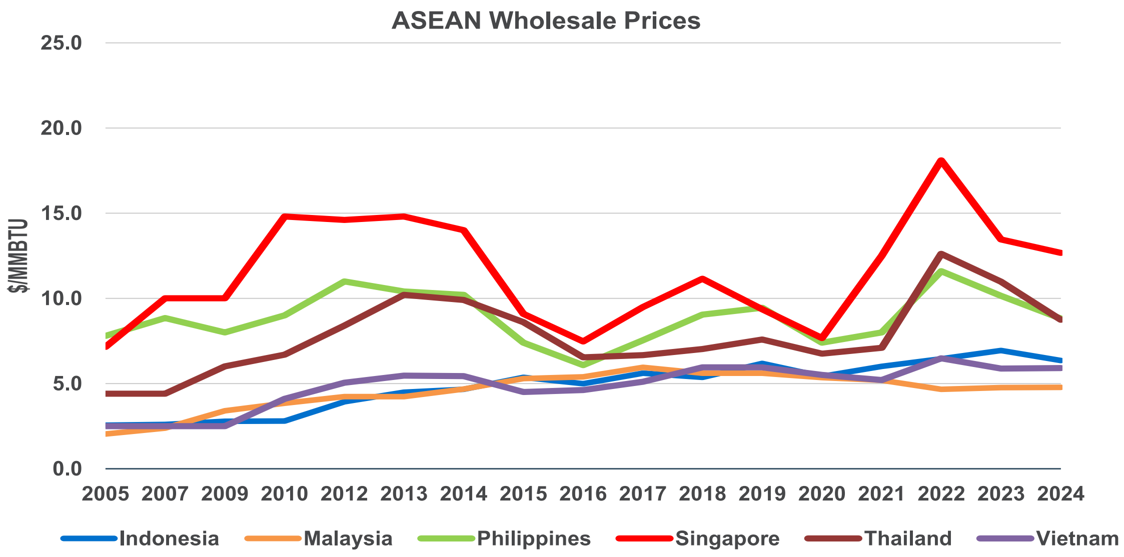
Asia Wholesale Gas Prices

Data source: IGU Wholesale Gas Price Survey 2025 (Forthcoming)









Conclusions

- Generally bullish demand growth across the broader Asia region
- China and India lead the way on the demand side but the emerging ASEAN markets also contribute to rising demand, with LNG imports additionally boosted by weakening production in Indonesia, Malaysia and Thailand
- Asia region growth is needed to soak up the rising LNG supply over next 5 years. Power growth is of key importance, requiring the buildout of new CCGTs
- Move towards more flexible GOG pricing in all of the region since 2016, even very recently in ASEAN. These volumes are at the margin so represent the price sensitive element – most non-US long term contracts remain oil indexed
- Average wholesale prices in most of the larger importers (JKTCI) are at economic or markets levels, as are prices in Singapore, Thailand and the Philippines. The relatively newer importers (Indonesia, Malaysia, Pakistan, Bangladesh and Vietnam) still have wholesale prices at lower levels than the prevailing market prices, reflecting historic dependency on domestic production

Thank You!

mike.fulwood@oxfordenergy.org