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Natural Gas Demand: Outlooks and Implications

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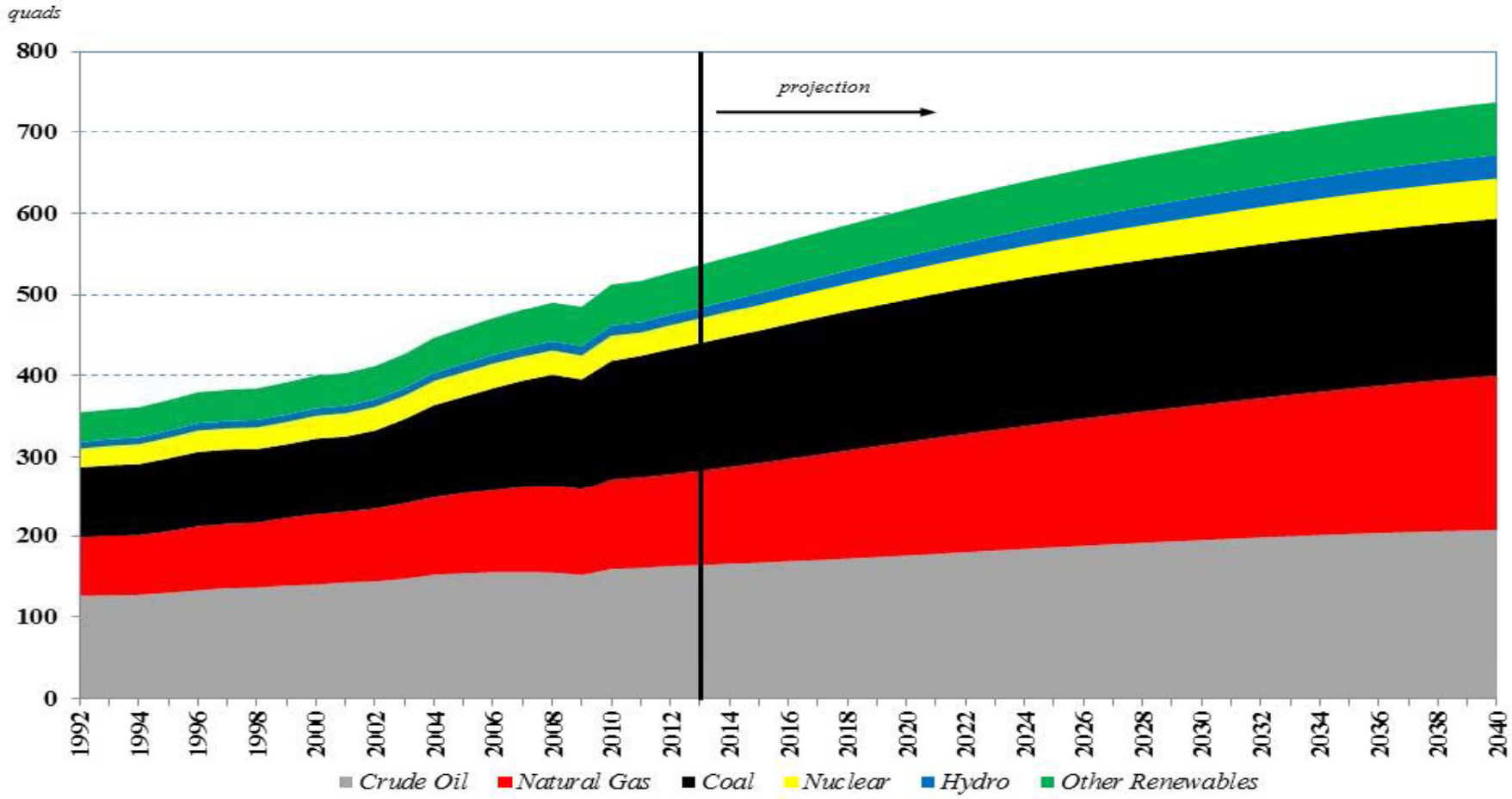
The Earth at Night and Energy Insights

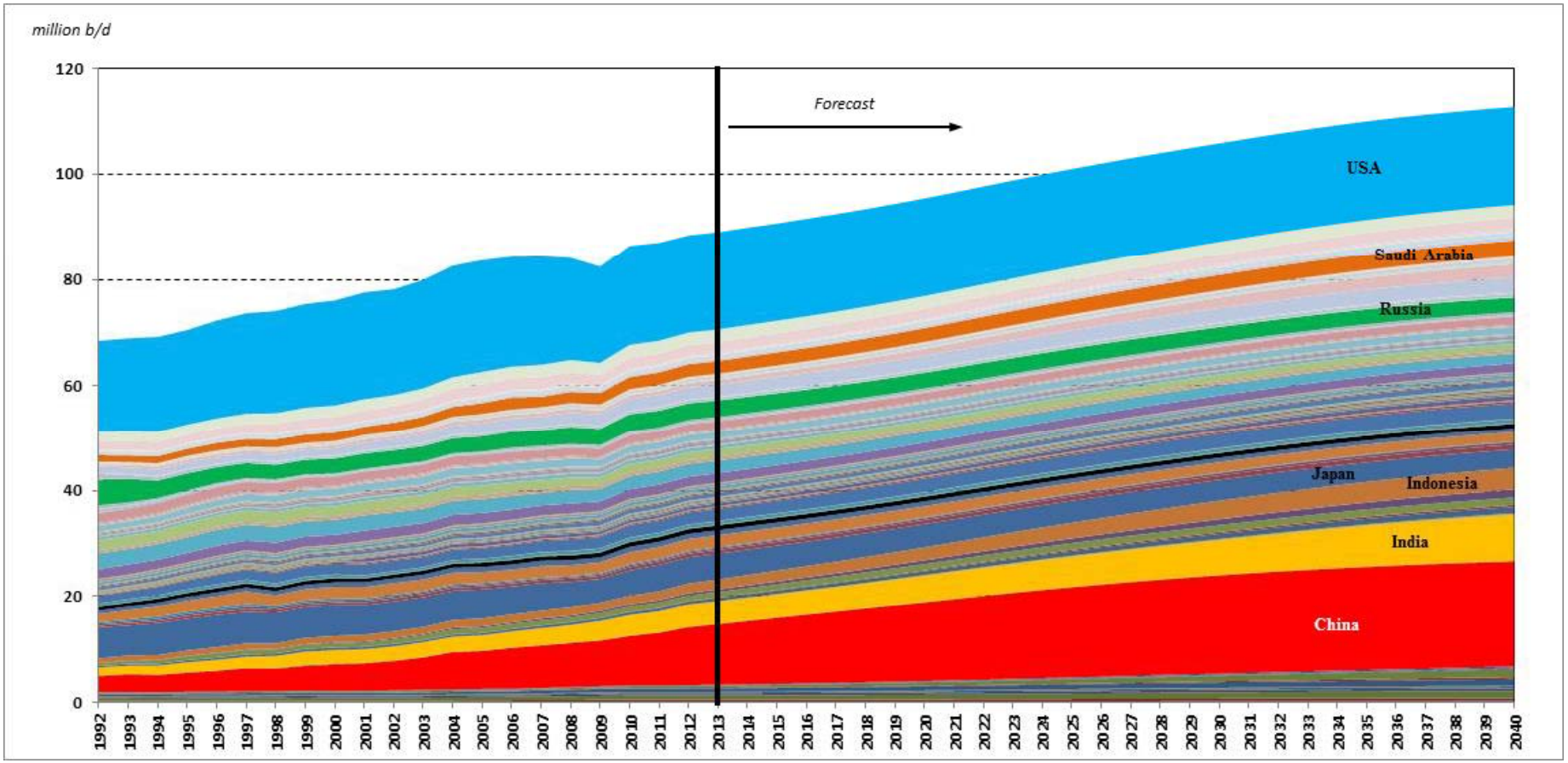
Global Total Primary Energy Requirement

- Baker Institute CES forecast of TPER by fuel, 1992-2040



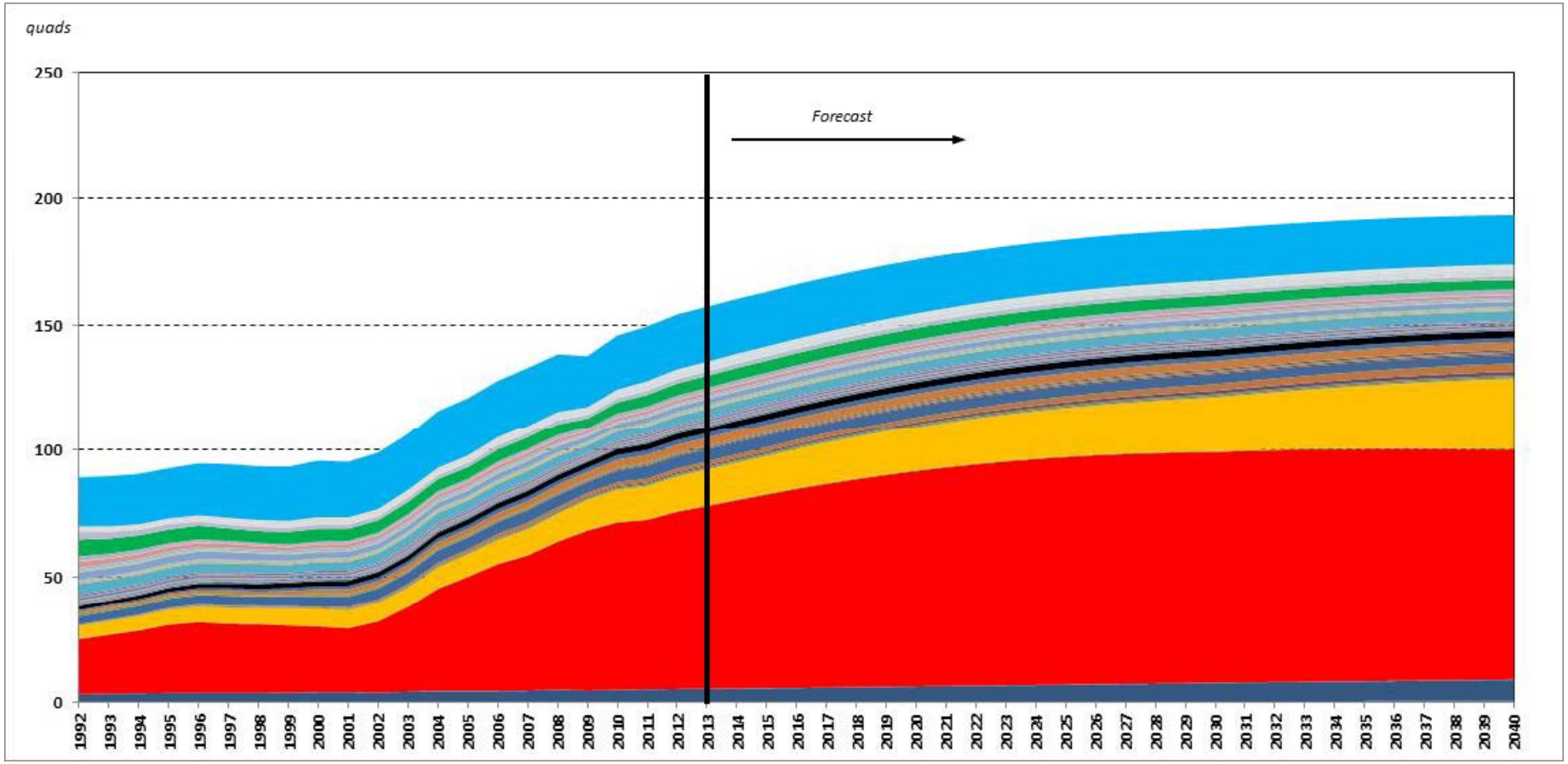
Global Oil Demand

- Baker Institute CES forecast of petroleum demand by country, 1992-2040
  - Demand will continue to grow, driven largely by very populous developing economies such as China and India.



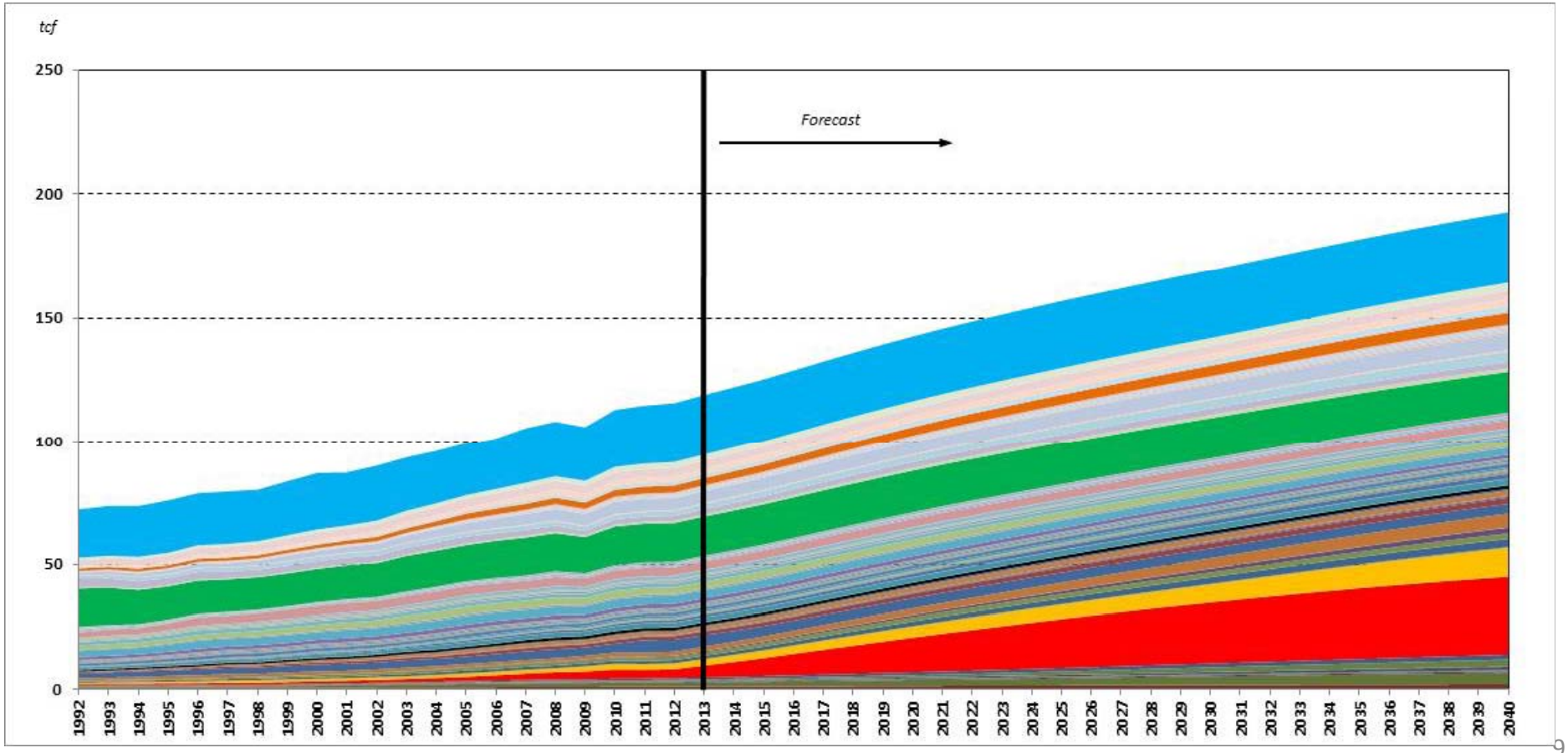
Global Coal Demand

- Baker Institute CES forecast of coal demand by country, 1992-2040
  - Infrastructure in China has been developed around coal... will China switch away, or upgrade environmental controls?



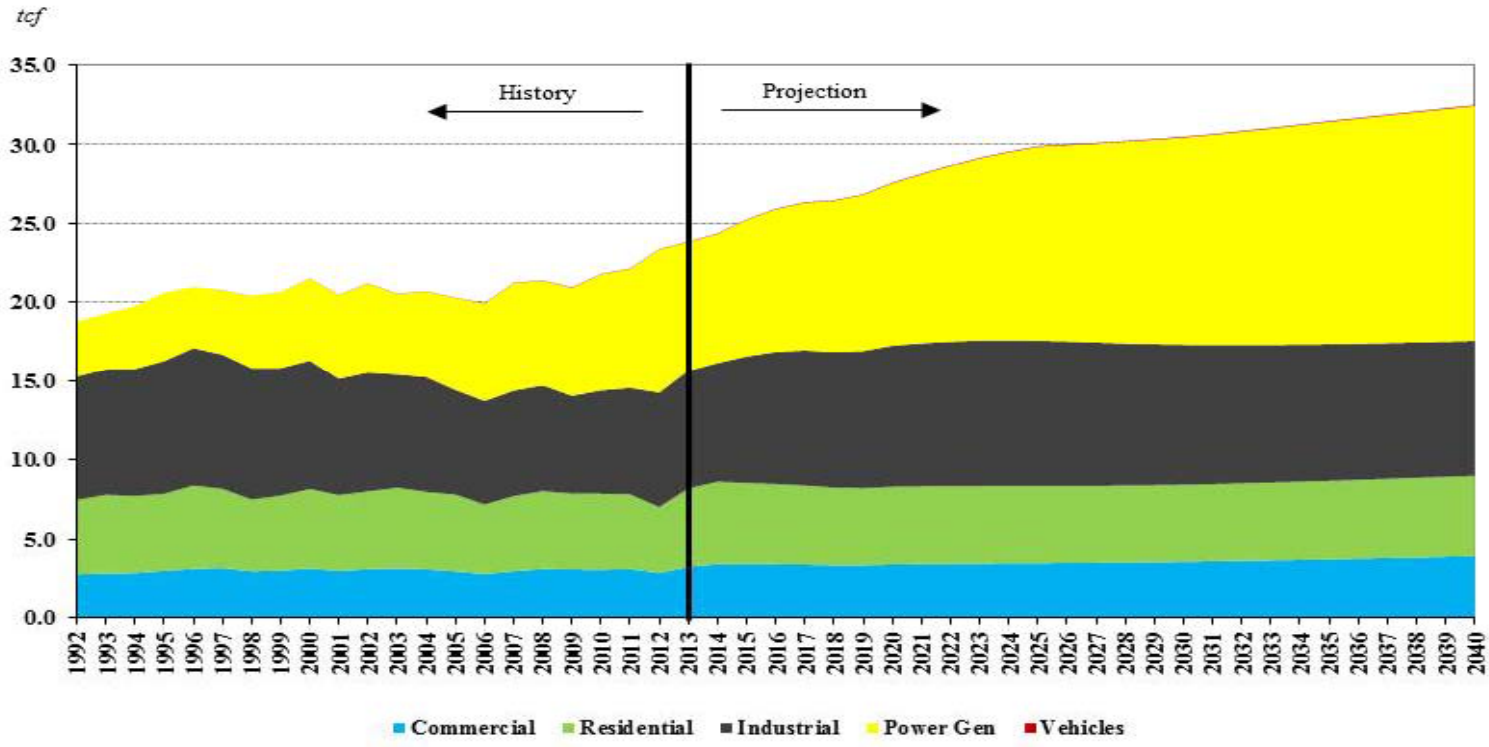
Global Natural Gas Demand

- Baker Institute CES forecast of natural gas demand by country, 1992-2040
  - Similar patterns as with oil... demand driven by Asia



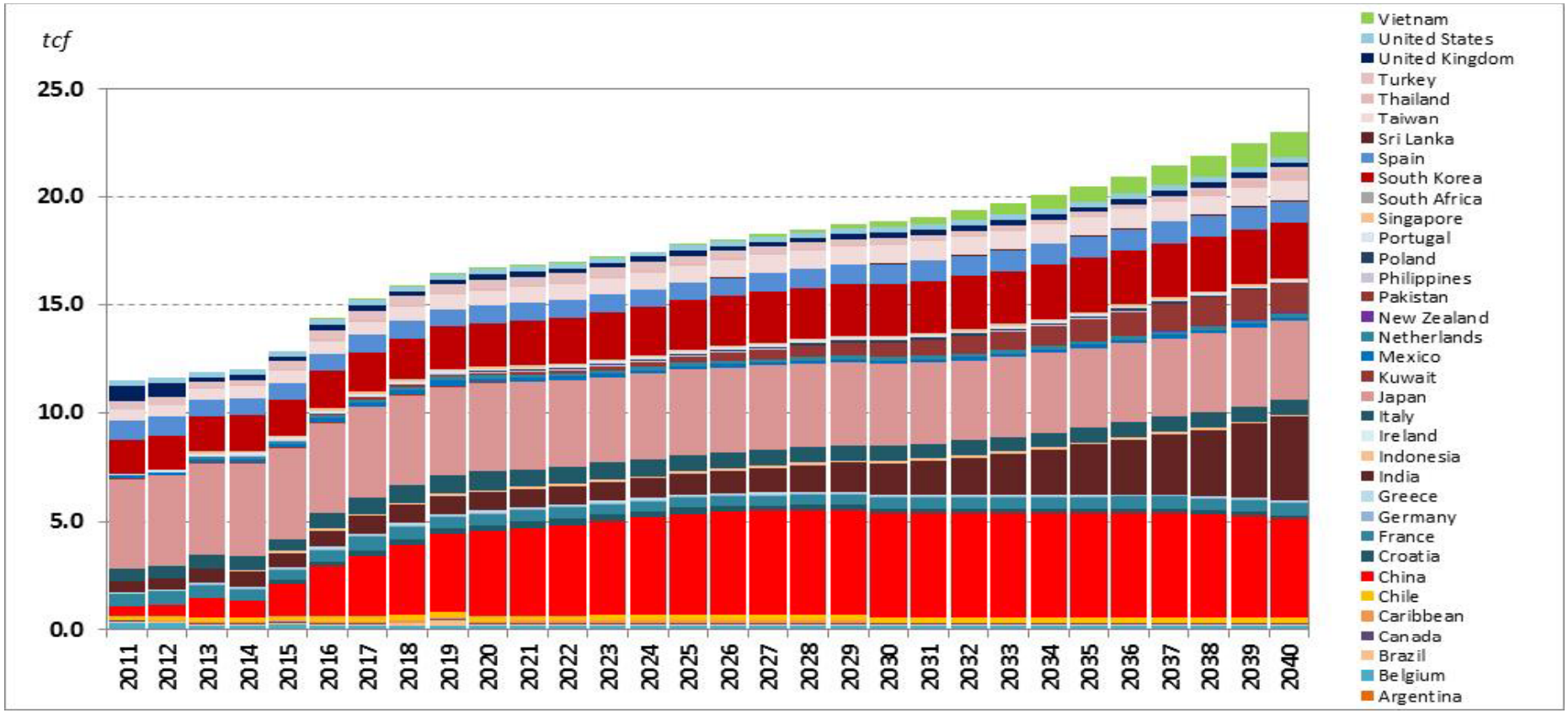
U.S. Natural Gas Demand, 2010-2040

- Natural gas demand is expected to grow by 1.7% p.a. from 2010-2030, largely driven by power generation and industrial demands.
  - Driven by policy, power generation demand grows at 2.9% p.a.
  - Industrial demand grows at 1.6% p.a., largely from 2010 to 2020.



LNG Imports by Country, 2011-2040

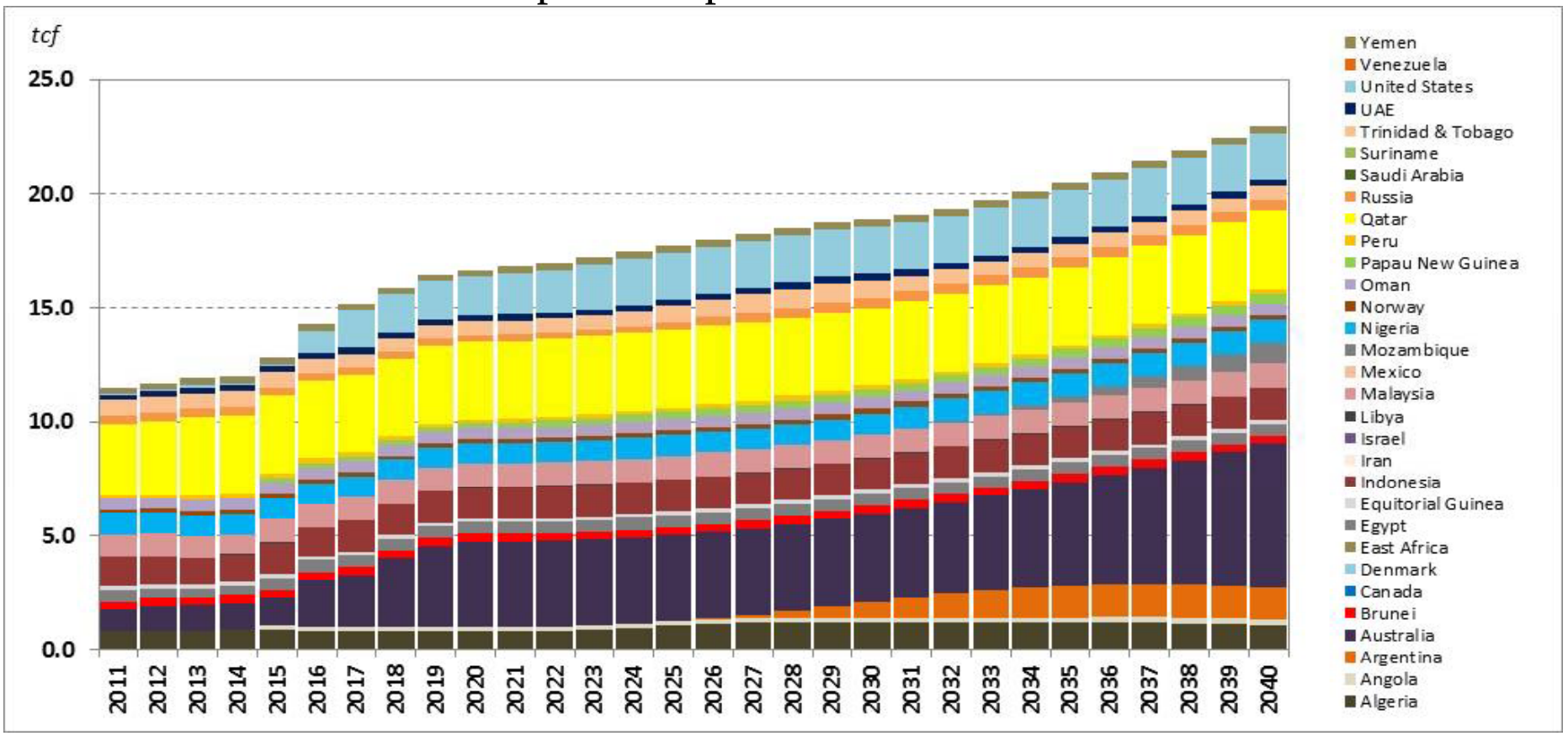
- Diversity in the LNG import picture, with China surpassing Japan in the mid 2020s, and India emerging in the 2030s.



Source: Baker Institute RWGTM February 2014,. The RWGTM was developed by Kenneth Medlock and Peter Hartley of Rice University and utilizes the Deloitte MarketPoint software platform to execute.

LNG Exports by Country, 2011-2040

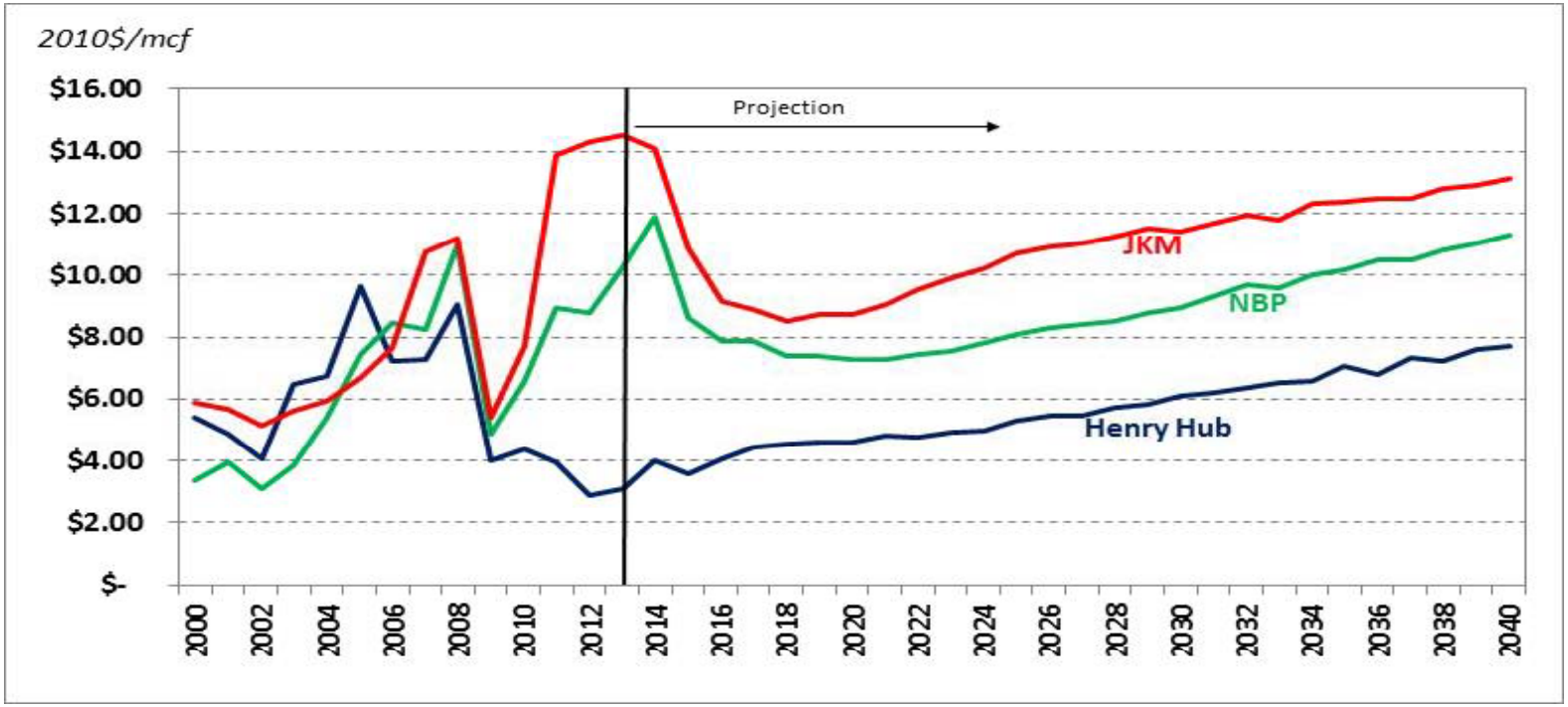
- Qatar and Australia account for over 40% of global *LNG* exports, and the US enters in 2016 which helps drive price decline in Asia.



Source: Baker Institute RWGTM February 2014,. The RWGTM was developed by Kenneth Medlock and Peter Hartley of Rice University and utilizes the Deloitte MarketPoint software platform to execute.

Global Marker Prices, 2011-2040

- The prices indicated are *spot* prices; *contract* prices may be different, but short term trade will continue to expand.
- Global prices remain above the US price, but trade closes the spread.



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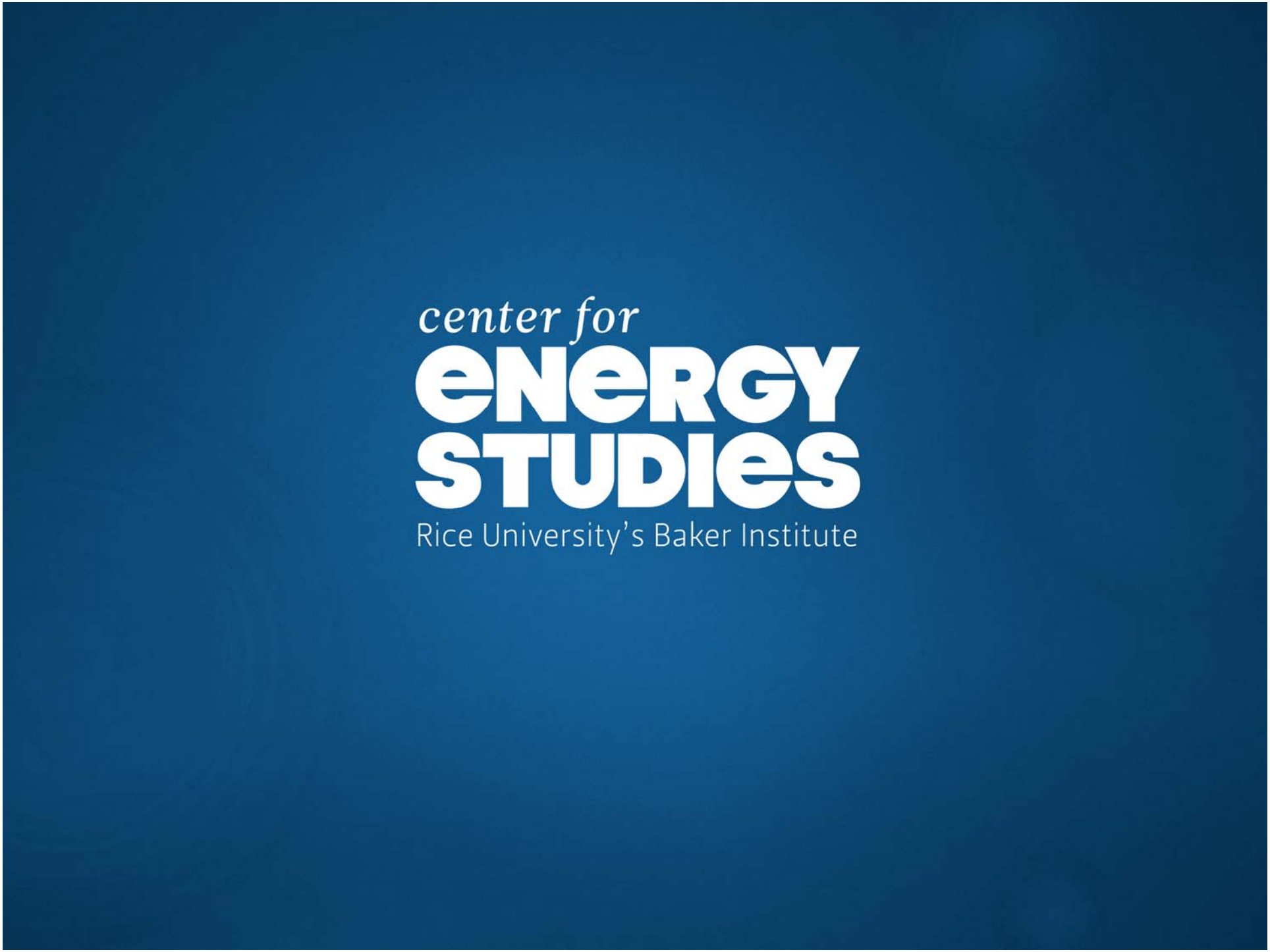
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