What's the biggest trend in gas today?
The big trend in the gas market right now I would say is around increasing competition. If we look at the LNG market in particular what are we seeing in that market? Lots of changes. The first change I would say is around new countries appearing as LNG importers. Every year we see more and more countries starting to import LNG, taking advantage of new technologies like floating storage and regasification units which will allow for a cheaper and a more flexible way to import gas.

Over the past couple of weeks we've also seen one of the big LNG producers Qatar lift its self-imposed moratorium that it had on the development of its big gas field, the north field. Qatar is currently the number one LNG exporter. We know that Australian LNG exports are ramping up all the time. It's expected to overtake Qatar as the big exporter, the largest global LNG exporter probably in the next couple of years. We've also got other countries.

What's influencing today's gas prices?
What we're seeing in the gas market currently is that the situation hasn't really changed that much, in that the market's still very well supplied, and demand growth is still pretty flat in most regions. That said, I think most big producers are still betting on strong demand growth. Gas demand is forecast to grow much more quickly, I would say, than oil demand, for example.

If you look at what's been going on in the market with regard to prices, we had Asian LNG prices, for example, up at nearly parity with oil prices a couple of years ago at $15, $18 per MMBtu. Now we're seeing those prices not really get much beyond $5, $6, $7, $8 dollars per MMBtu. It's the same in the U.S. with spot gas prices there, prices don't really move much above $3 per MMBtu so demand growth is out there but it's being counted still really by supply in the market. Though we are seeing that tightening up a little bit.

Julie Adams
Global Energy Research Lead, Accenture
Iran which after sanctions is starting to sign some MOU's now around LNG projects for some of its big fields. The competitive market is rapidly changing and I think the battle for market share is basically on.