



# The impact of the US Shale Gas revolution on the European energy market

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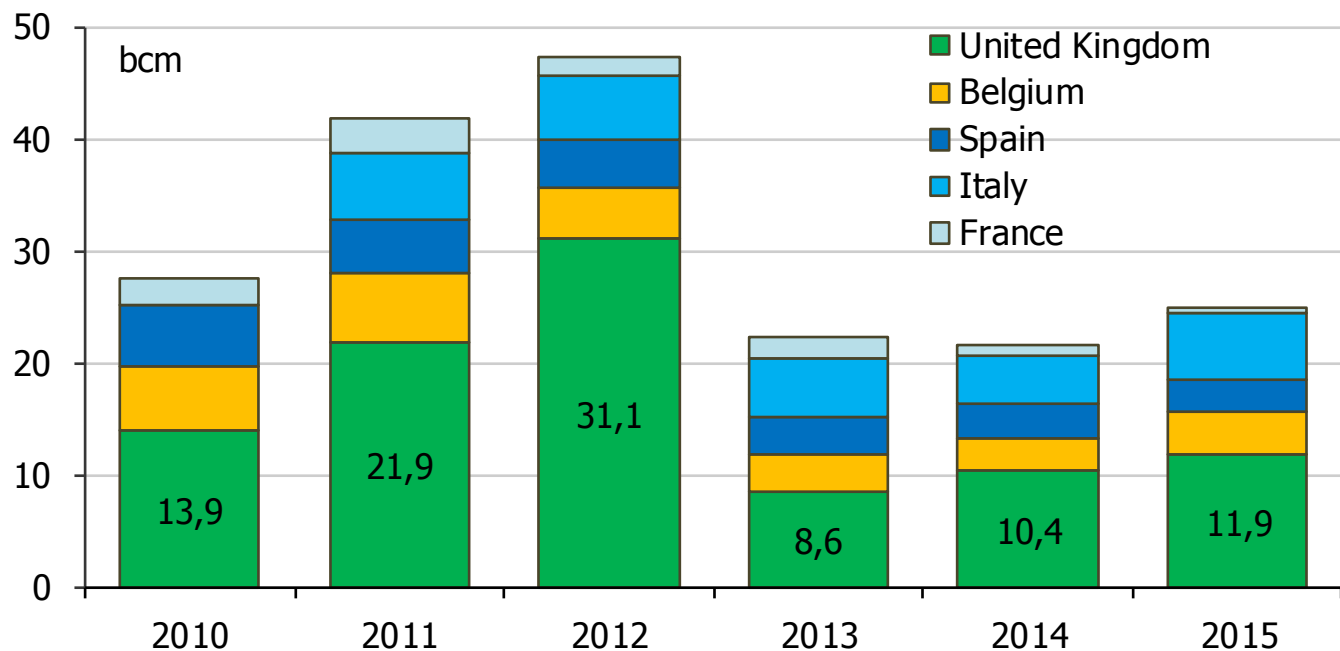
Moscow,  
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- Qatari LNG on the European gas market
- American coal on the European energy market
- The impact on the internal gas prices on the European gas market

# Qatari LNG on the European gas market

The main Qatari LNG importers in the EU are:

- the UK
- Belgium
- Spain
- Italy and
- France

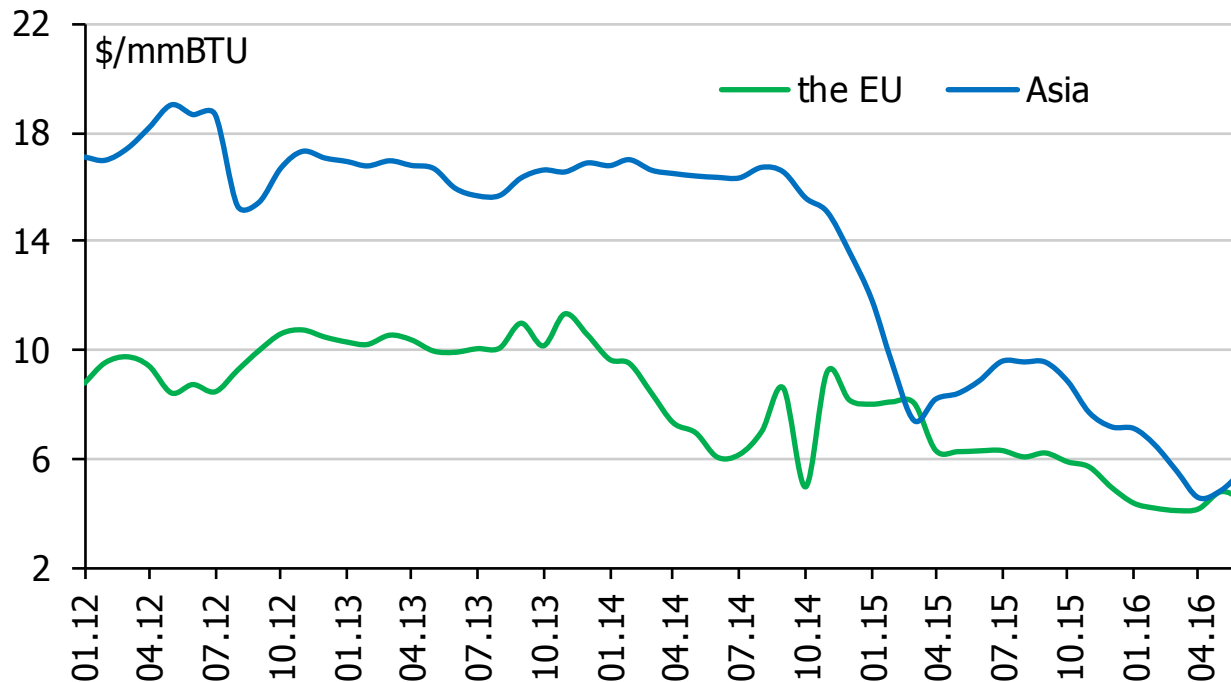


Source: BP data

# Qatari LNG on the European gas market

In 2013 the Qatari LNG deliveries to the European countries plummeted. The main reason for that was the LNG prices.

In 2012 the average LNG price for the European consumers was \$9.5 per mmBTU whereas in contrast the average LNG price for the Asian market was \$17.3 per mmBTU. In that case, LNG exporters including Qatar shift focus to the Asian market to bolster their profit margins.



Source: Bloomberg data

# Qatari LNG on the European gas market

In 2015 after the Asian market saturation the LNG prices stabilized for the both markets. Nowadays (average for 2016, January-June) they are very close to each other – app. \$4-6 per mmBTU.

The Qatari companies do business with the European companies instantly and the short-term period the deliveries will go up again:

- Qatari LNG exporter RasGas said, June 29, 2016 that the RasGas joint venture – Qatar Petroleum 70%, ExxonMobil 30% – had entered into a new LNG supply agreement with French power giant EDF.

Under the deal starting in 2017 and extending into the “medium term”, RasGas 3 will deliver up to 2mn metric tons/yr (up to 2.75bn m<sup>3</sup>/yr) of Qatari LNG to EDF at Dunkirk in northern France.

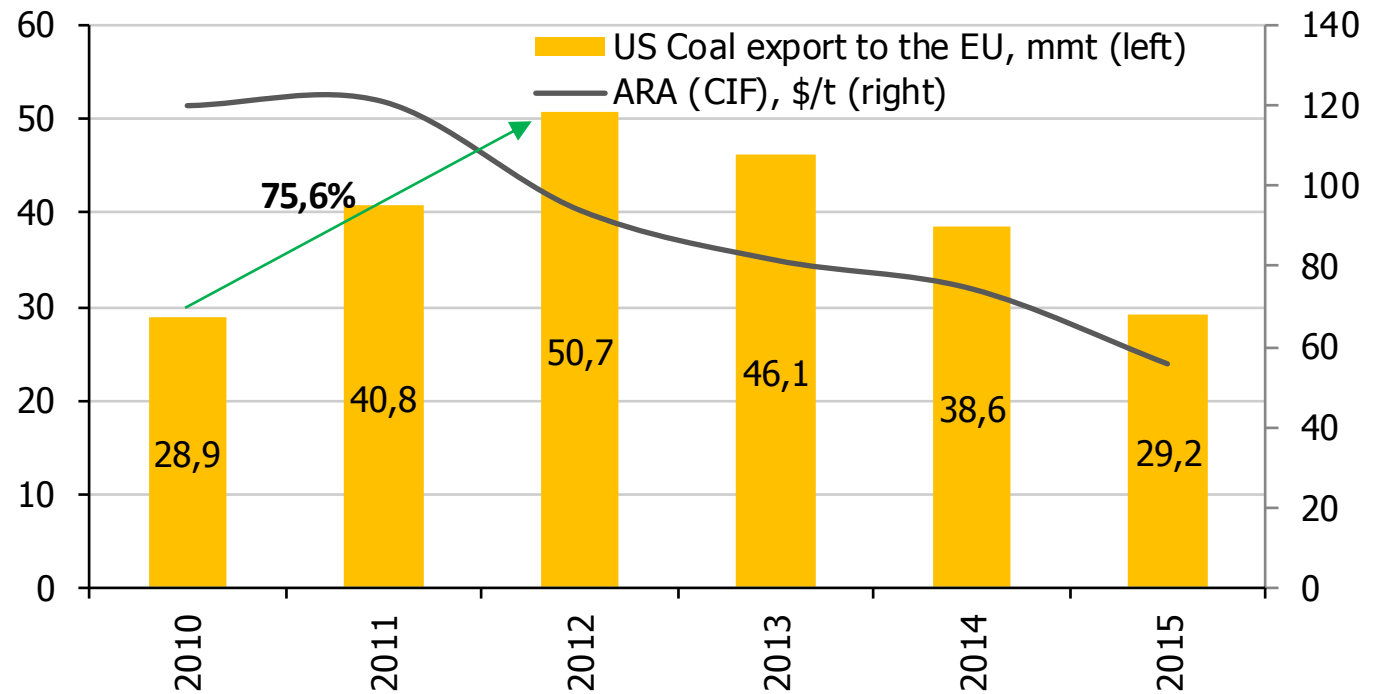
- German utility RWE said July 2, 2016 that it has signed a long-term LNG purchase deal with Qatargas to receive cargoes in northwest Europe.

Qatargas – a joint venture between Qatar Petroleum (QP), US major ConocoPhillips and Japan’s Mitsui – will deliver “up to 1.1mn metric tons annually” to RWE Supply & Trading (RWEST) in North West Europe over a period of seven and a half years.

# American coal on the European energy market

## The main American coal importers in the EU are:

- the Netherlands
- the UK
- Austria
- France
- Belgium
- Denmark
- Germany
- Italy
- Poland
- Spain
- Croatia
- Hungary
- Romania
- Luxembourg
- Slovenia
- Slovakia
- Latvia
- Portugal
- Serbia

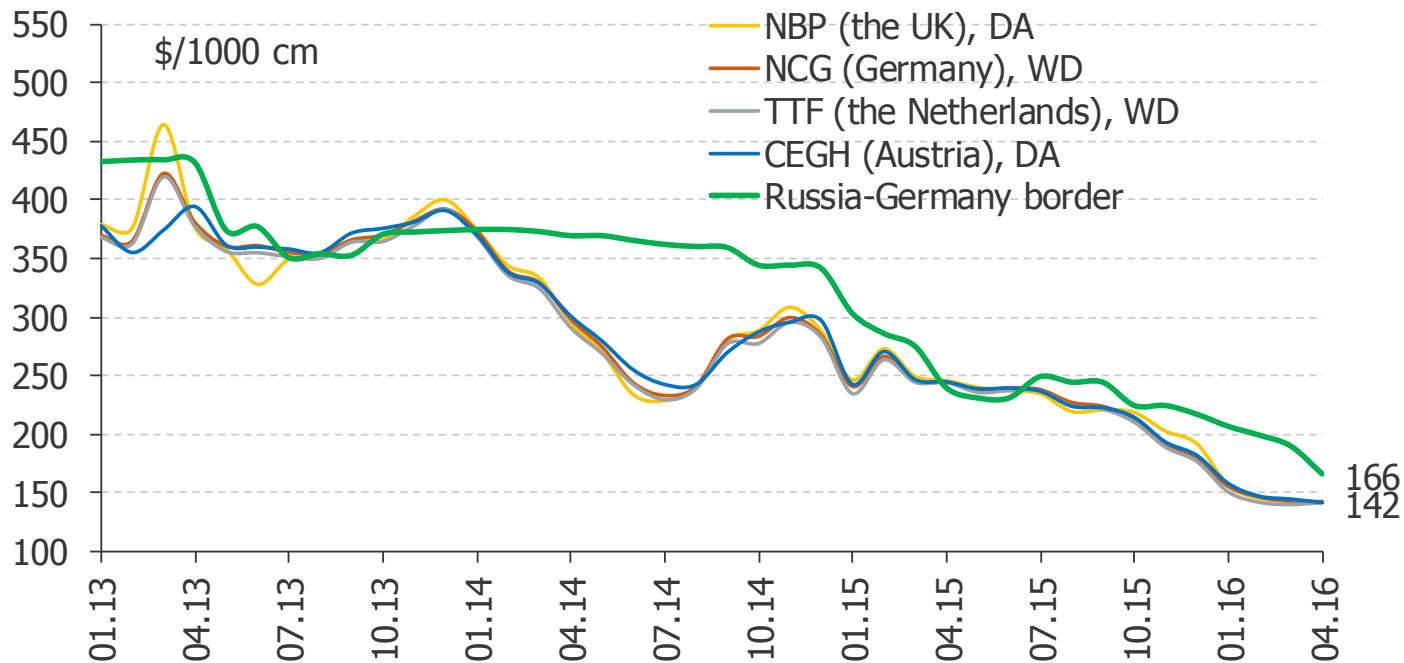


Source: EIA and Bloomberg data

# The impact on the internal gas prices on the European gas market

Spot internal European gas prices decreased because of:

1. the US shale gas revolution, and
2. The World Energy Crisis





**Thank you!**

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