Volatility increases starting in October 2005 as, with the decline in domestic production, UK begins to rely on imported gas to mitigate seasonal variation in demand.

Volatility declines as global recession depresses demand and leads to an oversupply of LNG.

Source: Alterman, OIES
What is the basis for the assertion of constantly increasing future gas prices?

Europe Oil Indexed Contract estimate:
Before concessions
After concessions (estimate)

Source: Platts, EIA, Argus, Rogers/OIES
LNG Supply 2005 – 2025
(Excluding US & Canadian Projects ~ 100 Bcm of capacity by 2020)

Source: Waterborne LNG, Ledesma/Rogers: OIES
Thank You

Relevant published research:

- Gas Storage in Great Britain, Chris le Fevre
- UK shale gas: hype, reality and difficult questions, Howard Rogers
- The Pricing of Internationally Traded Gas, ed. Jonathan Stern
- The Impact of a Globalising Market on Future European Gas Supply and Pricing, Howard Rogers
- Natural Gas Price Volatility in North America and the UK – Sofya Alterman

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