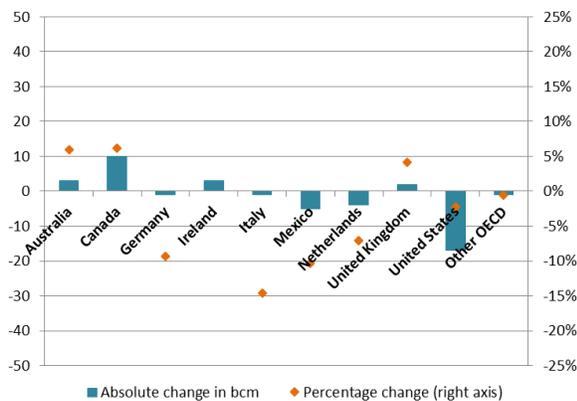


KEY GAS TRENDS 2016 - BASED ON MONTHLY DATA¹

GAS PRODUCTION

In 2016, an assessment of monthly data shows, OECD natural gas production fell moderately by 0.8% compared to 2015, driven by declines in the OECD Americas (-1.2%) and OECD Europe (-0.6%). In contrast, natural gas production in OECD Asia Oceania saw strong growth, with an output in 2016 4.3% above the year earlier.

Figure 1: Absolute change and percentage change² in natural gas production in selected OECD countries between 2015 and 2016



Lower production levels in the United States (-2.2%) and Mexico (-10.3%) drove the declines in the OECD Americas. However, Canadian production rose noticeably (+6.1%) in 2016, about 10 bcm more than in 2015.

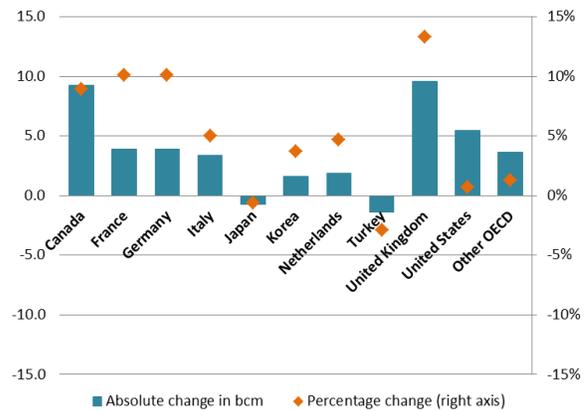
Within OECD Europe, lower natural gas production in the Netherlands (-4 bcm) continued to drive the overall trend downwards, offsetting the growth seen in the United Kingdom (almost +2 bcm) and Ireland (almost +3 bcm). Natural gas production in the UK increased for the third consecutive year in 2016 as a

result of reduced maintenance activity within the year and the start-up of the Laggan field in the middle of the year. Irish production also showed noticeable growth as the Corrib gas field went into production at the beginning of 2016. Norwegian natural gas production, which represents 49.2% of total OECD Europe production, remained broadly unchanged in 2016, approximately 120 bcm.

Indigenous production in OECD Asia Oceania was 3 bcm higher in 2016 than in 2015, driven by growth in Australia which produced 56 bcm of natural gas in 2016. Additional production in Australia was mainly destined for the LNG market.

GAS GROSS DELIVERIES

Figure 2: Absolute change and percentage change in natural gas gross deliveries in selected OECD countries between 2015 and 2016



Total OECD gross deliveries of natural gas grew in 2016 by 2.5% compared to 2015 reflecting increases observed in OECD Europe (+6.8%) and in the OECD Americas (+1.6%).

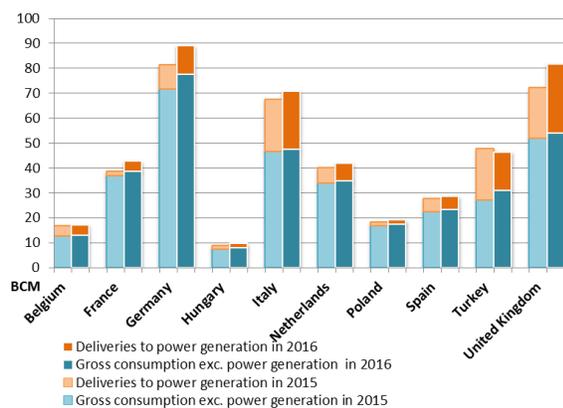
The upward movement in the OECD Americas was seen in all countries, with the most noteworthy growth observed in Canada, where gross deliveries in 2016 were approximately 9 bcm more than in 2015.

1. All annual comparisons are based on monthly data in 2016 compared to monthly data in 2015.

2. Percentage change for Ireland is not visible in the graph as it exceeds the scale range.

Among the OECD European countries, the largest increases were reported by the UK (+13.3%), Germany (+9.6%) and France (+10.1%), reflecting the increased natural gas use in electricity and heat generation. On the contrary, gross deliveries in Turkey declined by 2.9% in 2016 compared to 2015, driven by lower deliveries to power generation (-24.6%).

Figure 3: Natural gas deliveries to power generation and gross deliveries in OECD in 2015 and 2016 (selected countries)



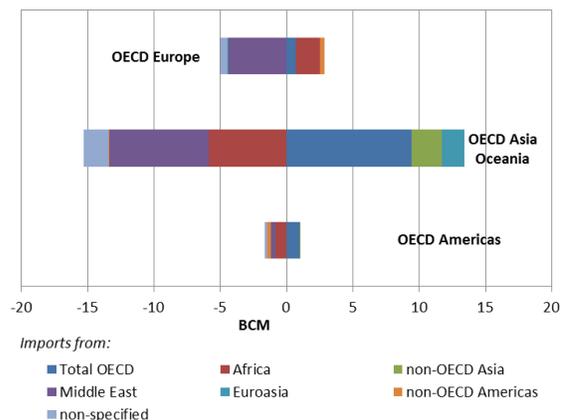
Within OECD Asia Oceania, gross deliveries in Korea rose by 3.7% in 2016, offsetting the decline seen in Japan (-0.6%).

GAS TRADE³

Total imports (entries)³ of natural gas for total OECD were higher in 2016 compared to the previous year (+3.9%), at 995 bcm. The overall growth was mainly due to higher quantities imported by OECD Europe (+3.8%) and the OECD Americas (+11.7%), while imports by OECD Asia Oceania decreased moderately (-1.3%). The highest increase was recorded in OECD Europe, due to high demand in the power and heat generation sector.

While total imports increased, LNG imports into total OECD fell by 2%, particularly due to lower LNG imports from Qatar (-14%), Nigeria (-27%) and Oman (-26%).

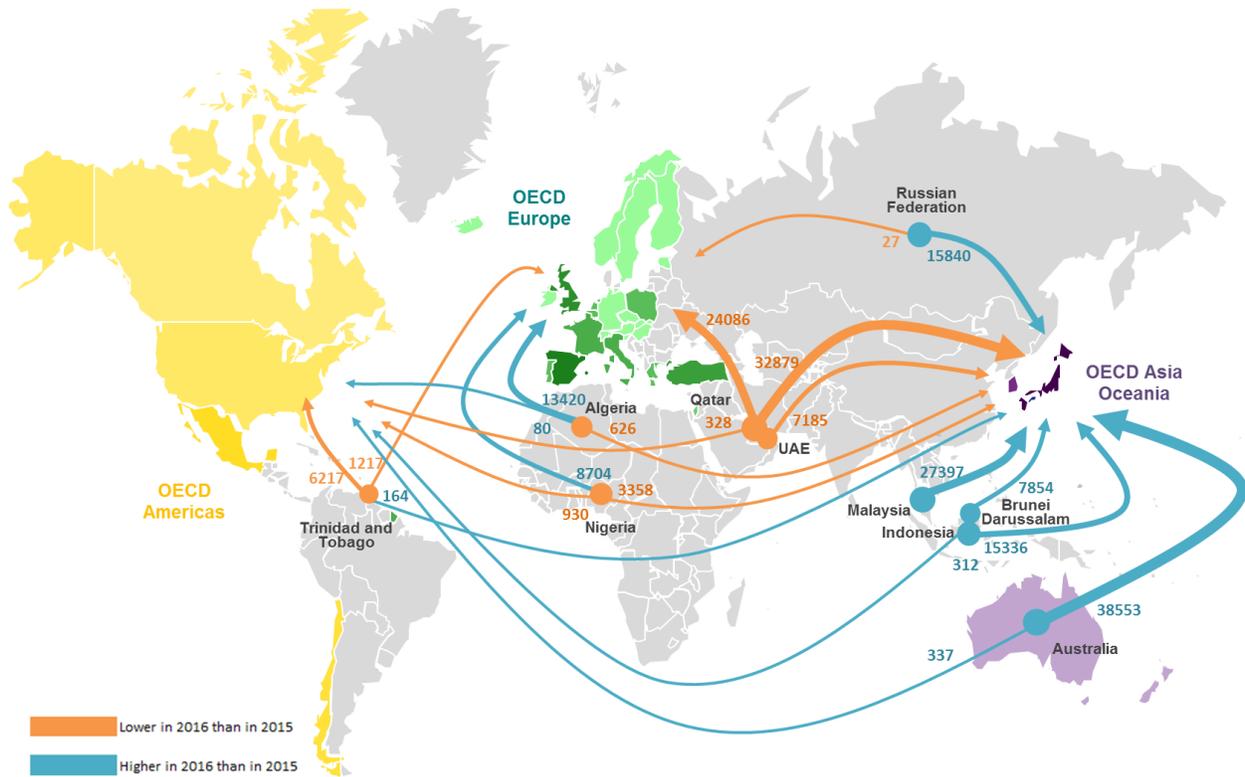
Figure 4: Absolute changes of LNG entries in OECD regions between 2015 and 2016



Total OECD exports (exits)³ of natural gas grew by 5.4% in 2016 compared to 2015, with increases across all OECD regions. The largest increase was reported by the OECD Americas (14.9%) mainly due to increases of LNG exports, as a result of the new LNG projects that came on line the last year in the US. In the first quarter of 2016, the United States exported their first cargo of LNG from the Sabine Pass gas terminal. Meanwhile, the first shipment of LNG to Europe arrived in April 2016 to Sines port in Portugal. In OECD Asia Oceania, exports of natural gas increased by 31.1% in 2016, due to additional LNG exporting capacity in Australia. In OECD Europe exports of natural gas increased moderately (+0.7%) in 2016, mainly supplying intra-regional trade.

3. Transit volumes are included. Trade amounts include intra-regional trade

Figure 5: LNG imports from major exporters to OECD regions in 2016 in million cubic meters



This map is without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of territory, city or area.

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Please address your inquiries to mos@iea.org