



SEAPEX Exploration Conference 2007
Orchard Hotel, Singapore
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Day: Tuesday 24th April
Session: Topical Issues Session
Time: 1500 – 1530 hrs

World Energy Events & Trends - South and East Asia in Context

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The last few years have yielded profound changes and unexpected events in the world of energy. This presentation examines some of the key events and trends since we last met, and considers what is maybe to come, whilst placing South and East Asia in a world context.

- **Economic prosperity.** World demand for energy continued to grow strongly with demand being continually met. Unprecedented economic growth occurred worldwide, and growth in South & East Asian economies continued to outstrip other regions.
- **Oil prices.** The significant increases in oil prices has led to profound changes in consumption patterns, and created a re-distribution of wealth between producer and consumer nations.
- **Supply disruption.** Hurricanes, industrial accidents and conflicts disrupted supply. Many countries realized how fragile their supply chain can be, and Governments sought to guarantee supplies.
- **Peak oil.** Concern grew that 'peak oil' may exist, and studies revealed most of the world's supergiant oil fields are either in decline, or approaching decline. There was increased focus on oil sands, unconventional gas, biofuels, nuclear & renewable energy.

- **LNG.** Demand continued to increase strongly. The commodity has changed from being regionally traded to one that is becoming traded worldwide. New LNG projects are set to reinforce this trend, whilst new technology is also playing a key part.

- **NOC activity.** The geographic expansion of NOCs outside of their home countries continued at a rapid pace. Takeover activity by NOCs rose considerably, and many NOCs now belong to a new classification of 'INOCs'.

- **Services sector.** Rates being charged in the services sector have outstripped rises in oil & gas prices. Both the service sector and the oil companies have struggled to find sufficient qualified and trained staff to meet the demands of increased activities.

- **Global warming.** People from most nations now recognize that emissions from burning fossil fuels are contributing to global warming, and that the impacts of global warming can result in catastrophe. The energy industry increased its efforts to curb emissions.