

Weekly Energy Market Report

4th November 2020

Both electricity and gas prices dropped again this week with electricity dropping by 2.3% and gas by 6%. Gas prices continually fell throughout this week with lower demand caused by further lockdowns having the greatest impact on the prices. An unplanned outage in Norway ending as well as increased wind generation and weaker trading also pushed prices lower.

Electricity prices also continually dropped throughout this week as they tracked the movements of the gas contracts. Similarly, weak trading and strong wind generation pushed prices down.

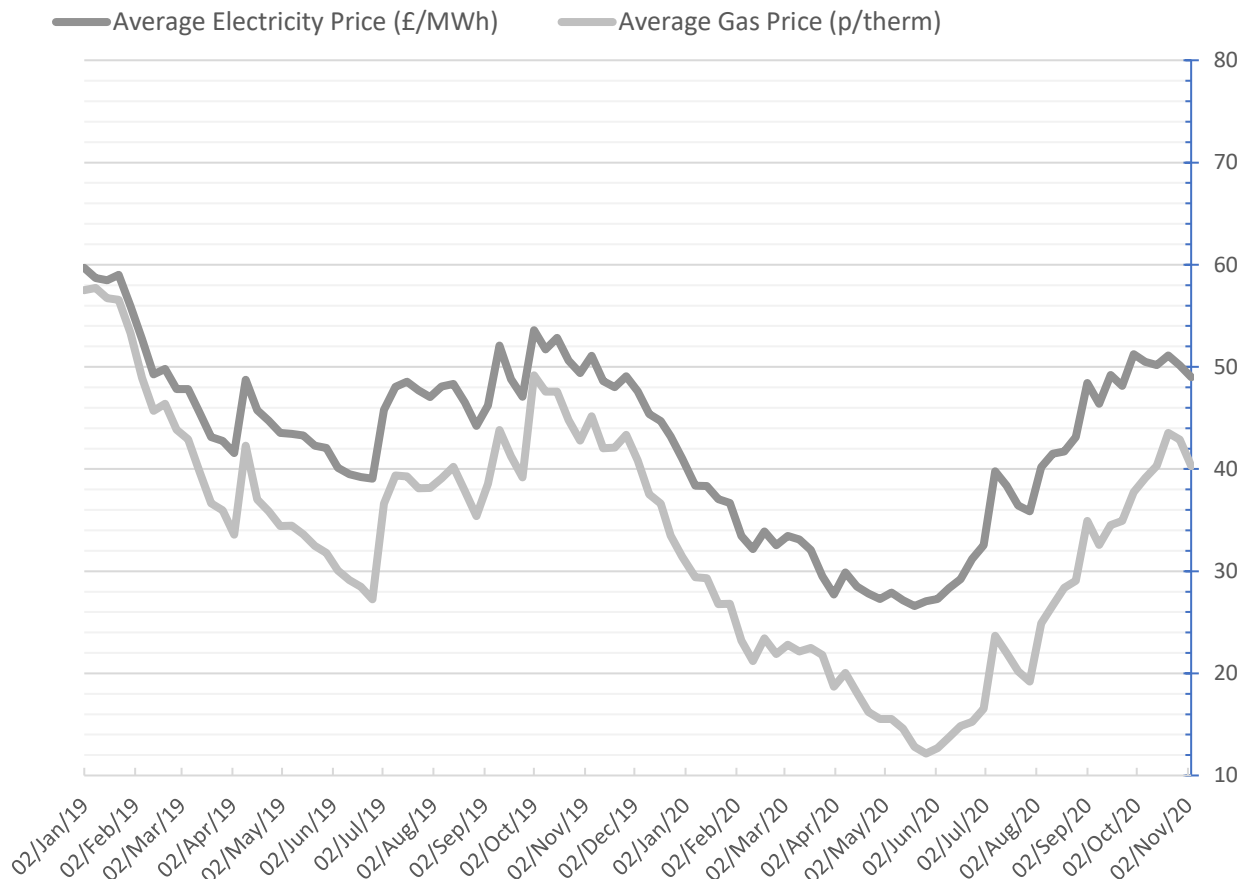
The Brent crude oil price initially dropped from 41.20 USD/bbl to 37.46 USD/bbl before rising again to 39.71 USD/bbl. Further lockdown restrictions throughout Europe, increased production in Libya and an increase in US oil inventories pushed the price lower. An increased demand in China as factory activity grew and recovering financial markets pushed prices up again later in the week.

Coal prices fell throughout the week from \$58.20/t to \$53.65/t before rising to \$54.40/t. Carbon prices fell early in the week from €24.07/t to €22.90/t before rising to €24.42/t.

The Pound strengthened against both the Euro (€1.1054 to €1.1122) and the US Dollar (\$1.299 to \$1.3027) this week.



YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)			-2.3%	PRICE MOVEMENTS OVER PAST WEEK
Prompt Price	Future Price	Average Price		
48.93	49.05	48.99		
Gas (p/Therm)			-6.0%	
Prompt Price	Future Price	Average Price		
40.52	40.05	40.28		