

Weekly Energy Market Report

5th August 2020

Electricity and gas prices both rose this week with electricity rising by 12.1% and gas by 29.7% compared to last week. Initially gas prices had dropped slightly due to drops in oil prices as well as an increase in wind generation earlier in the week. However, forecasts later in the week predicted wind generation to fall which pushed gas prices higher. Prices also increased when several scheduled LNG deliveries from the US and Norway were cancelled during the week due to an already oversupplied system.

Electricity prices continually climbed throughout the week, helped by strong trading within energy markets. An increase in demand in France also helped push prices higher as further imports from the UK were expected.

Brent crude oil prices initially dropped to 42.94 USD/bbl before rising to 45.87 USD/bbl. This initial drop was due to continuing fears of a second Coronavirus wave and the impact on oil demand. A weak US dollar as well as growth in European and Asian manufacturing helped prices rise.

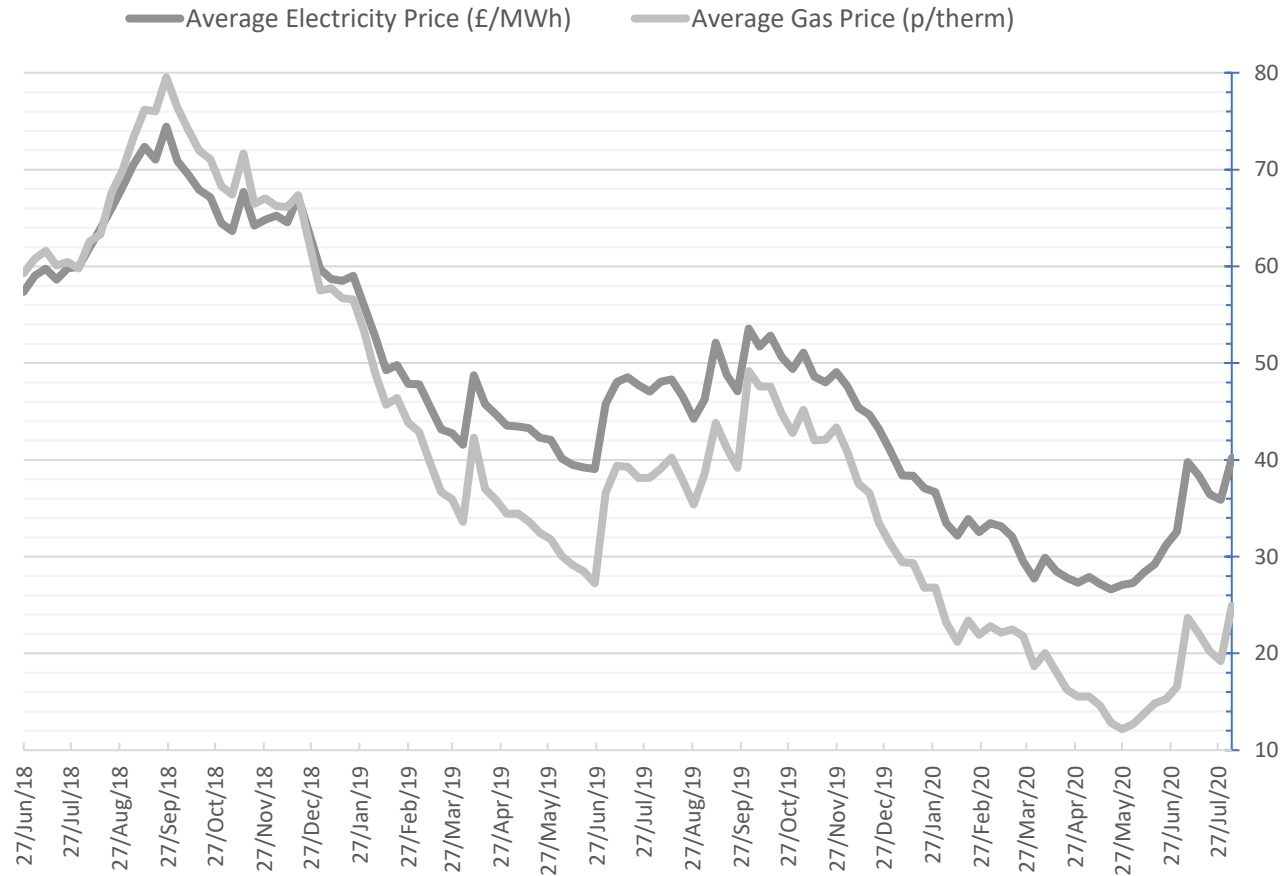
Coal prices rose throughout this week from \$58.97/t to \$60.20/t. Carbon prices also increased from €25.74/t to €26.38/t this week.

The Pound strengthened against both the Euro (€1.1033 to €1.1066) and the US Dollar (\$1.2895 to \$1.3109) this week.



MURPHY YOUNG
UTILITIES

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)			↑ 12.1 %	PRICE MOVEMENTS OVER PAST WEEK
Prompt Price	Future Price	Average Price		
36.75	43.65	40.20		
Gas (p/Therm)			↑ 29.7 %	
Prompt Price	Future Price	Average Price		
20.65	29.17	24.91		