

Weekly Energy Market Report
6th January 2021

Both gas and electricity prices fell sharply this week with gas falling by 14.7% and electricity by 13.1%. Gas prices were affected by the new lockdown measures throughout the UK as demand is expected to be reduced. Additional LNG deliveries expected to arrive in the UK as well as milder temperatures being forecast also pushed prices down further.

Electricity prices mirrored the movement of the gas prices this week as they also continually dropped. As well as the new lockdown measures and milder temperatures, an increase in wind generation also lowered prices.

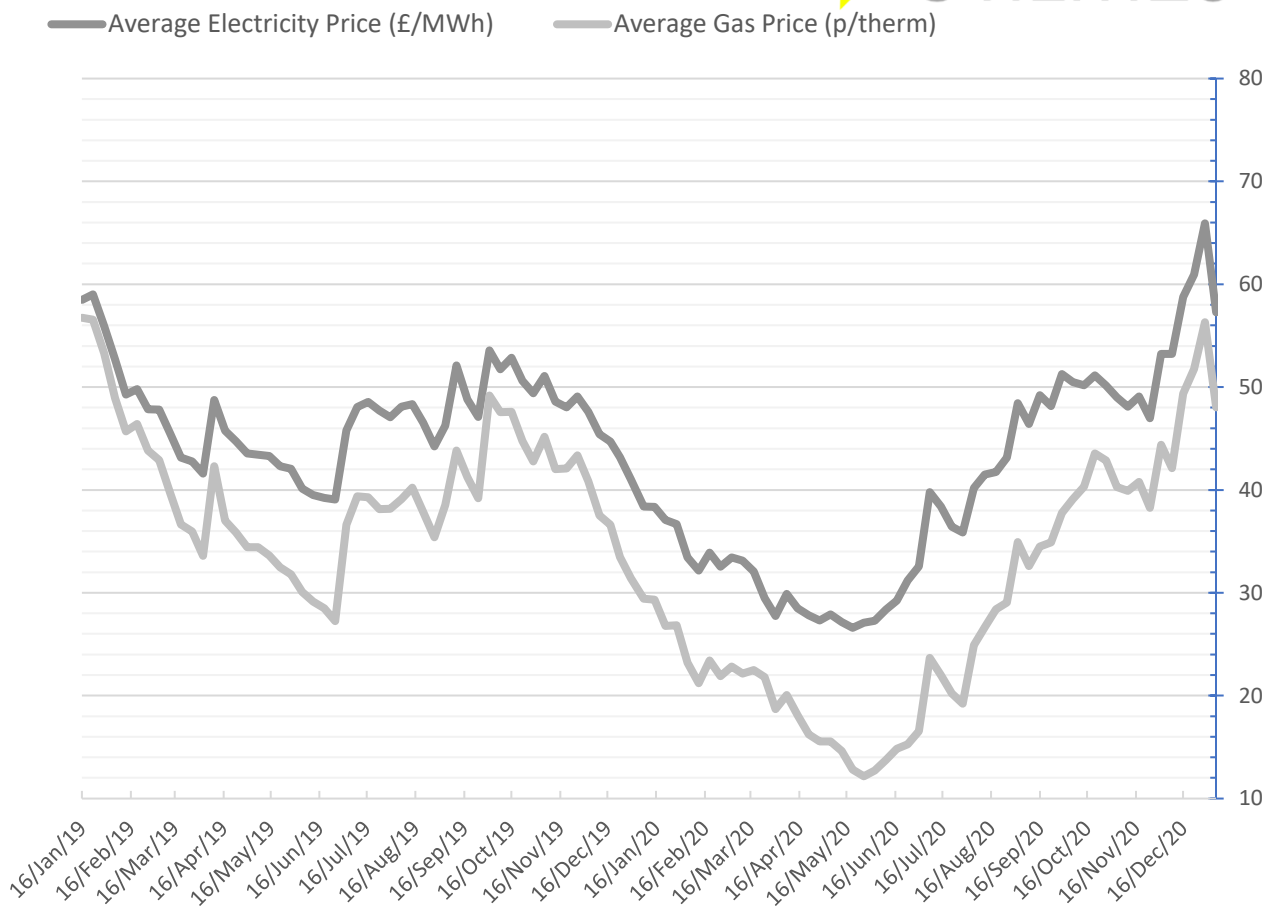
The Brent crude oil price dropped from 51.80 USD/bbl to 51.09 USD/bbl before increasing sharply to 53.85 USD/bbl. Lockdown measures as well the Coronavirus spreading throughout Europe pushed the price down. Prices increased later in the week as Saudi Arabia agreed production cuts after OPEC discussions and US oil inventories lowered.

Coal prices increased from \$69.75/t to \$72.40/t before dropping back to \$69.30/t this week. Carbon prices dropped from €33.14/t to €32.05/t before increasing to €33.45.

The Pound remained steady against the Euro (€1.1050 to €1.1048) and strengthened against the US Dollar (\$1.3561 to \$1.3606) this week.



YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)			<div><div>- 13.1 %</div></div>	PRICE MOVEMENTS OVER PAST WEEK
Prompt Price	Future Price	Average Price		
61.78	52.75	57.27		
Gas (p/Therm)			<div><div>-14.7 %</div></div>	
Prompt Price	Future Price	Average Price		
52.95	43.08	48.02		