

Weekly Energy Market Report

6th May 2020

Electricity prices have increased by 2.2% this week while gas prices are unchanged from last week. Gas prices had initially lost value earlier in the week which was due to supply being near capacity as well as weak trading within the coal and carbon markets. Prices recovered later in the week due to strong gas exports to Europe. A smaller number of planned LNG deliveries also pushed prices higher.

Electricity prices followed the same trend as gas, initially dropping due to lower demand, weaker trading and forecasts of increased wind and solar generation. Prices again rose later in the week as trading within the gas and coal markets improved.

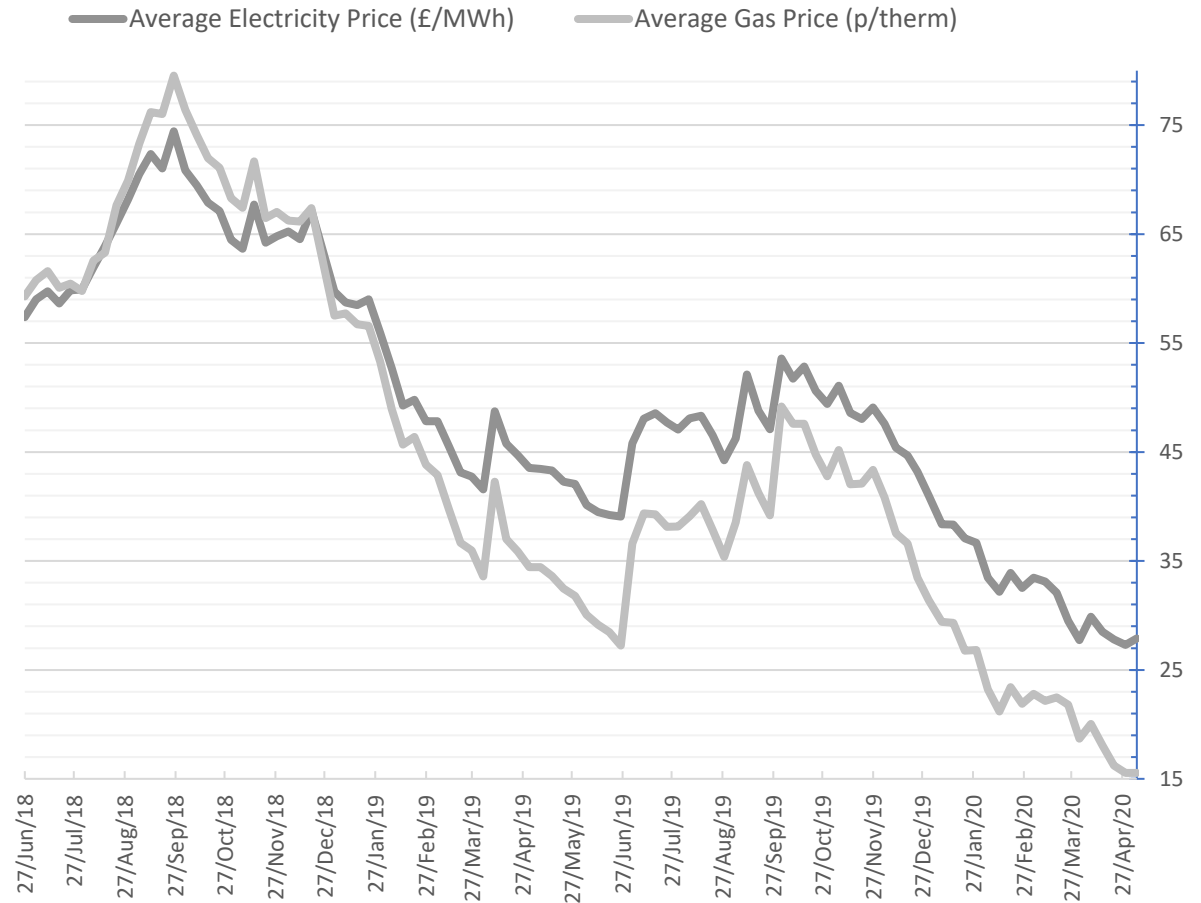
Brent oil prices continued to recover throughout the week and increased from 22.54 USD/bbl to 31.68 USD/bbl. This was helped by the increase in demand in the US as well as the US oil inventories increasing less than expected. Further production cuts by OPEC and an expected increase in global demand as countries start to ease lockdown also pushed prices higher.

Coal prices fluctuated throughout this week eventually increasing from \$51.90/t to \$52.50/t. Carbon prices continually fell from €20.42/t to €19.09/t.

The Pound has strengthened slightly against the Euro (€1.1459 to €1.1471) and weakened slightly against the US Dollar (\$1.2437 to \$1.2404) this week.



YEAR AHEAD PRICING (ENERGY ONLY)



| Electricity (£/MWh) | | |
|---------------------|--------------|---------------|
| Prompt Price | Future Price | Average Price |
| 26.38 | 29.42 | 27.90 |



PRICE MOVEMENTS OVER PAST WEEK

| Gas (p/Therm) | | |
|---------------|--------------|---------------|
| Prompt Price | Future Price | Average Price |
| 14.43 | 16.67 | 15.55 |

