

The recent trend of electricity and gas prices falling continued this week with electricity falling by 3.8% and gas falling by 8.7%. Strong winds once again were the biggest factor in the drop in gas prices with demand for gas dropping as wind generation increased. The supply outlook for gas remains strong despite Storms Ciara and Dennis potentially delaying LNG deliveries.

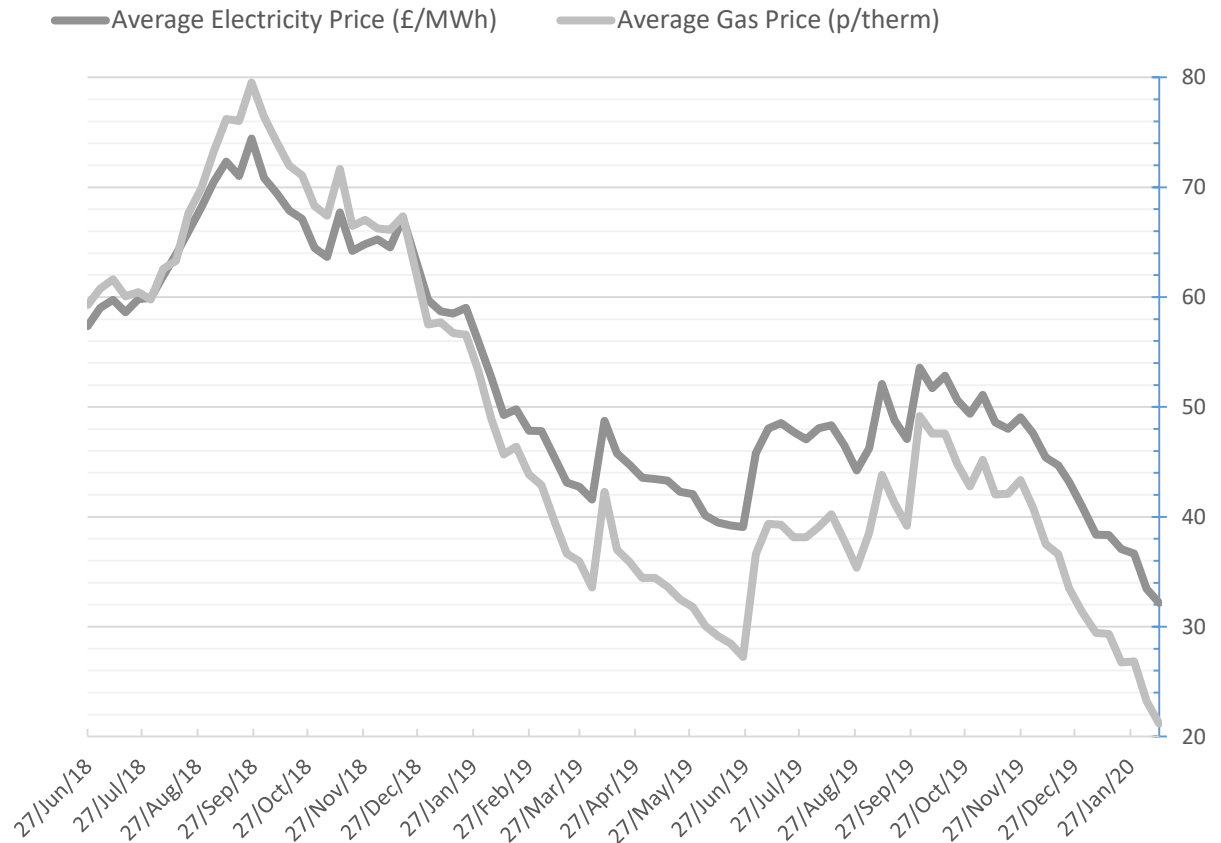
Power contracts continued to be heavily influenced by the movements of the gas market as well as weak trading within the coal and carbon markets.

Following the sharp drop in the price of Brent crude oil due to the coronavirus outbreak, prices initially rose slightly to 55.28 USD/bbl due to larger production cuts by OPEC. Despite this, prices began to fall again to 53.27 USD/bbl on Monday. This was due to reports stating that Russia were unsure whether they would support the proposed OPEC production cuts.

Coal prices last week initially rose to \$61.10/t before falling to \$59.20/t on Tuesday. There has been little change in carbon prices compared to last week dropping from €23.25/t to €23.24/t.

The Pound has strengthened against the Euro (€1.1815 to €1.1902) but has weakened slightly against the US dollar (\$1.3013 to \$1.2970) compared to last week.

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Prompt Price	Future Price	Average Price
31.68	32.65	32.16



PRICE MOVEMENTS OVER PAST WEEK

Gas (p/Therm)		
Prompt Price	Future Price	Average Price
20.77	21.62	21.19

