

Weekly Energy Market Report
19th August 2020

Gas and electricity prices rose again this week but not as much as previous weeks with gas rising by 6.5% and electricity by 0.6%. Gas prices initially dropped as demand dropped early in the week as temperatures dropped. Higher wind output also helped prices to drop. Prices soon started to rise again as CCGT demand increased and trading with the energy market improved.

Electricity prices also dropped initially due to weak trading within the carbon market and lower temperatures forecasted. Prices increased again as trading with the gas market and wider energy markets improved.

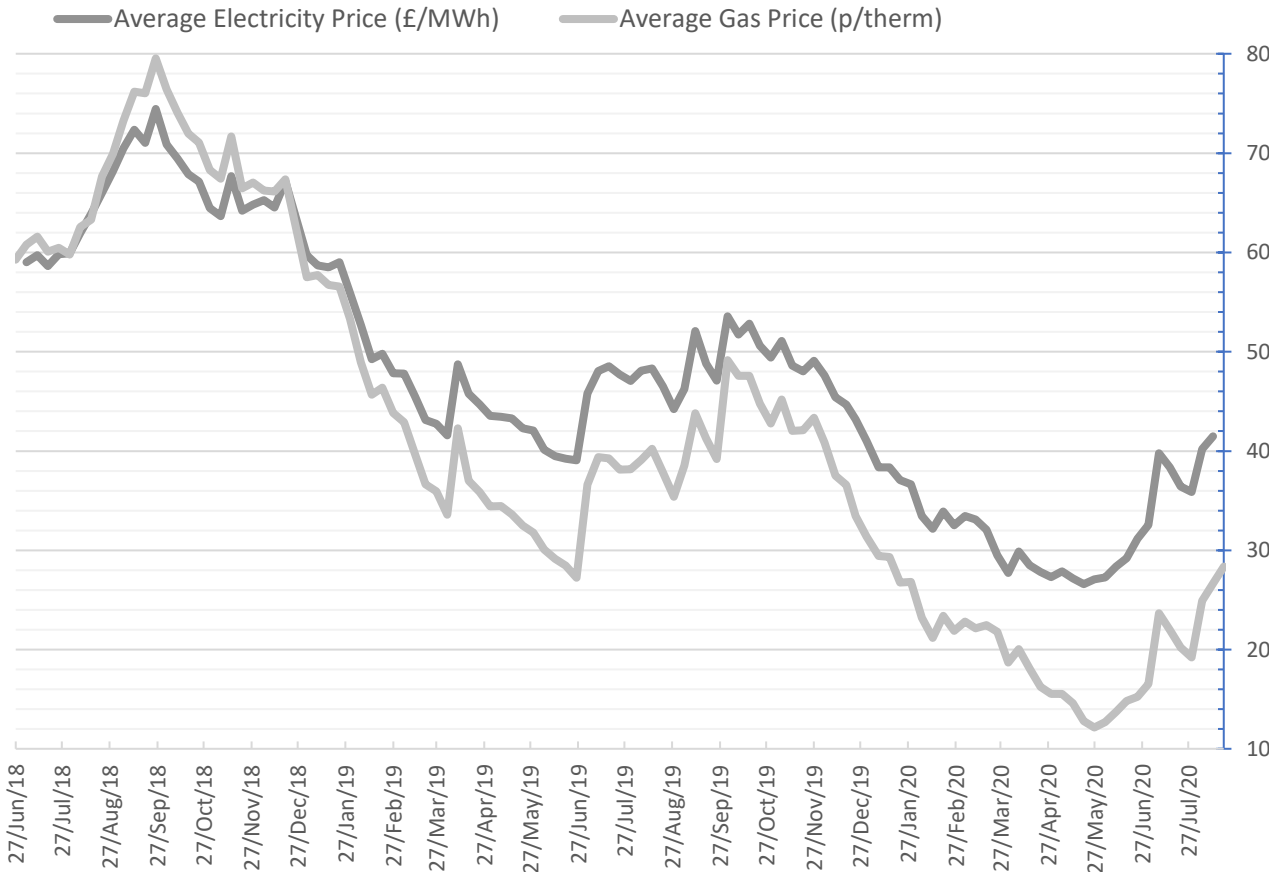
Brent oil prices initially fell from 45.43 USD/bbl to 44.80 USD/bbl before recovering again to 45.46 USD/bbl. OPEC announcing that demand is expected to be lower than initially thought pushed prices down as the aviation industry continues to struggle to recover. OPEC agreeing to production cuts and China increasing oil imports forced prices to rise again.

Coal prices stayed steady throughout most of the week at \$56.80/t before dropping to \$55.50/t later in the week. Carbon prices fell from €25.74/t to €25.37/t before recovering to €26.68/t.

The Pound remained steady against the Euro (€1.1083 to €1.1082) and strengthened against the US Dollar (\$1.3086 to \$1.3220) this week.



YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Prompt Price	Future Price	Average Price
38.50	44.97	41.74

Gas (p/Therm)		
Prompt Price	Future Price	Average Price
24.27	32.50	28.38

