

Weekly Energy Market Report
24th February 2021

Both gas and electricity prices dropped again this week with gas dropping by 2.1% and electricity by 2.8%. Gas prices initially increased as supply was reduced due to unplanned Norwegian outages. Reduced demand and forecasts of milder weather soon pushed prices lower again. Additional LNG deliveries expected soon as well as weaker trading within the energy market also pushed prices lower.

Electricity prices again followed the movement of the gas prices, initially rising before dropping the rest of the week. Weak trading with the Carbon market also pushed electricity prices down.

Brent crude oil prices initially dropped from 64.34 USD/bbl to 62.91 USD/bbl before recovering to 65.37 USD/bbl. This initial drop in price was due to concerns regarding oil production in Texas due to the extreme cold weather. Prices began to increase again as damage to the Texan oilfields were assessed and England announced a lockdown exit roadmap.

Coal prices stayed at \$65.50/t for the majority of the week before rising to \$67.40/t. Carbon prices fell throughout most of this week from €39.52/t to €37.08/t before recovering to €37.48/t.

The Pound strengthened against both the Euro (€1.1493 to €1.1656) and the US Dollar (\$1.3866 to \$1.4163) this week.

