

Weekly Energy Market Report 8th March 2017



Electricity and gas prices have dropped again this week. The main reason for this is supply and demand fundamentals. As we come out of winter temperatures are increasing whilst supply levels are remaining healthy. This is pushing prices down.

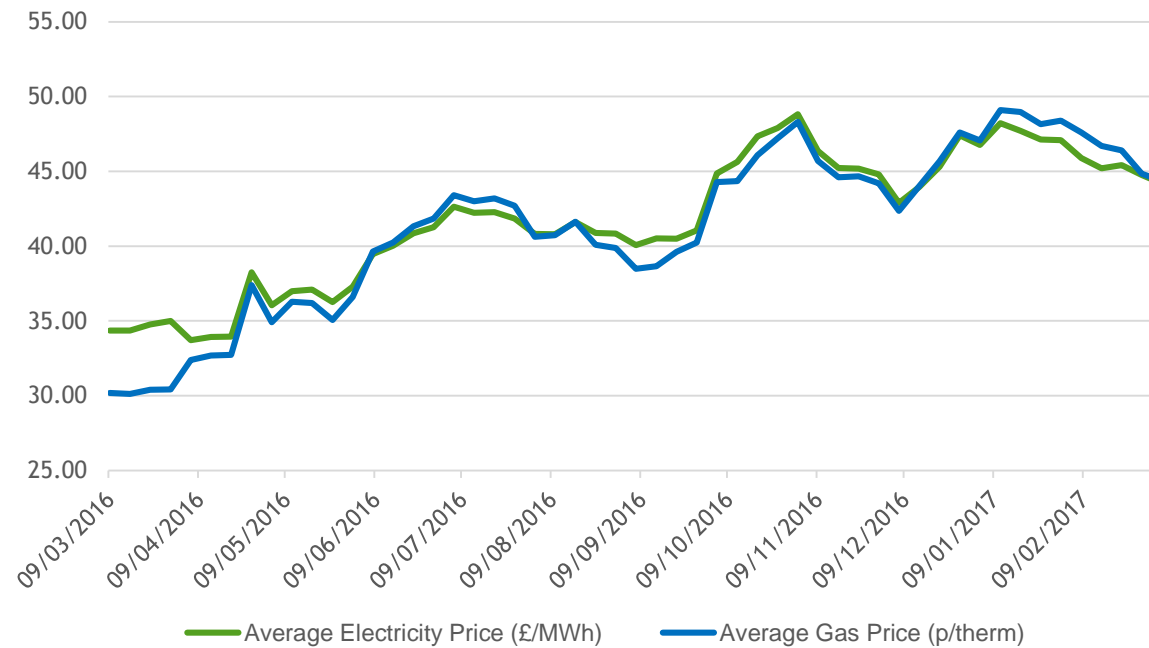
Gas consumption is dropping and the well supplied system is allowing for some injections in to storage facilities. LNG withdrawals have also increased to make way for some expected deliveries this month.

Electricity prices have followed gas with further downward pressure applied by increased imports from France. Coal prices are also continuing to fall which is reducing the cost of coal generation. There is still no update on a potential production cut in China.

There has been downward pressure on oil prices due to doubts on Russian production cuts compliance and further increases in US inventories.

The value of the pound has dropped as triggering article 50 edges nearer.

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Summer Price	Winter Price	Average Price
41.79	46.56	44.18

Gas (p/Therm)		
Summer Price	Winter Price	Average Price
40.95	47.75	44.35



PRICE MOVEMENTS
OVER PAST WEEK