

Weekly Energy Market Report

8th November 2017

Electricity and Gas prices have increased again this week.

The primary drivers for these gains in Gas prices are lower temperatures, a drop in wind output for Power production, and the continued delay with French nuclear reactors. These factors have all aided prices, resulting in an larger demand for Gas. Despite the greater demand, the system is relatively long, and in a comfortable state.

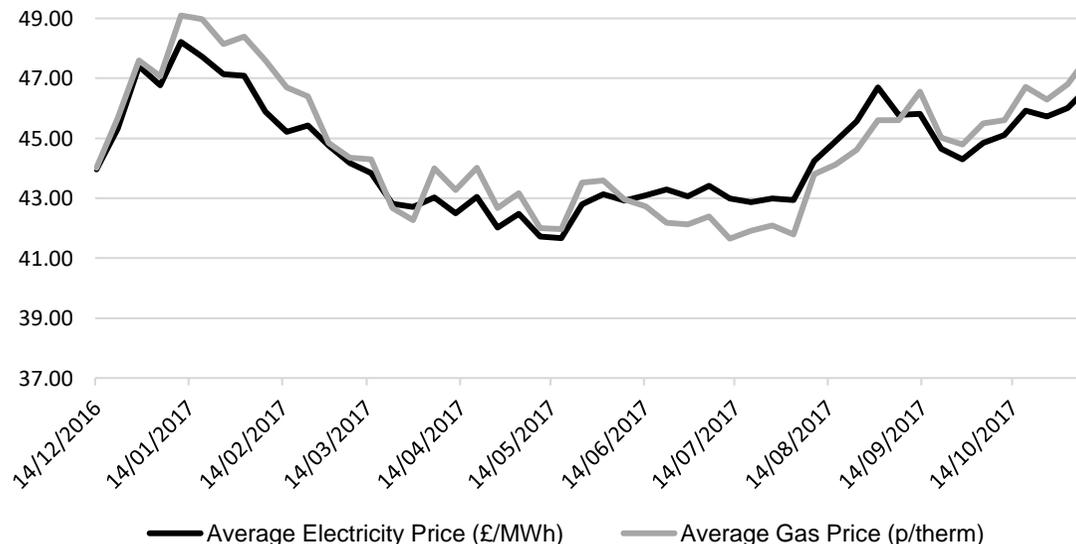
Electricity has mirrored Gas with higher market prices. A number of factors have triggered these gains such as the lighter winds recently which has reduced Electricity production from this source. Decreased Nuclear capacity output has also aided price increases with Sizewell B taken offline for maintenance. Recent Statistics has shown Gas as the main source for Electricity production at present in the UK.

Oil continues to rise in price, with the expectation Opec production cuts will further extend into 2018. Other factors influencing Oil prices are increased global demand, reduced US crude oil production with US energy companies cutting eight oil rigs, and the ongoing dispute in the middle east.

The £/pound plummeted in value last week Thursday after the Bank of England increased interest rates. The value of the pound has increased since but external factors such as Brexit is continuing to have a negative impact.



YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Summer Price	Winter Price	Average Price
44.08	49.35	46.72



Gas (p/Therm)		
Summer Price	Winter Price	Average Price
44.10	51.40	47.75



PRICE MOVEMENTS OVER PAST WEEK