

Weekly Energy Market Report

14th February 2018

Forward curve Energy prices have increased this week.

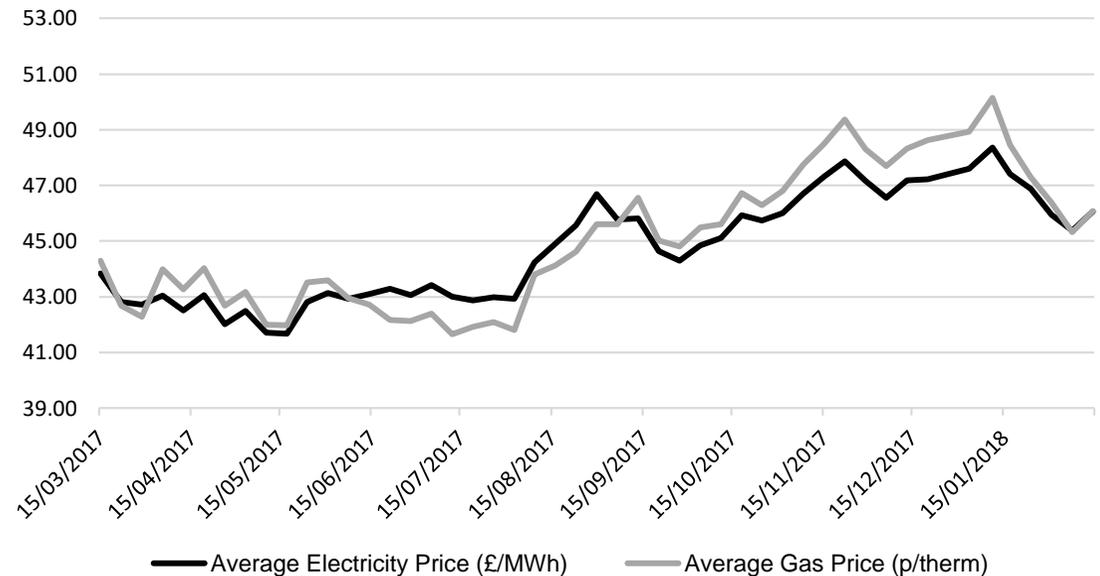
Due to the freezing temperatures experienced in the UK this week the demand for Gas has increased moving the system from an over supplied state to now being short. The higher demand in Gas has led to higher market prices.

Electricity prices have also risen following the commodity prices for Gas and Coal increasing due to colder temperatures as well as a decrease in wind power production. Wind power production is forecasted to be lower for next week, which will add further strain to market prices. As the days are now getting lighter and we are approaching the summer season solar power production will increase which should add additional support to the market helping to offset market price increases.

Oil prices have reduced in price since last week by approximately 8% which is the highest weekly market price drop in 2 years. Oil prices this week have been at it's lowest trading prices since December 2017, recorded trading as low as \$62.68 a barrel. The decrease in price is largely due to the US massively stepping up there rig count and reports stating Iran have plans to increase production.

It is reported Brexit concerns continue to negatively impact the Pound from any further increases against the Dollar. Prices have been relatively flat since last week trading at \$1.39/£ this week.

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)

Summer Price	Winter Price	Average Price
43.25	48.86	46.06



Gas (p/Therm)

Summer Price	Winter Price	Average Price
42.25	49.9	46.08



PRICE MOVEMENTS
OVER PAST WEEK