

# Weekly Energy Market Report

## 05<sup>th</sup> September 2018

This week has seen low Norwegian imports and LNG, coupled with reduced wind generation and extended French reactor outages driving a strong demand for gas as power and prices remain very bullish.

Electricity prices continue to track those of Gas, but with an increase in wind forecasted for Friday and the weekend in GB, we might hope to see greater wind power generation going into next week which should help to halt the climb in prices somewhat.

Iranian oil exports are currently at their lowest level since March '16, and the threat of Tropical Storm Gordon striking the Gulf of Mexico forced the temporary evacuation of 2 platforms.

However, Saudi Arabia have boosted their output to over 10m barrels a day, and Russia is now approaching a post-Soviet era record for oil production. With a well-supplied market, prices have struggled to breach \$78 a barrel and Brent crude oil is currently trading at around \$77.59/bbl.

The past week has also seen the return to parliament following their summer break and Brexit negotiations are at the forefront once again.

Teresa May's 'Chequers' plan was shot down by Michel Barnier over the weekend and there are brewing leadership challenges to both main parties, weakening the Sterling against both Euro and Dollar.

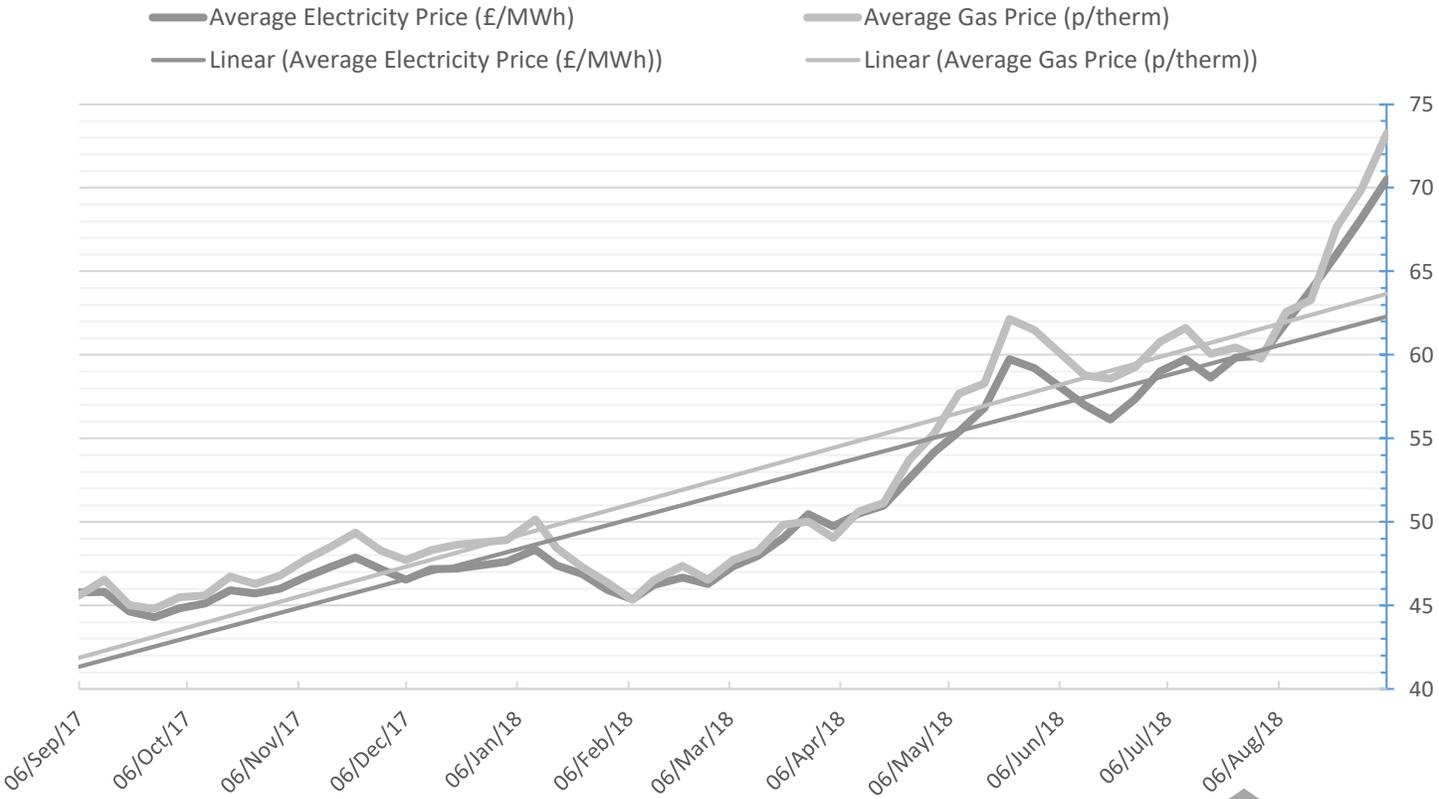
The USD has gone from strength to strength on the back of exceptional manufacturing figures and continued import sanctions against China.

Currently GBP is trading down at \$1.2797 USD



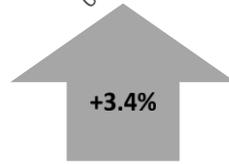
MURPHY YOUNG  
UTILITIES

### YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Summer Price	Winter Price	Average Price
69.60	71.40	70.50

Gas (p/Therm)		
Summer Price	Winter Price	Average Price
71.40	75.15	73.28



PRICE MOVEMENTS  
OVER PAST WEEK