

# Weekly Energy Market Report

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

Gas prices have been driven up again this week by fluctuating Norwegian flows, coupled with lower renewable generation and very high coal and carbon prices affecting the wider fuel spectrum.

Short-term wholesale gas prices are now hitting 10-year highs here in the UK.

Coal prices also hit a record high on Tuesday of \$98.75/t, and with oil prices rising consistently, Power prices have also risen significantly this week.

A softening of carbon prices in the last day or two appear to have softened the impact slightly, but this week has still shown both Gas and Electric prices push up strongly.

Brent crude prices have risen this week following US sanctions on Iran lowering their exports, and President Trump's criticism of OPEC having little or no effect on production levels. Brent is currently trading around \$81.70/bbl, the first time it has cleared the \$80 mark this calendar year.

The EU Summit in Salzburg and Teresa May's defiant response to having her Chequers Brexit plan ambushed by EU leaders hit Sterling hard.

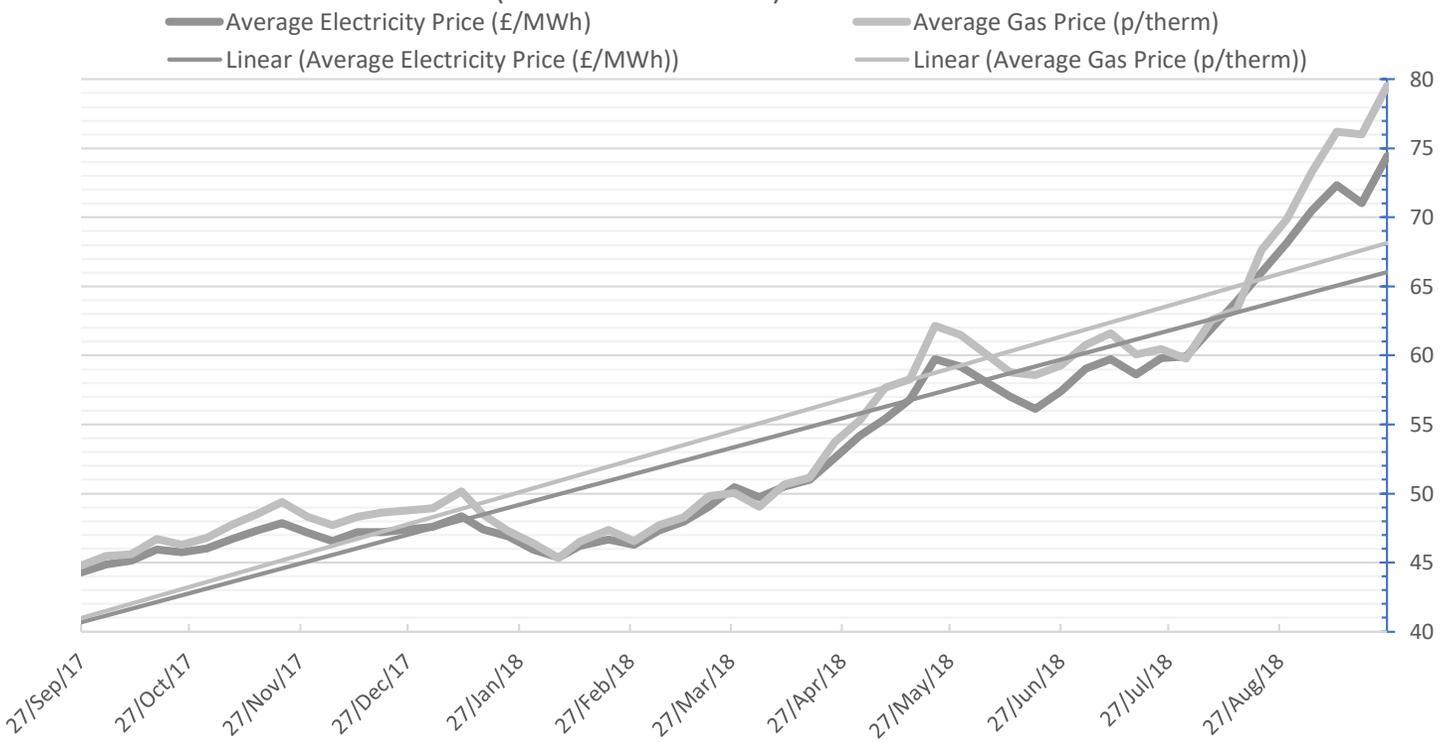
Whilst it is currently rallying on the probability that a deal will still be reached (\$1.3177USD), forecasts for year end are largely pessimistic until Brexit negotiations are concluded and any proposed deal is approved both by UK government and the European Council.

Until this is achieved, the threat of a 'no-deal' Brexit and the UK reverting to WTO regulations weighs heavily on the Pound.



MURPHY YOUNG  
UTILITIES

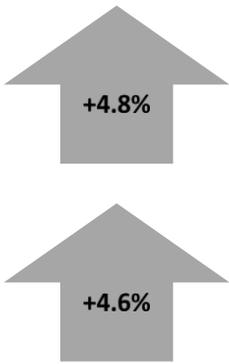
### YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Summer Price	Winter Price	Average Price
73.68	75.20	74.44

Gas (p/Therm)		
Summer Price	Winter Price	Average Price
78.26	80.80	79.53



PRICE MOVEMENTS  
OVER PAST WEEK