

Weekly Energy Market Report

03rd October 2018

Gas prices are down this week following an increase in Norwegian flows leading to an oversupplied system.

However 6-year record high coal prices and 4-year high Brent crude prices look to hold long-term gas prices relatively stable.

Power prices have also dropped as it remains strongly linked to the gas NBP prices. Nuclear availability is forecast to drop later this week however as Unit 4 at Hunterston B drops offline until the end of the month, which may push prices up again next week.

Brent crude has seen strong rises over the past week following US sanctions against Iran and the refusal by the US Secretary to tap strategic reserves to prevent price spikes.

Brent crude is currently trading up at \$85.20/bbl

The week has seen the pound fall in value from \$1.317 down to \$1.299 as fears over a 'hard' Brexit and in-party leadership and direction battles running in parallel with the party conference in Birmingham.

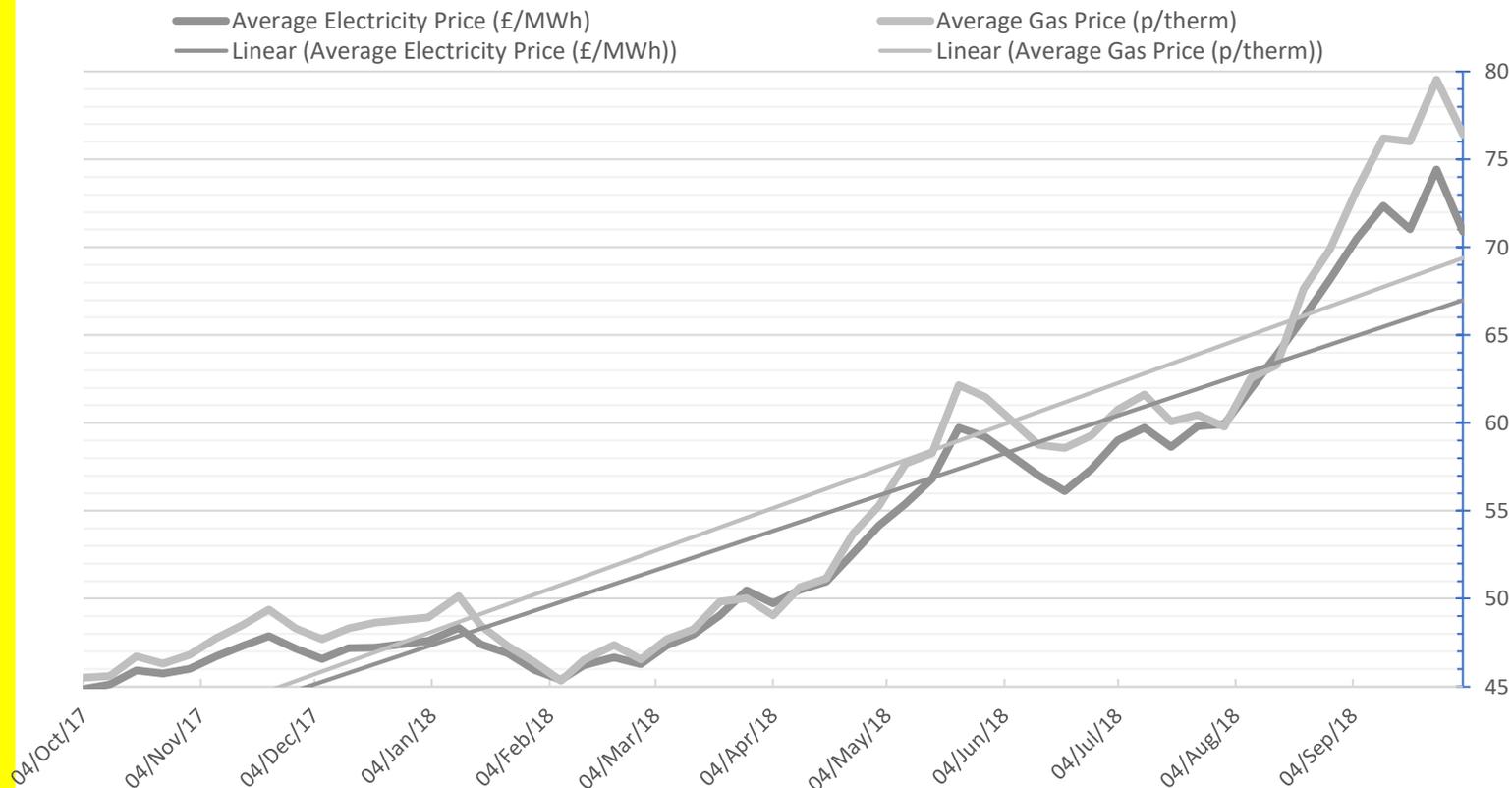
The UK's current account deficit widened to -£20.3bn during 3 months to end of June, down from -£15.7bn in Q1.

Analysts remain optimistic that a Brexit deal will be found before the end of the year and anticipate the pound rising as high as \$1.40 by the New Year.



MURPHY YOUNG
UTILITIES

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)

Summer Price	Winter Price	Average Price
70.28	71.45	70.86

-4.8%

Gas (p/Therm)

Summer Price	Winter Price	Average Price
75.91	76.90	76.41

-3.9%

PRICE MOVEMENTS
OVER PAST WEEK