

Weekly Energy Market Report

07th November 2018

Gas prices continue to fall based on strengthening supplies and increased wind generation.

The coal market is down across the week due to increasing Chinese stockpiles, whilst carbon futures have rallied in the past 48 hours, following a sustained period of downward pressure.

The combination of overall commodities falling has helped Power prices to mirror the trajectory of Gas over the week.

Brent crude oil has suffered equally, with 8 major oil importing countries granted exemption from the US sanctions on Iran. Prices have dropped this week by over \$3 to \$73.13/bbl

We have seen a number of positive statements with regards to Brexit negotiations of late, each of which is greeted by a slight up-tick in GBP values.

Sterling has risen steadily from \$1.2774 last week to a high of \$1.3174 today but markets remain somewhat cautious until concrete evidence of a deal being struck is presented.

Optimism is tempered by the matter of getting any agreement past the DUP and the European Research Group who remain opposed to the proposed all-UK backstop solution.

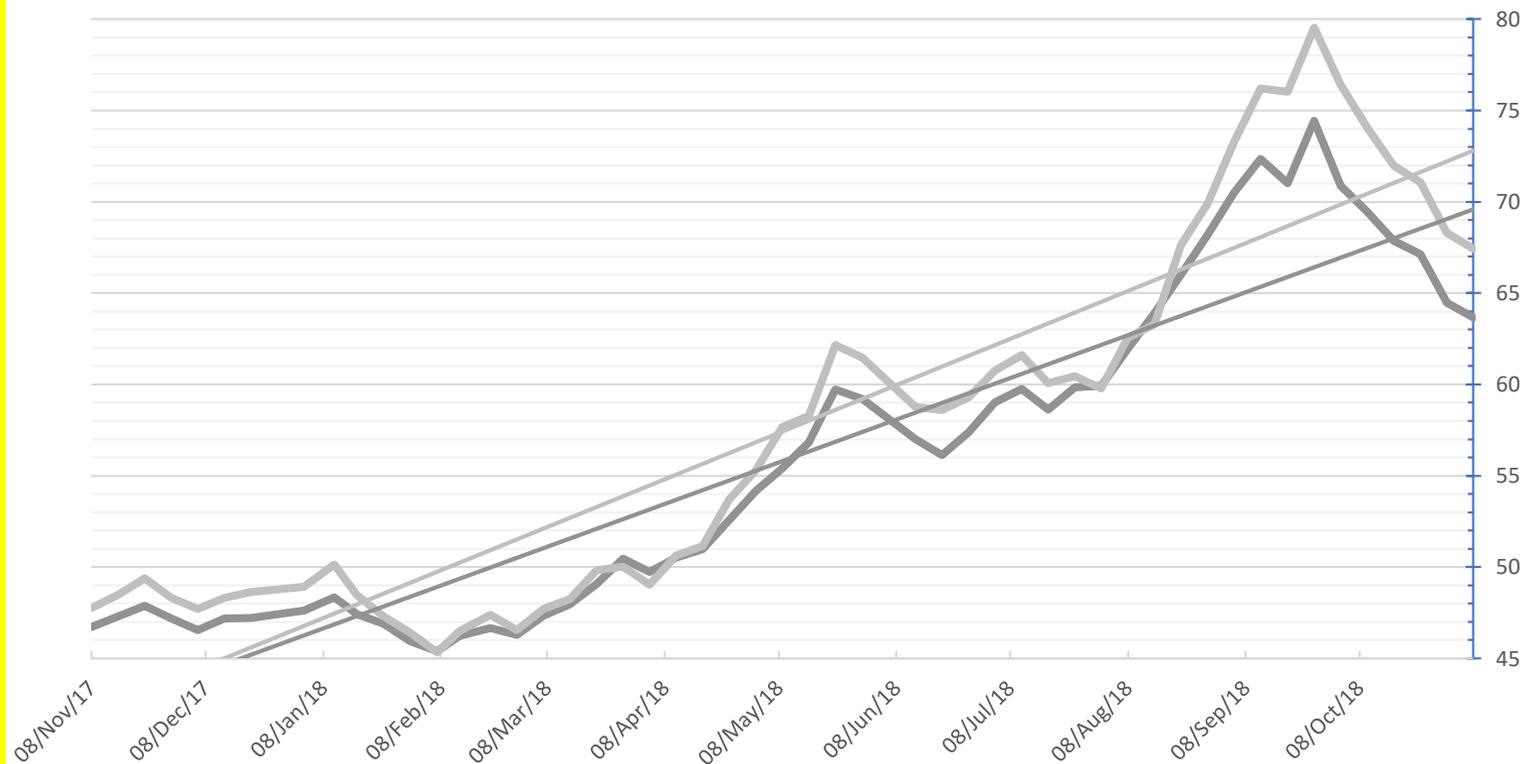
Dollar has softened overnight as the Democrats took control of the lower chamber, which is likely to tie Republican hands over the next 2 years.



MURPHY YOUNG
UTILITIES

YEAR AHEAD PRICING (ENERGY ONLY)

— Average Electricity Price (£/MWh) — Average Gas Price (p/therm)
— Linear (Average Electricity Price (£/MWh)) — Linear (Average Gas Price (p/therm))



Electricity (£/MWh)		
Prompt Price	Future Price	Average Price
63.90	63.40	63.65

Gas (p/Therm)		
Prompt Price	Future Price	Average Price
67.55	67.30	67.43



PRICE MOVEMENTS
OVER PAST WEEK