

Weekly Energy Market Report

30th August 2023



Both gas and electricity prices dropped this week with gas dropping by 15.4% and electricity by 12.8% compared to last week's prices. Gas prices dropped earlier in the week as the UK expects 2 LNG cargoes in early September. Initial reports of an agreement being reached regarding ongoing Australian LNG strikes also pushed prices lower. Prices started to increase later in the week as uncertainty returned regarding the Australian LNG strikes and US LNG union workers also announced stoppages.

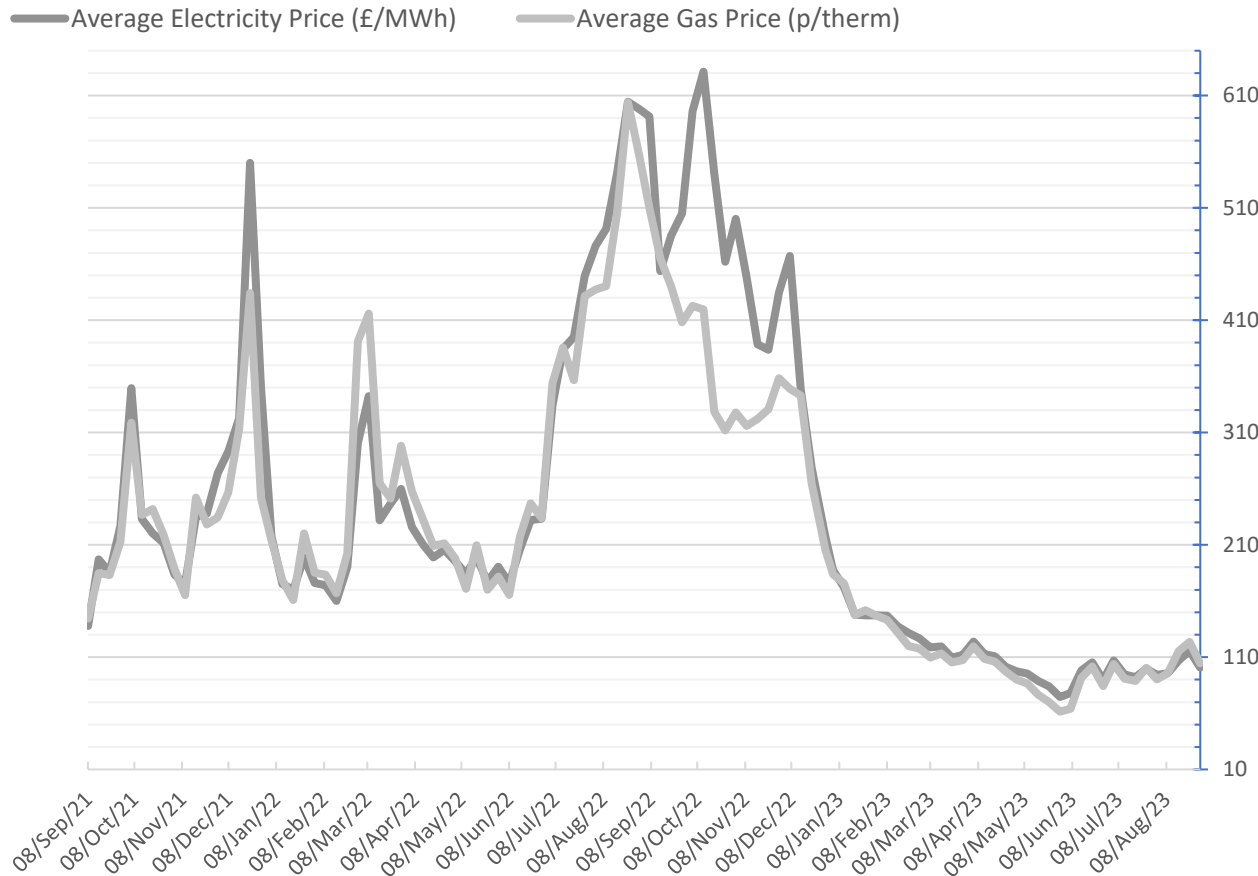
Electricity prices again followed the trend of the gas market with prices dropping earlier in the week before starting to rise again.

Brent crude oil prices increased throughout this week from \$83.21/t to \$85.49/t. Prices were pushed higher due to expected interest rate hikes in the US as well as a reported decline in manufacturing activity in Europe, North America and Japan. Concerns surrounding the potential impact on production in the US due to Hurricane Idalia also pushed prices higher.

Coal prices initially dropped from \$118.25/t to \$117.75/t before increasing sharply to \$123.10/t this week. Carbon prices dropped throughout this week from €88.22/t to €85.39/t.

The Pound weakened against both the Euro (€1.1724 to €1.1625) and the US Dollar (\$1.2689 to \$1.2640) this week.

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Prompt Price	Future Price	Average Price
90.31	111.42	100.87

- 12.8 %

Gas (p/Therm)		
Prompt Price	Future Price	Average Price
92.72	116.34	104.53

- 15.4 %

PRICE MOVEMENTS OVER PAST WEEK