

Weekly Energy Market Report

6th December 2023

We have seen a good level of decline in both gas and electricity with a fall of 12.7% and 9.6% respectively.

The gas market this week has declined overall despite us seeing increases towards the end of last week after the cold snap we have experienced. The declines have been thanks to an expected reduction in gas fired electricity and strong supply from Norway as the pipeline has reached 98% daily capacity. This with expected LNG increases and healthy storage throughout the EU has promoted the decline in the market.

Electricity prices have tracked the gas markets also declining. Despite lower than expected wind output this week any further declines have been thanks to a falling carbon price, revised increased wind output and a higher temperature limiting the requirements for heating.

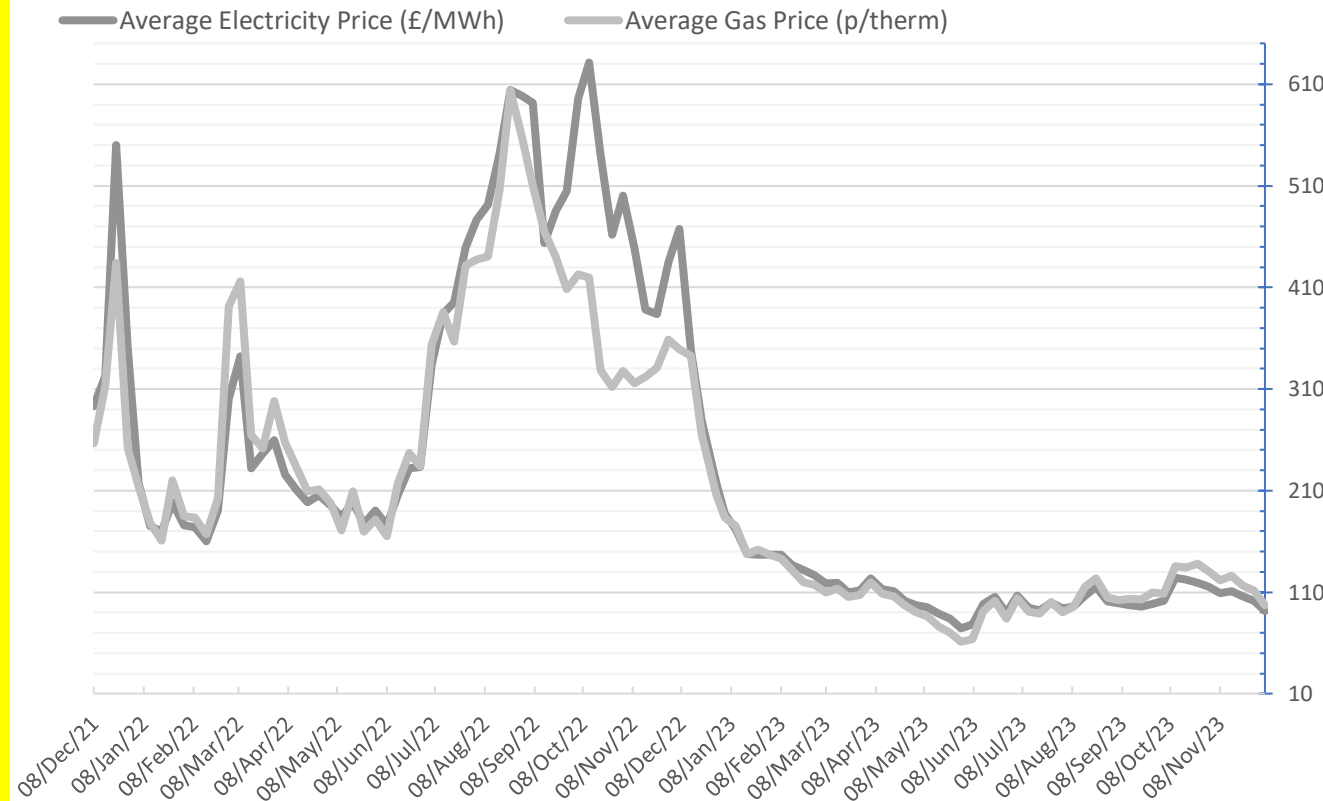
Oil prices have decreased from \$83.10/bbl to \$77.20/bbl. Oil has traded down this week despite further production cuts announced by OPEC. New OPEC member Brazil despite this announcement has moved against the group and has raised their production targets over the next few years leading to traders losing confidence in OPECs direction.

The price of Carbon has decreased from €71.02/t to €68.85/t and Coal has increased from \$114.40/t to \$117.95/t.

The pound has strengthened against the euro (€1.1552 to €1.1666) and weakened against the dollar (\$1.2713 to \$1.2595).



YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)			9.6 %	PRICE MOVEMENTS OVER PAST WEEK
Prompt Price	Future Price	Average Price		
92.48	91.06	91.77		
Gas (p/Therm)			12.7 %	
Prompt Price	Future Price	Average Price		
97.42	97.55	97.49		