

We continue to see a decline in both electric and gas prices with prices down 3.3% and 1.6% respectively. Although the decline this week has been slow compared with recent weeks.

Any decline in gas prices this week have been slowed due to forecasted lower temperatures than normal, this has increased expected demand for gas heating. A healthy number of expected LNG cargoes already scheduled to arrive over the next few weeks along with an expected increase has pressured contracts leading to the overall decline in gas prices we see this week.

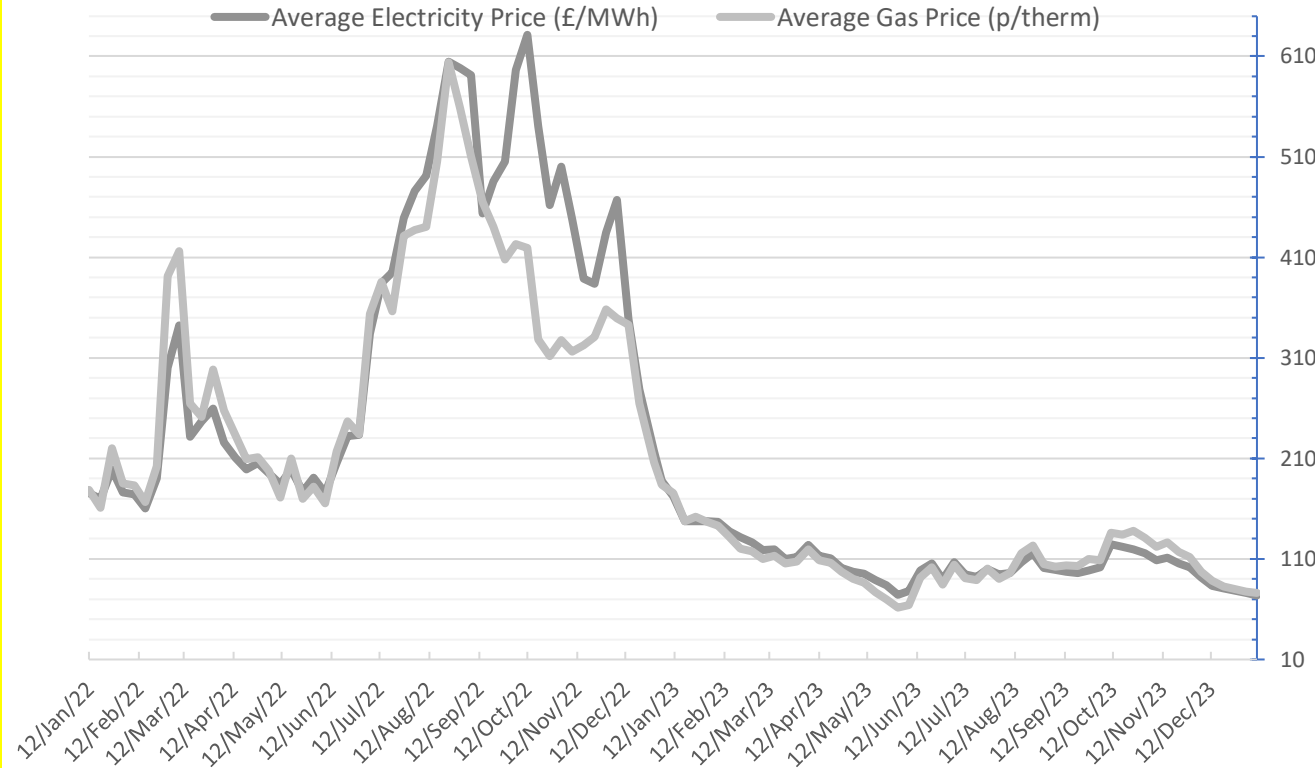
Electric prices have fallen this week as it has mostly been influenced by the gas market, this has been aided by the decline in carbon prices. Declines in the electric market have been despite lower wind output than normal and with current and forecasted wind output being 20% below seasonal norm.

This week oil prices have fallen from \$78.25/bbl to \$77.59/bbl. Prices although reduced have been volatile, factors in the middle east causing cargoes to be rerouted from the Suez canal and political protests in Libya have weighed against data showing a reduction in demand over December and a steep reduction in selling price by Saudi Arabia have all affect the market this week.

Carbon has fallen from €77.64/t to €72.09/t and coal has increased from \$108.95/t to \$111.25.

The pound has strengthened against both the Euro this week from (€1.1531 to €1.1627) and Dollar (\$1.2625 to \$1.2710).

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)			3.3 %	PRICE MOVEMENTS OVER PAST WEEK
Prompt Price	Future Price	Average Price		
76.31	70.98	73.64		
Gas (p/Therm)			1.6 %	
Prompt Price	Future Price	Average Price		
76.31	75.70	76.00		