

Both electricity and gas prices have begun to fall this week again. Prices have fallen by 2.5% and 3.4% respectively.

Gas prices have fallen as the market has been affected by weather fundamentals. Mild and windy conditions over the week have reduced the need for gas fired heating reducing demand overall and shipping data indicated that 4 LNG cargoes had docked in the UK by the 6th Feb. Any declines were slowed as Norwegian flows were reduced to 55% capacity and forecasted colder weather over the coming week could potentially drain UK gas supply.

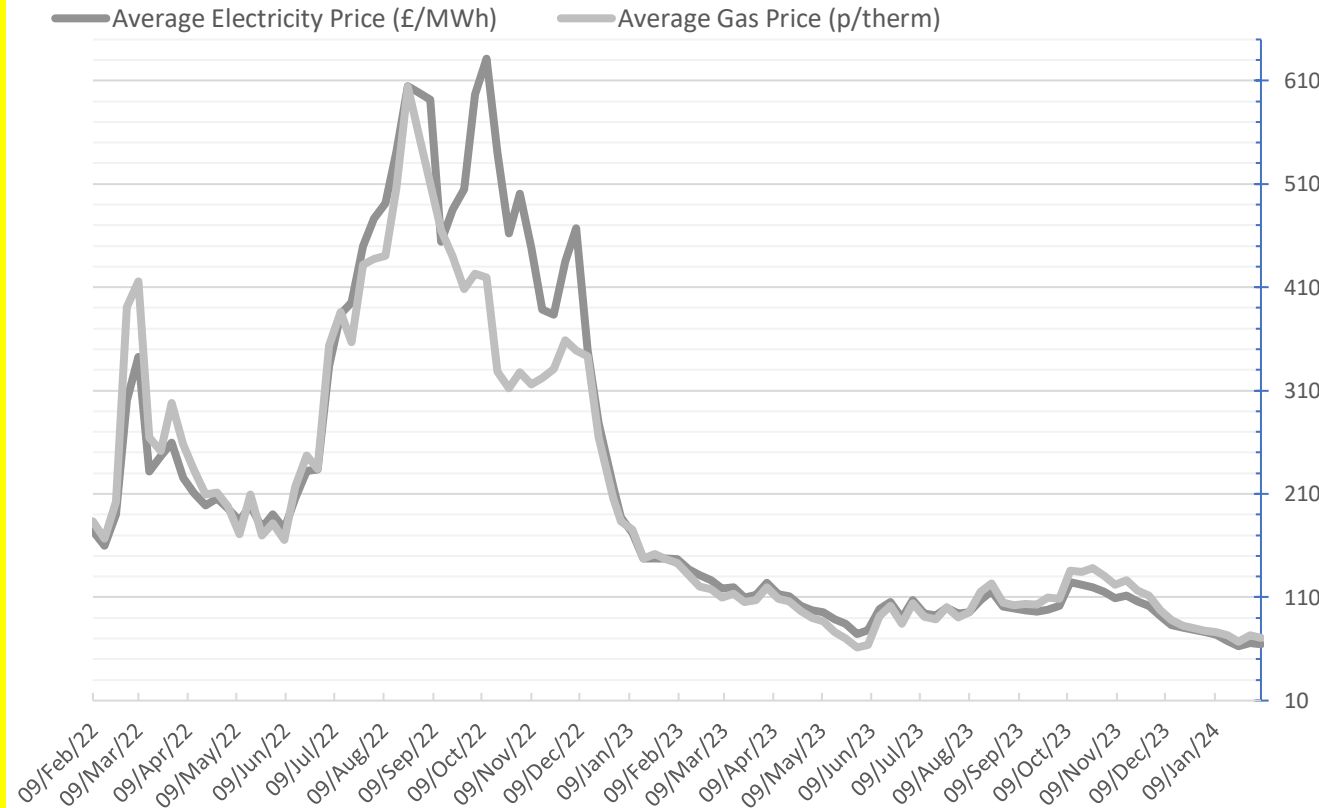
Again, mirroring fundamentals of the gas market power prices have also declined. January's wind output was 2.5GW/day higher than the previous 5-year average helping prices remain on a downward trend. This is despite an unplanned outage at EDF's Hartlepool Reactor flattening this downward trend.

Oil prices have fallen from \$81.71/bbl to \$78.59/bbl. Hope of a recovery in global demand and hopes of an easing in tensions in the Middle East there could be a potential ceasefire between Israel and Hamas has helped falling prices.

Carbon prices have fallen from €64.16/t to €63.10/t and Coal prices have also fallen from \$99.60/t to \$98.60/t.

The pound has strengthened against the euro (€1.1709 to €1.1722) but weakened against the Dollar (\$1.2694 to \$1.2625).

YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)			-2.5% %	PRICE MOVEMENTS OVER PAST WEEK
Prompt Price	Future Price	Average Price		
65.09	63.53	64.31		
Gas (p/Therm)				
Prompt Price	Future Price	Average Price		
70.34	70.80	70.57		
			-3.4% %	