

Both gas and electricity prices dropped this week with gas dropping by 9.1% and electricity by 7.6% compared to last week's prices. Gas prices dropped due to an expected drop in demand as milder temperatures and higher wind output were forecast. A healthy supply outlook also pushed prices lower with storage levels remaining higher than this time last year and additional LNG deliveries expected later this week.

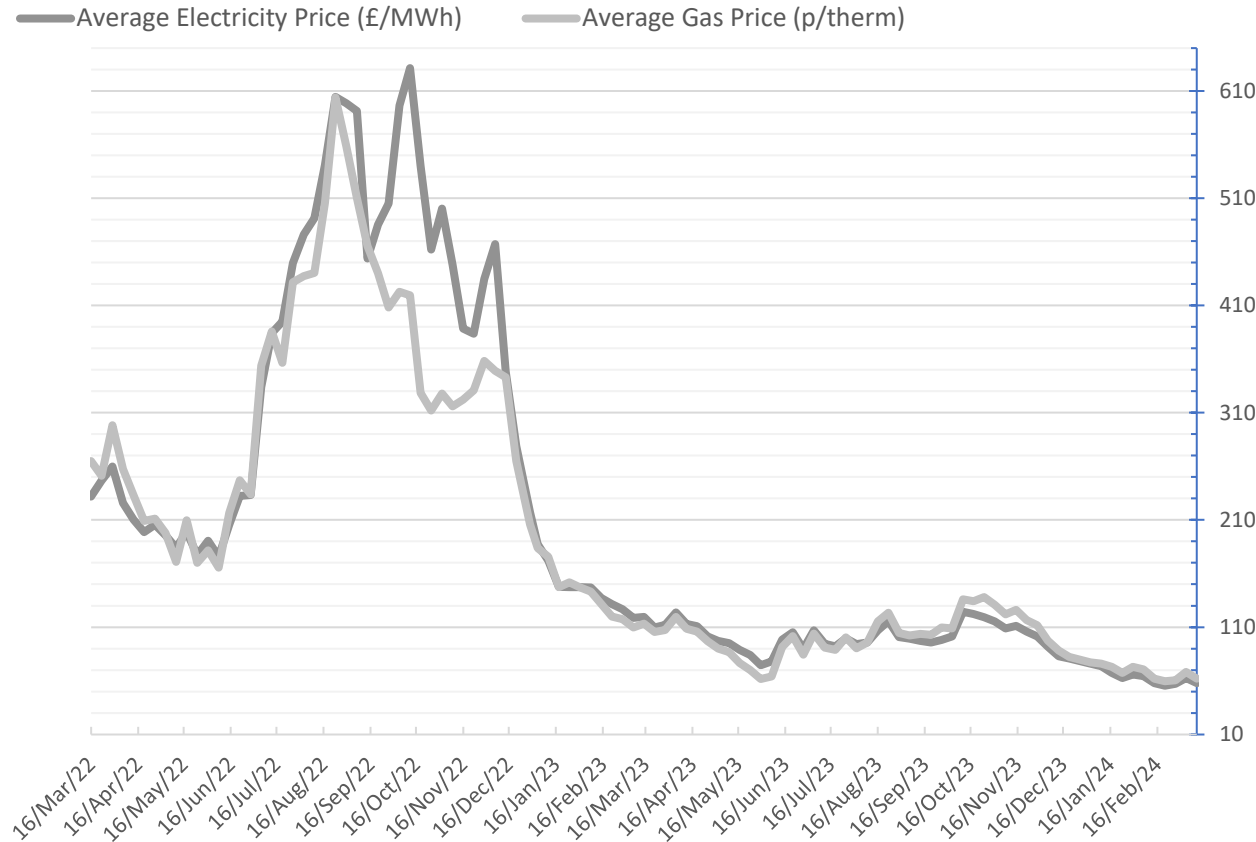
Electricity prices dropped as the gas and carbon markets influenced pricing. An expected increase in nuclear output as reactors at Heysham are due to return online this week also pushed prices lower.

Brent crude oil prices initially increased from \$82.04/bbl to \$82.96/bbl before dropping throughout the rest of the week to \$81.92/bbl. Prices initially increased as the market tightened due to an increase in global demand. Economic concerns in both China and the US pushed prices lower later in the week. US interest rates remaining unchanged despite previous expectations that they would lower also pushed prices down.

Coal prices dropped throughout this week from \$112.60/t to \$108.65/t. Carbon prices initially dropped from €59.23/t to €55.85/t before rising back to €56.55/t this week.

The Pound strengthened against both the Euro (€1.1694 to €1.1703) and the US Dollar (\$1.2726 to \$1.2792) this week.

**YEAR AHEAD PRICING (ENERGY ONLY)**



Electricity (£/MWh)		
Prompt Price	Future Price	Average Price
57.89	57.68	57.78



Gas (p/Therm)		
Prompt Price	Future Price	Average Price
62.13	62.02	62.08



**PRICE MOVEMENTS OVER PAST WEEK**