

NBP Natural Gas & GB Power Market Movement 07-11-2016

Although demand was substantially higher with temperatures averaging 4 degrees Celsius, this was offset by higher gas exports from the continent, through the BBL gas line and the interconnector or IUK. LNG send-out levels doubled during the week with an improvement in actual cargoes arrivals and expected arrivals in the month of November. The UK also imported more gas from Norway which help to limit the impact of higher demand. The oil price traded down by 1.82% (\$0.83 per barrel) with news during the week of the possibility of the supply glut spilling into 2017 and higher production from non OPEC exporters. Doubts remains over the outcome of the next OPEC meeting, scheduled to take in Vienna at the end of the month.

Outlook for Week Ahead, week commencing 14-11-2016

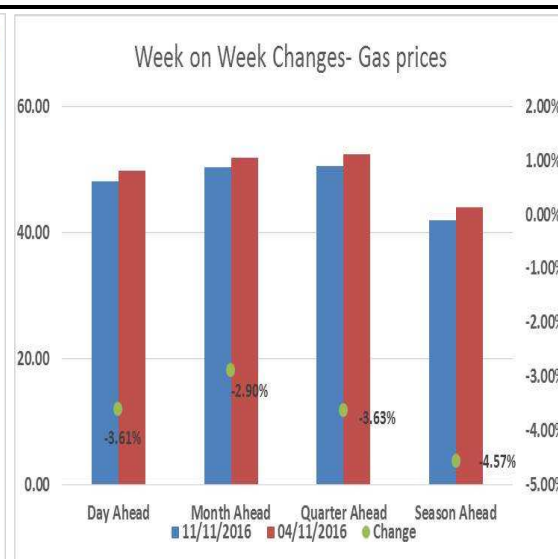
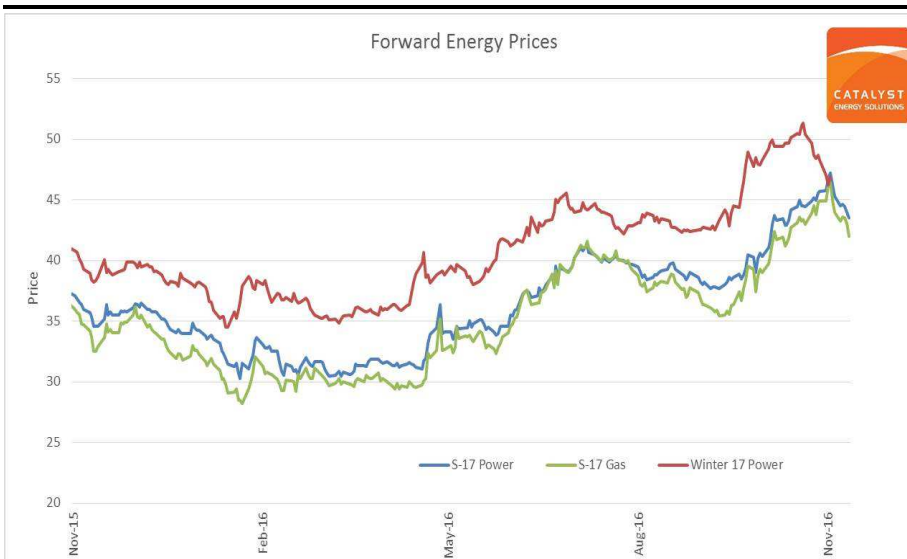
Milder weather and a strong drop in household demand is expected, which should reduce the need for withdrawals from gas stocks. High wind power production should reduce gas demand from power producers. UK gas production is expected stable and strong Norwegian gas flows are expected to endure for now. LNG send-out levels have improved with number of scheduled Qatari cargoes to the UK picking up. This elevation is due to developing LNG projects in Australia and the return of the Sabine pass terminal. Market movements in the wider fuel spectrum like Coal and Oil will impact UK gas prices. The IEA (International Energy Agency) has suggested that oil prices may continue to fall on supply growth unless OPEC makes significant supply cuts. The latter, whilst felt unlikely at the next OPEC gathering, cannot be ruled out or dismissed either. The oil price hit \$53.14 in the second week of October, the highest 2016 price point to date. Any further price falls or rises in the wider fuel spectrum will feed through to UK energy prices.

Average Seasonal Prices

Contracting Period		Electricity £/MWh				Gas p Per Therm					
Date Range		Settlement Price		Price Change	% Change	Direction	Settlement Price		Price Change	% Change	Direction
		Fri 11/11	Fri 04/11				Fri 11/11	Fri 04/11			
01 April 2017 - 12 Months		£45.25	£47.49	£2.24	-4.72%	▼	44.47	46.55	-2.08	-4.47%	▼
01 April 2017 - 24 Months		£42.39	£44.97	£2.58	-5.74%	▼	43.93	46.48	-2.55	-5.49%	▼
01 April 2017 - 36 Months		£40.60	£43.85	£3.25	-7.41%	▼	-	-			
01 October 2017 - 12 Months		£42.31	£44.90	-2.59	-5.77%	▼	44.00	46.25	-2.25	-4.86%	▼
01 October 2017 - 24 Months		£39.76	£43.31	-3.55	-8.20%	▼	44.21	46.25	-2.04	-4.41%	▼
01 October 2017 - 36 Months		£40.03	£42.98	-2.95	-6.86%	▼	-	-			
01 April 2018 - 12 Months		£39.53	£42.46	-2.93	-6.90%	▼	43.40	46.41	-3.01	-6.49%	▼
01 April 2018 - 24 Months		£38.26	£42.03	-3.77	-8.97%	▼	-	-			

Wider Fuel Complex					
Fuel	Settlement Price		Price Change	% Change	Direction
	Fri 11/11	Fri 04/11			
Coal \$ Per Tonne	76.10	76.25	-0.15	-0.20%	▲
Carbon Euros Per Tonne	5.67	6.41	-0.74	-11.54%	▲
Brent Crude Front Month \$ Per Barrel	44.75	45.58	-0.83	-1.82%	▲

Summary			
Item	Dates	Dates	% Change
	Fri 11/11	Fri 04/11	
Demand MCM	297	252	17.86%
Rough Fullness	35%	35%	-
LNG Sendout MCM	10	5	100.00%



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