

UK Natural Gas & Power Market: Week Commencing 07-08-2017

Disruption of supply from both the Norwegian and UK gas shelves were the main signals for prices gains during the week. On Monday, an announced unplanned outage at a Norwegian Gas field resulted in a strong deficit of supply and consequential higher prices. On Tuesday prices eased back and closed down compared to Monday's levels despite ongoing outages. Norwegian supply rose incrementally that day and there was a stronger outlook for wind power for next working day. News that LNG cargoes were UK bound for some parts of latter August also provided some much needed respite. Prices across the board gained on Wednesday with the UK gas network undersupplied once again, boosted by higher exports of UK gas to the continent. Oil prices gained after EIA data showed a week-on-week 6.5 million barrel drawdown to US stockpiles. By Friday, prices closed higher overall with the October-17 annual electricity & gas contracts both settling +1.24% and +3.76% when compared to the previous Friday (04th August).

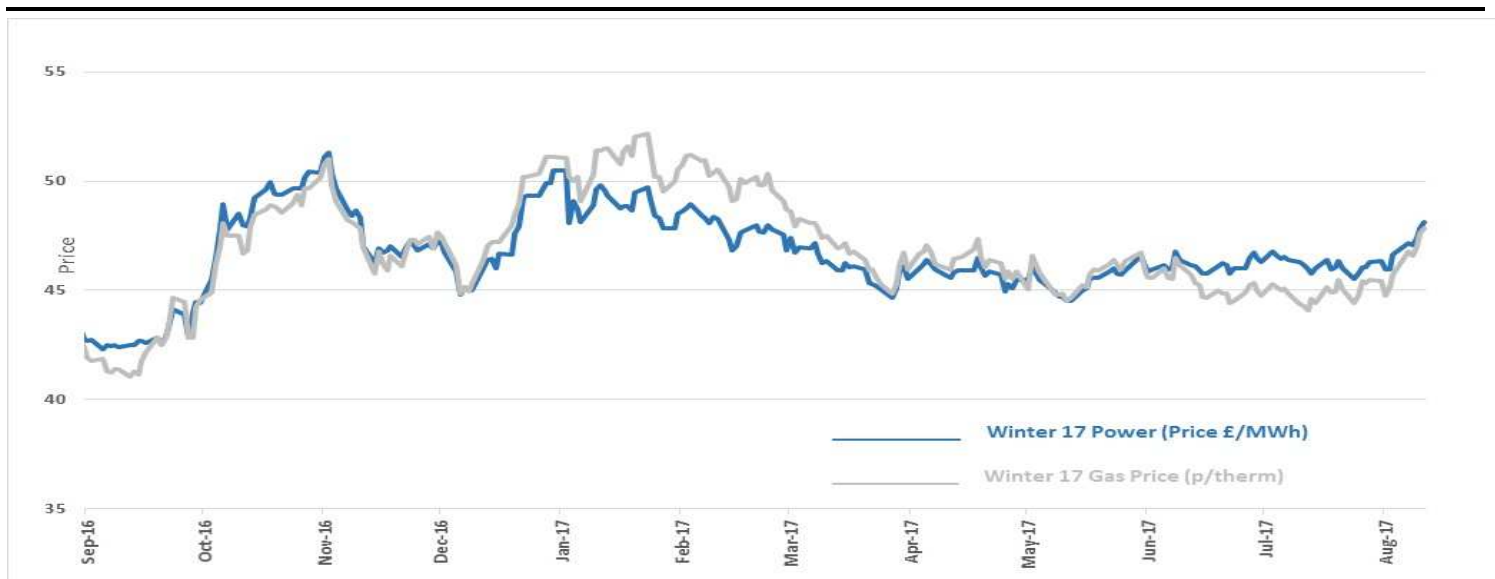
Outlook and drivers: Week Commencing 14-08-2017

Assuming there are no further unplanned outages, prices should stabilise in week commencing 14th August. The main bearish factor is an uptick in UK gas production with St Fergus and Teesside BP both scheduled to return having been offline since the beginning of August. The outage at a Norwegian gas platform (Heimdal) should end although field maintenance at other Norwegian gas fields is expected to start. LNG arrivals are also expected in the second half of August which is likely to ameliorate current sendout levels.

Prices and Summaries

Contracting Period		Electricity £/MWh				Gas p/Therm					
Date Range		Settlement Price		Price Change	% Change	Direction	Settlement Price		Price Change	% Change	Direction
		Fri 11/08	Fri 04/08				Fri 11/08	Fri 04/08			
01 October 2017 - 12 Months		£44.99	£43.75	1.24	2.83%	▲	44.70	43.08	1.62	3.76%	▲
01 October 2017 - 24 Months		£44.38	£43.39	0.9875	2.28%	▲	44.94	43.55	1.3875	3.19%	▲
01 April 2018 - 12 Months		£44.33	£43.30	1.03	2.38%	▲	45.18	43.90	1.28	2.92%	▲
01 April 2018 - 24 Months		£43.72	£42.92								
01 Oct 2018 - 12 Months		£43.77	£43.04	0.73	1.70%	▲	45.18	44.03	1.15	2.61%	▲

Wider Fuel Complex						Summary			
Fuel	Settlement Price		Price Change	% Change	Direction	Item	Dates		% Change
	Fri 11/08	Fri 04/08					Fri 11/08	Fri 04/08	
Coal \$ Per Ton	76.25	75.00	1.25	1.67%	▲	Demand MCM	64.54	60.08	7.42%
Carbon Euros Per Ton	5.38	5.34	0.04	0.75%	▲	Rough Stock (MCM)	97.68	97.68	-
Brent Crude Front Month \$ Per Barrel	52.10	52.42	-0.32	-0.61%	▼	LNG Send out MCM	10.00	19.00	-47.37%



Catalyst Commercial Services' independent approach enables clients to manage their exposure to energy price risk, while at the same time benefiting from a first class service from a range of major and independent suppliers. Catalyst Commercial Services' procurement solutions make it simple, so contact a member of the team to discuss requirements.