

# Catalyst Weekly Energy Element / Week 17

UK Natural Gas & Power Market: Week Commencing 16-04-2018



Despite an outage on the Norwegian gas shelf, at the Kollsnes gas processing plant, the outlook for warmer weather weighed on prices on Monday. Brent Crude also fell as concerns over heightened tensions following weekend air strikes in Syria started to dissipate. UK energy prices continued to fall on Tuesday as continued forecasts for warmer weather reduced the outlook for national energy usage: temperatures were expected to hit highs of over 20 degrees Celsius later in the week. The UK gas system slightly was oversupplied with demand 22 percent below the seasonal norm, another signal for lower prices that market day. Markets gained on Wednesday, boosted by a weaker performing GB Pound and a rising Brent Crude price, following a reported reduction in US Crude stocks and reports that top oil exporter, Saudi Arabia, would be happy to see Brent Crude prices rise to \$80 or even \$100 per barrel. By Friday, the October-18 annual electricity & gas products closed higher week-on-week, +0.45% and +1.78% respectively.

## Outlook and drivers: Week Commencing 23-04-2018

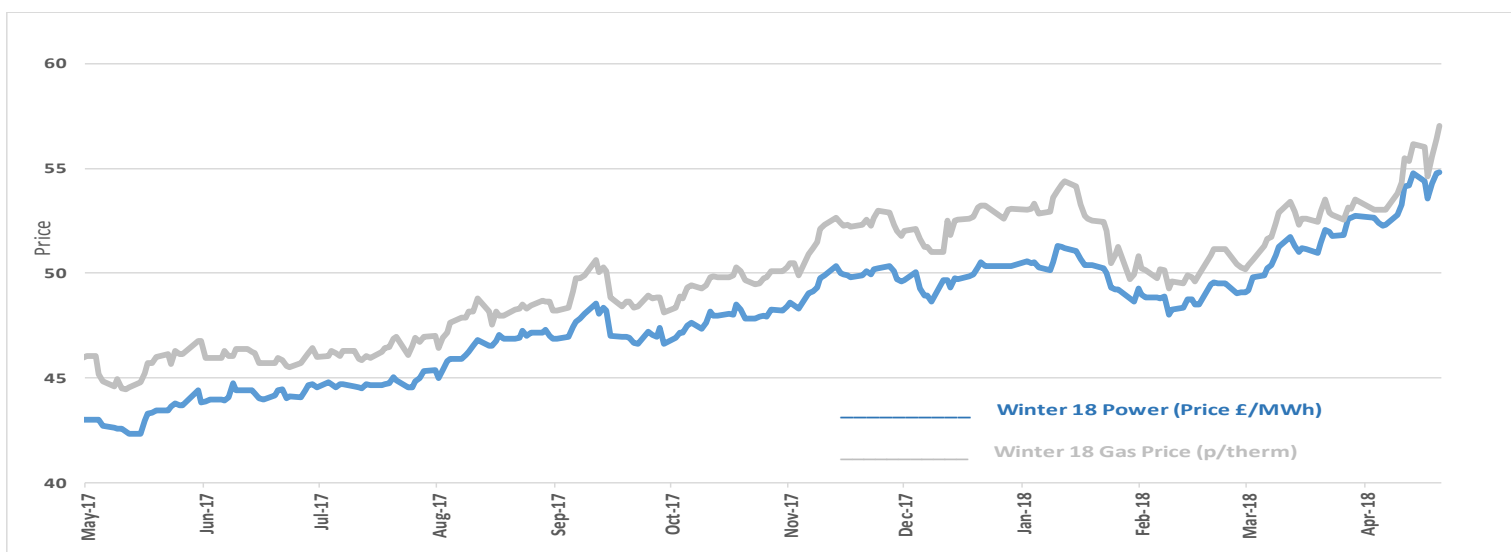
Temperatures are expected to return to seasonal norm levels during the week which will elevate demand. Norwegian gas flows are expected to pick up during the week but uncertainty lingers which could keep prices from falling. An LNG cargo is scheduled at South Hook midweek which will help to replenish current low LNG stocks. Oil opened the week lower on Monday 23rd April, from \$74s to \$73s. Any further falls in this commodity will keep a lid on price gains during the week.

## 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 20/04	Fri 13/04				Fri 20/04	Fri 13/04			
01 Oct 2018 - 12 Months		£49.73	£49.50	0.225	0.45%	▲	£50.08	£49.20	0.875	1.78%	▲
01 Oct 2018 - 24 Months		£47.78	£47.70	0.08	0.17%	▲	£47.96	£47.14	0.82	1.74%	▲
01 April 2019 - 12 Months		£47.46	£47.13	0.335	0.71%	▲	£47.32	£46.40	0.915	1.97%	▲
01 April 2019 - 24 Months		£46.03	£45.91	0.12	0.26%	▲	£45.90	£45.13	0.7675	1.70%	▲
01 Oct 2019 - 12 Months		£45.84	£45.90	-0.06	-0.13%	▼					

Wider Fuel Complex						Summary			
Fuel	Settlement Price		Price Change	% Change	Direction	Item	Dates		% Change
	Fri 20/04	Fri 13/04					Fri 20/04	Fri 13/04	
Coal \$ Per Ton	83.00	81.90	1.1	1.34%	▲	Demand MCM	77.35	179.80	-56.98%
Carbon Euros Per Ton	13.01	13.90	-0.89	-6.40%	▼	Total Gas Stock (MCM)	275.94	174.63	58.01%
Brent Crude Front Month \$ Per Barrel	74.06	72.58	1.48	2.04%	▲	LNG Send out MCM	7.00	32.00	-78.13%



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.

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