

Catalyst Weekly Energy Element / Week 28



UK Natural Gas & Power Market: Week Commencing 02-07-2018

On Monday, prices rose on higher gas-for-power demand and strong exports of UK gas to Belgium. Limiting gains that day was the oil which eased back in the very low \$78 mark. Market rises continued into Tuesday on low wind power output though Brent crude oil continued to descend in price mode. Excess supply compared to national demand resulted in price losses on Wednesday. Markets opened lower on Thursday, with oversupply being the main bearish driver along with reduced gas exports through the Interconnector. Prices were mixed in direction on Friday: low wind output raised demand for gas from power plants. Stronger coal prices were another bullish factor for European gas during the week overall with low water levels in the Rhine hindering the restocking of coal at power plants. The UK gas system was slightly oversupplied however. Oil closed the week at \$77.11, a -2.93% reduction compared to the same time the previous week. The electricity and gas October-18 annual price indices closed +0.94% and +1.60% respectively.

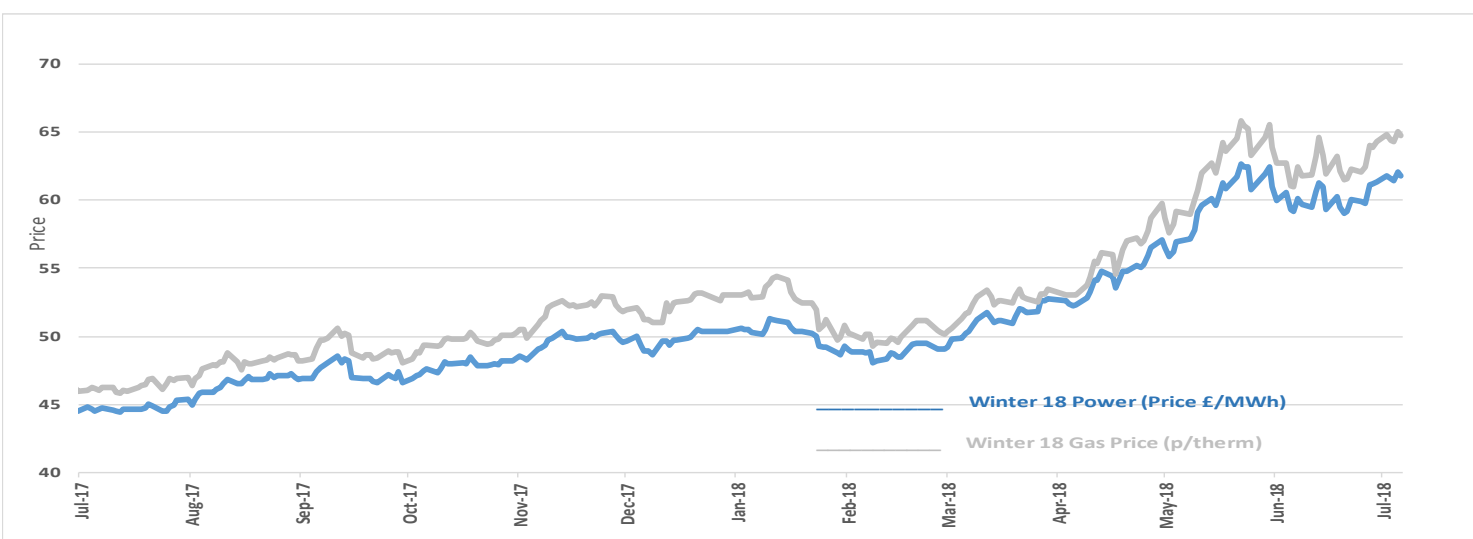
Outlook and drivers: Week Commencing 09-07-2018

Stable market expected based on market fundamentals.

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 06/07	Fri 29/06				Fri 06/07	Fri 29/06			
01 Oct 2018 - 12 Months		£56.18	£55.65	0.525	0.94%	▲	£58.20	£57.29	0.915	1.60%	▲
01 Oct 2018 - 24 Months		£53.87	£53.29	0.58	1.09%	▲	£54.70	£53.98	0.72	1.33%	▲
01 April 2019 - 12 Months		£53.70	£53.04	0.665	1.25%	▲	£55.48	£54.26	1.215	2.24%	▲
01 April 2019 - 24 Months		£51.47	£50.87	0.6025	1.18%	▲	£52.33	£51.55	0.7725	1.50%	▲
01 Oct 2019 - 12 Months		£51.57	£50.94	0.635	1.25%	▲					

Wider Fuel Complex						Summary			
Fuel	Settlement Price		Price Change	% Change	Direction	Item	Dates		% Change
	Fri 06/07	Fri 29/06					Fri 06/07	Fri 29/06	
Coal \$ Per Ton	90.70	88.20	2.5	2.83%	▲	Demand MCM	55.32	55.01	0.56%
Carbon Euros Per Ton	15.66	14.95	0.71	4.75%	▲	Total Gas Stock (MCM)	725.37	667.21	8.72%
Brent Crude Front Month \$ Per Barrel	77.11	79.44	-2.33	-2.93%	▼	LNG Send out MCM	5.00	5.00	-



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.

T +44 (0) 870 710 7560 | W www.catalyst-commercial.co.uk