

Catalyst Weekly Energy Element / Week 31



UK Natural Gas & Power Market: Week Commencing 22-07-2019

Prices declined nicely over the week finishing at a low point on Friday, but the outlook on Monday didn't indicate that it would be such a positive week in the market. With Monday influenced by strong European carbon prices and a heightening of tension in Iran causing further price concern for Brent crude oil prices. Above normal seasonal weather increased demand for cooling but healthy supplies and positive system response managed to contain any price rises, with prices falling on Friday afternoon to healthy levels.

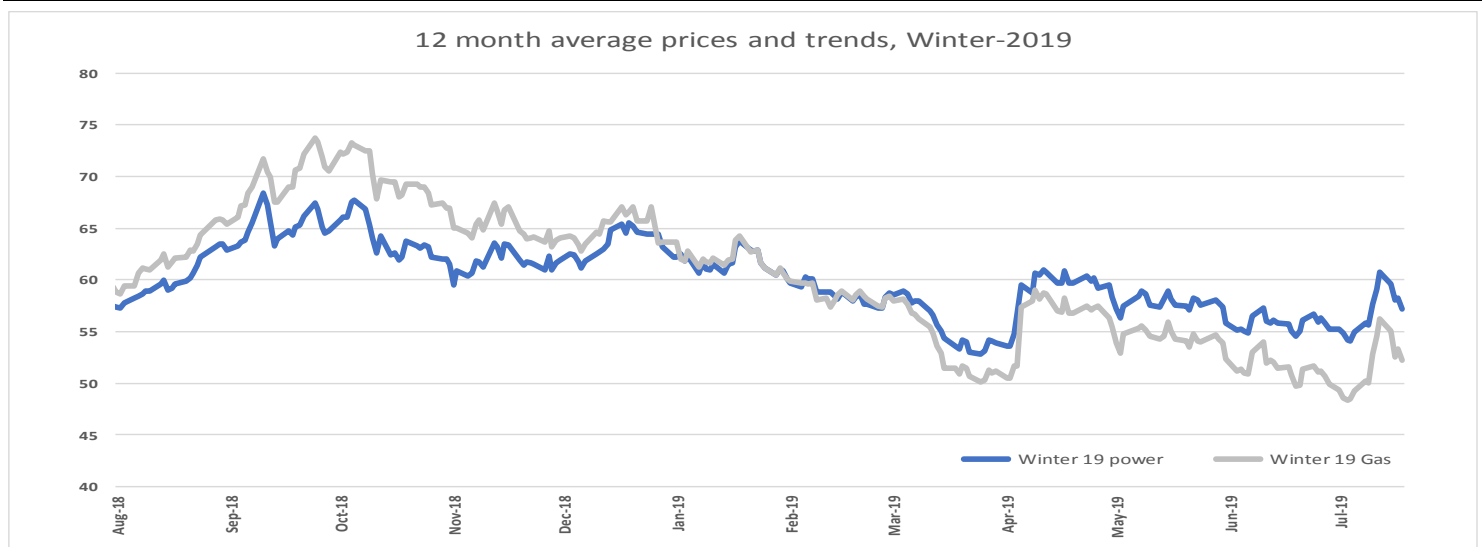
Outlook and drivers: Week Commencing 29-07-2019

Supply and demand fundamentals are back in play this week, with a decline in cooling demand. With increased wind speed forecast and high European stock levels of gas should all help to soften the market this week. Sizewell B-1 nuclear reactor is due back online also helping to weigh in on further downward pressure to the market. It's worth noting though that towards the end of the week, prices could increase because of a decline in supply due to heavy planned maintenance, along with a rise in the European carbon emissions' market which is likely to lend some support to seasonal power contracts.

Prices and Summaries

Contracting Period		Electricity £/MWh					Gas p/Therm				
Date Range		Settlement Price		Price Change	% Change	Direction	Settlement Price		Price Change	% Change	Direction
		Thur 18/07	Thur 11/07				Thur 18/07	Thur 11/07			
01 October 2019 - 12 Months		£53.65	£55.58	-1.93	-3.46%	▼	49.43	51.45	-2.03	-3.94%	▼
01 October 2019 - 24 Months		£53.13	£54.73	-1.61	-2.94%	▼	50.21	51.45	-1.24	-2.41%	▼
01 April 2020 - 12 Months		£53.45	£55.25	-1.80	-3.26%	▼	51.08	52.25	-1.18	-2.25%	▼
01 April 2020 - 24 Months		£52.63	£54.05	-1.42	-2.63%	▼	50.66	51.16	-0.50	-0.98%	▼

Wider Fuel Complex						Summary			
Fuel	Settlement Price		Price Change	% Change	Direction	Item	Dates	Dates	% Change
	Thur 18/07	Thur 11/07					Thur 18/07	Thur 11/07	
Coal \$ Per Ton	67.45	68.95	-1.50	-2.18%	▼	Demand MCM	57.39	59.02	-2.76%
Carbon Euros Per Ton	27.74	28.26	-0.52	-1.84%	▼	Total Gas Stock (MCM)	n/a	779.34	
Brent Crude Front Month \$ Per Barrel	61.93	66.52	-4.59	-6.90%	▼	LNG Send out MCM	n/a	12.00	



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