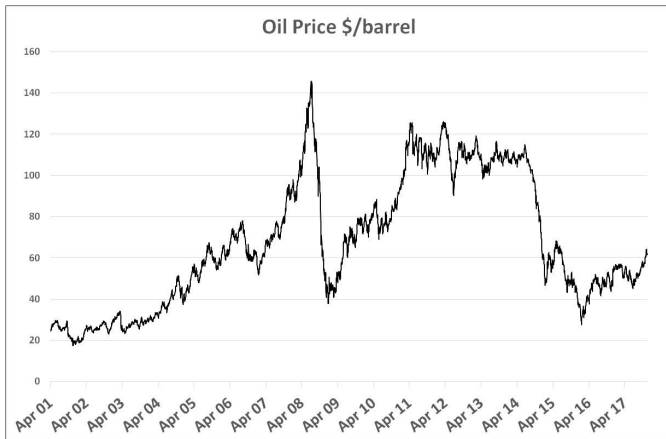


## Energy Market Snapshot

17th November 2017

### Oil:



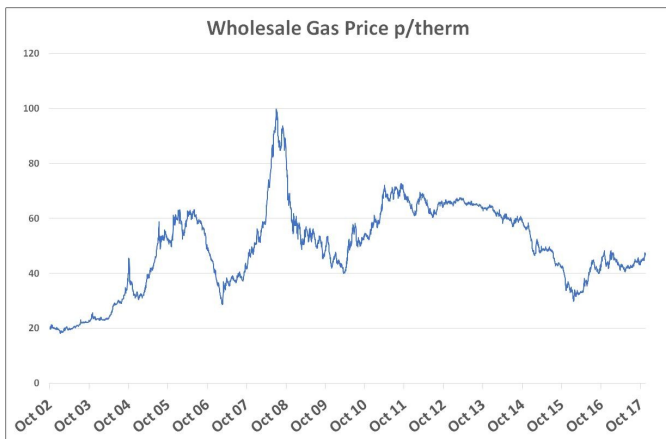
Brent prices softened on Monday losing just over \$0.5/barrel despite a supportive monthly report from OPEC. The report showed an increase in the demand forecast for 2018 and said the ongoing reduction deal "is pushing the global market into a larger deficit next year".

Prices tumbled on Tuesday pressured downwards by reports of record high US production. API data showed a weekly build in stocks of 6.5million barrels to Crude inventories.

However, on Wednesday the weekly EIA report showed a build of only 1.9 million barrels. Over the two days Brent fell nearly \$1.8/barrel.

Prices retraced some of the earlier losses on Thursday and rose \$0.4/barrel to close at \$62.02/barrel, a weekly loss of nearly \$2/barrel.

### Gas:



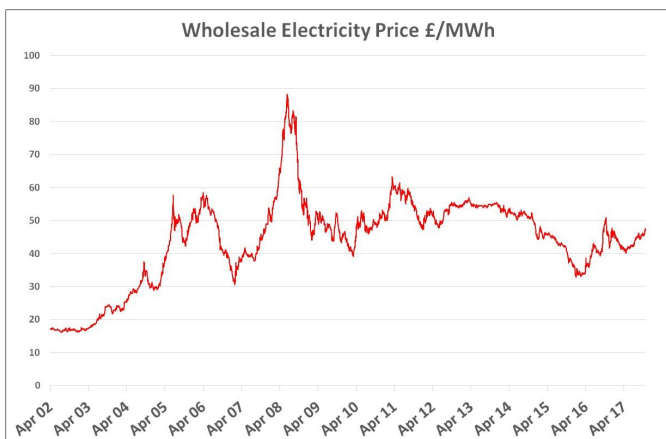
All contracts rose on Monday, driven higher by a short system as demand increased with the colder temperatures. Longer dated contracts moved higher in line with the prompt although a weak Sterling relative to the Euro provided greater upward momentum.

A shift in demand meant the system was oversupplied on Tuesday and all contracts fell as a result. The biggest daily movement was seen on the December 17 contract which fell 1.88p/therm. A weak wider fuel complex also pressured prices lower.

Contracts continued to ease on Wednesday as temperatures were above seasonal norm leading to a reduction in demand. Whilst curve contracts fell, the loss was not as significant compared to the movements seen on the prompt and near curve.

Prices were mixed on Thursday, near term contracts softened whilst longer dated contracts posted gains in line with higher Oil prices. Last night, all contracts closed lower than last Friday. December lost 2.15p/therm whilst Winter 18 lost 0.35p/therm

### Electricity:



Electricity contracts rose on Monday, a weak generation outlook, falling Pound and higher Coal prices all pushed prices higher.

By Tuesday, all contracts with the exception of Day Ahead closed lower day on day. Prices fell in line with the bearish nature of Gas and Oil.

An improved renewable picture helped prompt prices soften on Wednesday and Day Ahead lost £3.3/MWh. Near term and longer dated contracts eased in line with their NBP counterparts.

Despite Gas prices softening on Thursday, Power prices were directed higher. Last night near term contracts closed lower than last Friday. December 17 lost £1.45/MWh whilst contracts from Winter 18 onwards closed flat.