

Weekly Energy Market Report

Commentary

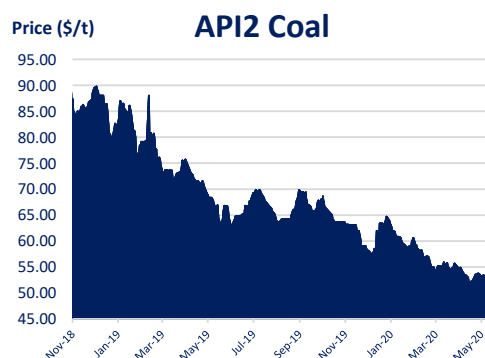
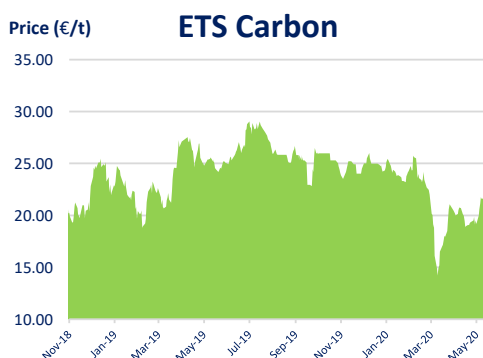
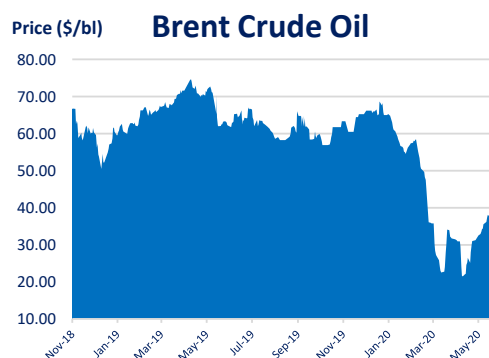
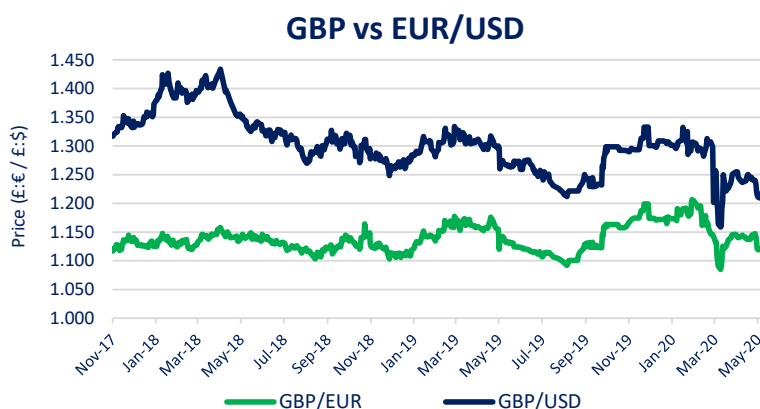
01/06/2020

Muted movements were seen across the course of Friday's session with, some slightly bullish market indication instigating some equally slight rises in market prices across the curve. UK national demand remained below seasonal average, amid economic lock down and warmer temperatures, and as such suppressed near-curve bullishness derived from lower levels of wind generation and reduced pipeline flows into the UK and Europe. Furthermore, the short-term LNG outlook was rather weak, in comparison to how abundant it's been over the last year or so, with only one scheduled tanker due to arrive over the coming week. This has since been corrected somewhat, with a further 5 due for arrival before month-end.

Brent Crude continues to perform well, adding some gusto to prices further along the curve, particularly for quarterly and seasonal contract prices. Some nervousness was seen in the market, around the 38\$/bl mark, with some traders hedging their bets with one eye on the upcoming OPEC+ meeting in early-June. The meeting is due to discuss whether production cuts are likely to extend beyond the end of June and a decision either way will considerable bearing on price direction. Elsewhere, EUA Carbon continues to hold onto recent gains and closed the week close to the 21.50 Euro/t level. Trader focus, Pound Sterling-wise, will begin to shift from its inherent COVID-19 response focus at the moment, towards one centered on Brexit trade negotiations. The performance of the UK's economic restart will be key to the Pound's direction in the short term, but longer term outlooks remain hinged on the progression of talks between the UK and EU.

Currency & Commodities

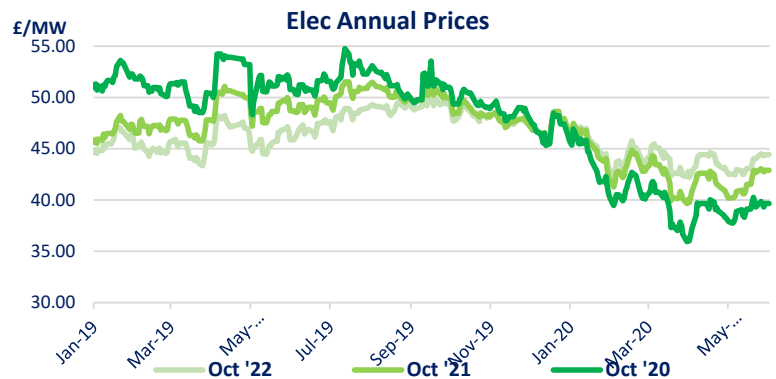
Pound vs Dollar (£:\$)	1.241
Pound vs Euro (£:€)	1.116
Brent Crude Oil (\$/bl)	37.92
EU ETS Carbon (€/t)	21.01
API2 Coal (\$/t)	51.25



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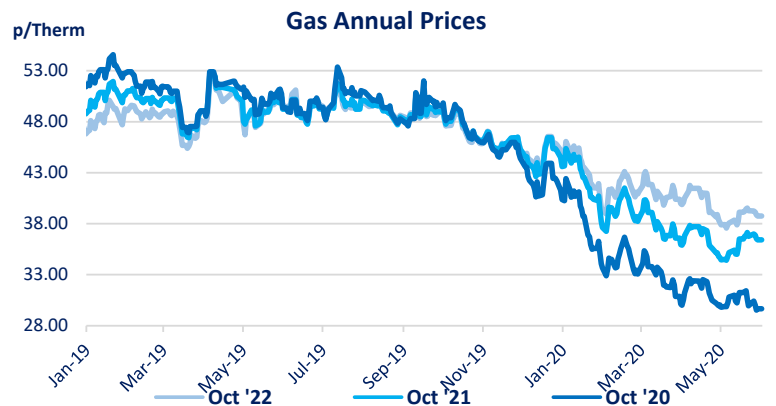
Electricity Analysis

Elec Futures	Price	Change	% Change
Jul-20	25.25	-0.54	-2.14%
Aug-20	27.00	-0.25	-0.93%
Q3 20	27.39	-0.12	-0.44%
Q4 20	39.27	-0.10	-0.25%
W 20	41.60	-0.25	-0.60%
S 21	37.40	0.20	0.54%
W 21	45.56	0.17	0.37%
Oct 20 Annual	39.50	-0.02	-0.03%

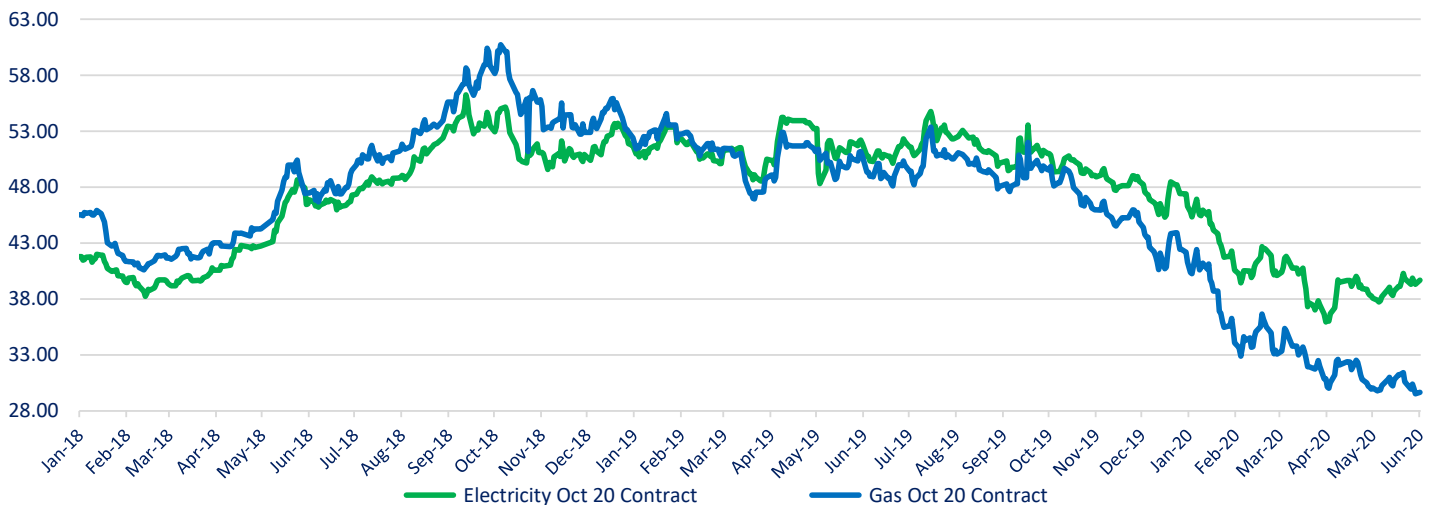


Gas Analysis

Gas Futures	Price	Change	% Change
Jul-20	8.69	-0.94	-9.76%
Aug-20	10.46	-0.85	-7.48%
Q3 20	10.98	-0.85	-7.17%
Q4 20	26.42	-0.43	-1.60%
W 20	30.20	-0.45	-1.48%
S 21	28.14	-0.47	-1.65%
W21	39.00	-0.41	-1.05%
Oct 20 Annual	29.17	-0.46	-1.57%



Elec / Gas October 2020 Annual Prices



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