

Daily Commodity Market Report

Prices as at close on Wednesday, 27 January 2010

Save today. Save tomorrow.



GAS (p/th)	Change on:				
	day	week	month	year	
Day-ahead	42.35	2.55	6.60	7.35	-17.65
Week-ahead	42.65	2.65	6.75	6.65	-18.85
February 10	40.00	0.55	5.15	5.30	
March 10	37.90	-0.10	4.20	2.90	
April 10	35.10	-0.60	2.85	0.95	
Q2 10	34.00	-0.75	2.45	1.10	
Summer 10	33.91	-0.69	2.31	0.71	-17.44
Winter 10	46.22	-0.63	0.17	-2.95	-17.38
Summer 11	40.35	-0.65	-0.75	-4.15	-14.25

OTHER COMMODITIES					
Oil, Front Month (\$/bbl)	72.24	-1.05	-5.39	-5.40	28.51
Coal, Front Month (\$/t)	82.00	0.25	-1.25	0.53	
EUA, Dec 10 (€/tCO ₂)	13.42	-0.18	-0.37	0.75	0.72

POWER (£/MWh)	Change on:				
	day	week	month	year	
Baseload					
Day-ahead	39.00	0.75	1.50	3.75	-21.00
Week-ahead	39.50	0.80	2.50	2.50	-17.00
February 10	38.40	0.20	1.80	1.80	
March 10	36.90	-0.30	1.10	0.80	
April 10	35.90	-0.80	0.17	-1.15	
Q2 10	36.09	-0.96	0.26	-0.56	
Summer 10	36.55	-0.90	0.10	-0.40	-9.90
Winter 10	43.55	-0.50	-0.30	-1.75	-10.35
Summer 11	39.60	-0.70	-1.00	-2.85	-9.00

Peaks					
Day-ahead	44.05	1.05	2.55	4.55	-31.95
Week-ahead	44.25	0.75	2.25	1.50	-27.50
February 10	43.66	0.21	0.97	1.36	
March 10	41.33	-0.32	0.77	0.53	

Today's Comment

Prompt gas began yesterday's trading with a flurry as new weather forecasts for the first weeks of February indicated forecasts even colder than initially anticipated and corresponding jumps in NTS demand. Day-Ahead gas hit as high as 43.7p/th before later weather forecasts quelled the panic, although all prompt contracts going out until the end of January finished up well over 2p/th day-on-day and February 10 finished up 0.55p/th day-on-day. Gas supply responded well, with plenty of LNG flowing, although there were still no flows over the Bacton interconnector into the UK until early hours this morning. Contracts further down the curve weakened, readjusting to the gains made earlier in the week.

The prompt power market was bullish, following gas prices and demand forecasts. Day Ahead baseload traded up throughout the session, opening at £38.5/MWh and closing at £39/MWh. Supply in the power market was very robust with no significant new generation outages and within-day cash-out prices were benign, except for the darkness super-peak at 5pm when prices topped £120/MWh. National Grid synchronised some expensive peaking generation sets, but these did not feed into the cash-out prices as they had been set aside to deal with specific transmission constraint issues. Power curve contracts fell following the bearish gas curve and despite gains made on coal curve contracts.



