

TECHNIQUES OF POWER PRICE FORECASTS

SEMINAR, 1 DAY

Forecasting power prices is a fundamental part of all trading and investment activities in the electricity market. However, there is a multitude of forecasting methods. They vary in complexity and serve different purposes. Being able to interpret and evaluate forecasts correctly is the first step towards the success of your own activities. In this workshop, you will not only gain an insight into the most important forecasting methods, but also practise recognising and evaluating chart formations and technical signals, for example, using case studies.

Your contents

Session 1: Basics of price forecasting

- Recap: functioning of spot and futures markets, merit order & power pricing
- Recap: different price formation: auction and continuous trading
- Comparison of power price forecasting methods: effort, costs, data basis
- Forecast or simulation: the small difference

Session 2: Principle of spot price forecasting

- Short-term power price forecasting using linear regression
- Evaluation of the relevance of different price influences
- The limitations of these methods

Session 3: Application of chart formations

- Line charts and candlestick charts
- Emergence and recognition of seemingly insurmountable price levels
- Trend lines and trend channels and their implications
- Exercises

Session 4: Evaluation of technical signals

- Indicators: moving average, relative strength index, Bollinger bands and co.
- Deriving trading signals
- Combining technical signals
- Exercises

Session 5: Long-term price forecasts with fundamental models

- How the merit order approach works
- Quality of input parameters determines the quality of output parameters
- Exemplary fundamental scenario

Session 6: Analysis of the market

- Analysis of the current market situation (interactive)
- Discussion of price development on the commodity and electricity markets



TARGET GROUP

- Specialists and managers in the energy industry in the areas of trading, analysis as well as balancing group, portfolio, risk, schedule and load management
- Employees with interfaces to energy trading, purchasing, procurement, distribution
- Employees from industrial companies with significant electricity consumption

YOUR BENEFITS

After this seminar you will be able to:

- explain methods of electricity price forecasting on the spot and futures markets,
- apply methods of technical analysis,
- interpret forecast models correctly and
- develop forecasting strategies for the different trading places.

Supplement your market knowledge with the seminars **Sustainable procurement strategies** or **PPA intensive seminar: valuation & contract design**.