

Electricity spot prices have risen across Southeast Europe, driven by growing demand. Day-ahead prices in Hungary and Romania rose to 240 euros per MWh in the period from November 14 to 20, from 182 euros per MWh two weeks ago, according to HUPX and OPCOM stock exchange data.

The December contract fell by 50 euros per MWh in both Hungary and Romania, to 267 euros per MWh and 252 euros per MWh.

Hydropower production in the Balkans rose sharply between November 14 and 20, reversing a downward trend that began in early October, local hydrological reports and ENTSO-E data show. Hydropower production in the region should continue to grow until the end of November, likely dampening the rise in spot electricity prices.

The combined production of hydropower in Romania, Serbia, Bulgaria, Slovakia, Slovenia, Croatia and Bosnia and Herzegovina amounted to 636 GWh in this period, which is 18% more compared to the previous week. Production was 8% lower than in the same period last year.

Production increased in all countries except Slovenia, while Croatia achieved the highest growth. Hydropower reserves have changed slightly and on November 20 they were slightly above 4.1 TWh. Reserves fell to a three-month low in Romania and a seven-month low in Bulgaria.

In the coming week, a further increase in hydropower production on river courses is predicted, since the level of the Danube is forecast to rise to levels above the seasonal norm. The increase is expected to be the largest in Romania, which together with Serbia manages the Đerdap hydroelectric plant.

The increase in production is likely to last until the beginning of December, as up to 20 millimeters of precipitation is expected in the western part of the Danube basin this week, according to data from the Hungarian National Hydrological Service.