

Week Ending: 08 July 2022

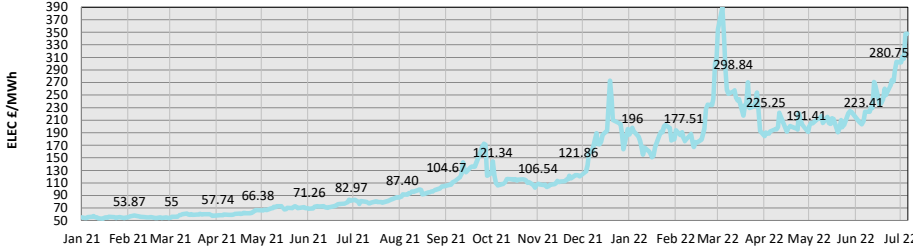
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£296.79	£308.83	£263.86	£179.33	£89.69
Qtr Ahead	£444.59	£444.32	£386.14	£198.73	£97.43
Season Ahead	£428.91	£430.89	£374.03	£261.21	£96.84
Year Ahead	£347.67	£347.47	£303.02	£223.45	£81.15



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£12.04	£32.93	£117.45	£207.10
Q	£0.27	£58.45	£245.86	£347.16
S	-£1.98	£54.88	£167.70	£332.07
Y	£0.20	£44.64	£124.22	£266.52

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-3.9%	12.5%	65.5%	230.9%
Q	0.1%	15.1%	123.7%	356.3%
S	-0.5%	14.7%	64.2%	342.9%
Y	0.1%	14.7%	55.6%	328.4%

Insight

At the start of the week, the electricity market mirrored the NBP gas market gains and was supported by an expected reduction in Norwegian gas supplies. Interconnector exports to Europe remained strong and weakened UK supplies, which continued the upward trend early in the week. Despite the initial downside as potential supply disruptions eased, the commodity markets strengthened with supplies due to be tightened following Nord Stream 1 outages. Later in the week, the driving market factors remained and pushed prices up as supplies tightened with interconnector exports, with further reductions expected. At the end of the week, prices eased back, despite a drop in wind generation, as LNG availability in Europe remained healthy despite the Freeport terminal disruption.

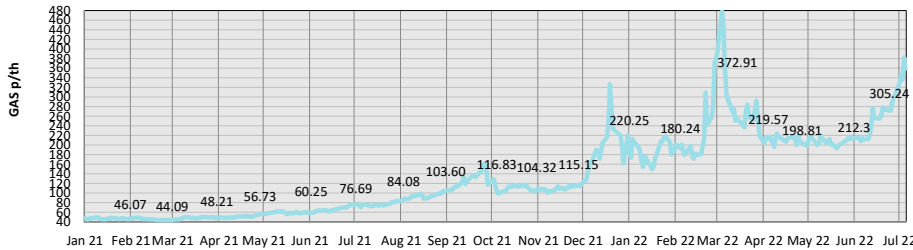
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	279.85p	316.50p	245.32p	151.50p	88.51p
Qtr Ahead	419.00p	446.02p	328.83p	178.67p	95.00p
Season Ahead	420.70p	455.25p	378.53p	240.65p	94.78p
Year Ahead	359.50p	382.03p	305.24p	211.63p	76.24p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-36.65p	34.53p	128.36p	191.35p
Q	-27.02p	90.17p	240.34p	324.00p
S	-34.55p	42.18p	180.05p	325.92p
Y	-22.53p	54.26p	147.88p	283.26p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-11.58%	14.08%	84.73%	216.20%
Q	-6.06%	27.42%	134.52%	341.05%
S	-7.59%	11.14%	74.82%	343.87%
Y	-5.90%	17.78%	69.88%	371.52%

Insight

The NBP gas market made gains at the start of the week ahead of the Norwegian gas and oil worker strike action, which could significantly reduce Norwegian supplies in Europe. Contracts also increased ahead of the Nord Stream 1 maintenance, which will significantly reduce supplies, on 11/07/2022 with pending industrial strikes pressuring the markets. Short-term contracts lost value throughout the week following the resolution of the industrial strike dispute, but long-term contracts strengthened in anticipation of Nord Stream 1 maintenance. The market continued to gain value with Nord Stream 1 being a primary driver for increases alongside increased CCGT demand as wind generation dropped. Contracts eased at the end of the week, following forecasts for increased temperatures, reducing demand to heat homes.

Insight

Brent oil opened the week high, despite fears of weakening global demand, as the supply outlook remained tight with additional reductions expected following threats of Norwegian strike action. Soon after, the potential of a global recession and weak demand reduced previous gains, with the US and Europe increasing interest rates. Market volatility remained throughout the week as demand reductions challenged a tight supply outlook but left most contracts higher than the previous session. Towards the end of the week, investors monitored supply and demand levels and the market remained highly volatile. Most contracts lost value amid recession fears but significant losses were limited to the tightening supply outlook.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€82.79	\$412.00	\$107.02	Present
€85.58	\$388.00	\$111.63	Last Week
-3.26%	6.19%	-4.13%	Movement

Contact Utility SwopShop:

Call: 0333 9000 246

Email: info@utilityswopshop.co.uk