

Week Ending: 21 May 2021

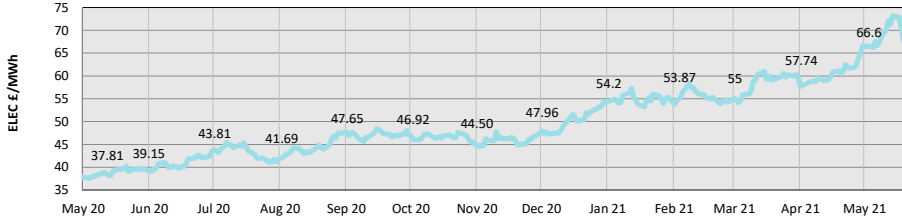
## UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	<b>£75.53</b>	£73.00	£76.63	£62.43	£23.78
Qtr Ahead	<b>£73.45</b>	£70.01	£75.69	£62.95	£26.67
Season Ahead	<b>£81.11</b>	£78.71	£84.29	£70.50	£40.99
Year Ahead	<b>£70.19</b>	£68.15	£73.11	£61.73	£39.11



## Electricity

### Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>£2.53</b>	-£1.10	<b>£13.11</b>	<b>£51.75</b>
Q	<b>£3.44</b>	-£2.24	<b>£10.50</b>	<b>£46.78</b>
S	<b>£2.41</b>	-£3.18	<b>£10.61</b>	<b>£40.12</b>
Y	<b>£2.04</b>	-£2.93	<b>£8.46</b>	<b>£31.08</b>

### Insight

Electricity contracts open up low at the start of the week as the European carbon market loses its record high value and upward trend. Contracts continue to lose value as forecasts show increased wind generation, combined with a weak wider commodity market. European carbon prices continue to make dips resulting in lower contracts for both gas and electric with additional losses seen as wind generation picks up. Towards the end of the week, some gains are recovered as electricity contracts mirror the NBP gas and European carbon market.

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>3.5%</b>	-1.4%	<b>21.0%</b>	<b>217.6%</b>
Q	<b>4.9%</b>	-3.0%	<b>16.7%</b>	<b>175.4%</b>
S	<b>3.1%</b>	-3.8%	<b>15.1%</b>	<b>97.9%</b>
Y	<b>3.0%</b>	-4.0%	<b>13.7%</b>	<b>79.5%</b>

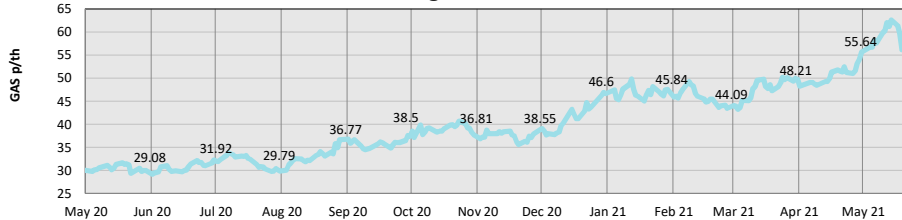
## UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	<b>£63.21</b>	£60.88	£68.36	£51.66	£8.09
Qtr Ahead	<b>£61.28</b>	£58.76	£65.62	£50.68	£10.76
Season Ahead	<b>£68.67</b>	£66.13	£73.56	£59.09	£29.99
Year Ahead	<b>£58.28</b>	£56.36	£62.59	£51.20	£29.33



## Gas

### Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>£2.34</b>	-£5.15	<b>£11.55</b>	<b>£55.12</b>
Q	<b>£2.52</b>	-£4.34	<b>£10.60</b>	<b>£50.52</b>
S	<b>£2.54</b>	-£4.89	<b>£9.58</b>	<b>£38.68</b>
Y	<b>£1.92</b>	-£4.32	<b>£7.08</b>	<b>£28.95</b>

### Insight

Although there was a strong demand for gas, NBP gas contracts tracked the European carbon market by losing value and opening up low at the start of the week. Supply from Norway widens margins and contributes to further losses for gas alongside a warmer than expected weather forecast. Supply remains strong, demand drops and the UK release the new UKA for emissions allowances which continue the downward trend for the gas market. Norwegian outages cause supply issues and the European carbon market makes bullish trades which recovers some value for NBP gas and the wider commodities.

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>3.8%</b>	-7.5%	<b>22.4%</b>	<b>681.3%</b>
Q	<b>4.3%</b>	-6.6%	<b>20.9%</b>	<b>469.5%</b>
S	<b>3.8%</b>	-6.6%	<b>16.2%</b>	<b>129.0%</b>
Y	<b>3.4%</b>	-6.9%	<b>13.8%</b>	<b>98.7%</b>

### Insight

COVID-19 cases surge in Asia, however, Brent oil prices remain level as investors are optimistic that demand will recover after 2021 Q2. Lockdown measures continue to ease in Europe and the U.S. which builds on the investors' confidence in a demand recovery. Unfortunately, the U.S. faces growing inflation which will impact economic growth and oil demand along with a spike in Japan COVID-19 cases reversing previous gains for Brent. Towards the end of the week, there is a positive outlook on Iran-US sanctions which could increase oil supply and reduce prices, despite this, Brent crude opens higher.

Energy Commodities				
	Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
	<b>51.4</b>	<b>103</b>	<b>66.44</b>	Present
	<b>56.35</b>	<b>97.2</b>	<b>68.71</b>	Last Week
	-8.78%	5.97%	-3.30%	Movement

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