

## **Weekly Market Price Insights**

Week Ending: 25 June 2021

### **UK Baseload Electricity Prices**

Mth Ahead Qtr Ahead Season Ahead Year Ahead

| Today  | Last W/D | Last Week | Last Month | Last Year |
|--------|----------|-----------|------------|-----------|
| £84.26 | £83.08   | £77.09    | £75.29     | £30.20    |
| £84.62 | £83.58   | £77.95    | £73.66     | £31.75    |
| £90.89 | £90.33   | £84.23    | £81.40     | £44.83    |
| £76.53 | £75.98   | £71.40    | £69.83     | £42.09    |

# Electricity

#### **Electricity Year Ahead Pricing Information**



|   | E        | Electricity Cost Movement (£) |            |           |
|---|----------|-------------------------------|------------|-----------|
|   |          |                               |            |           |
|   | Last W/D | Last Week                     | Last Month | Last Year |
| Μ | £1.18    | £7.16                         | £8.97      | £54.06    |
| Q | £1.04    | £6.67                         | £10.96     | £52.88    |
| S | £0.56    | £6.66                         | £9.49      | £46.07    |
| Υ | £0.55    | £5.14                         | £6.70      | £34.45    |
|   |          |                               |            |           |

ELEC £/MWh

At the start of the week, electricity contracts gained value as wind generation fell and the wider commodity market strengthened from a bullish European carbon market. Further value gained as the NBP gas market continues its upward trend due to speculated storage injections. A rising European carbon market combined with low wind generation contributes to electricity contract gains throughout the week. At the end of the week, wind generation remains low, supplying further upside to contract values, with support from a strong NBP gas market.

|    | Electricity Real Movement (%) |           |            |           |
|----|-------------------------------|-----------|------------|-----------|
|    |                               |           |            |           |
|    | Last W/D                      | Last Week | Last Month | Last Year |
| VI | 1.4%                          | 9.3%      | 11.9%      | 179.0%    |
| Q  | 1.2%                          | 8.6%      | 14.9%      | 166.6%    |
| S  | 0.6%                          | 7.9%      | 11.7%      | 102.8%    |
| Υ  | 0.7%                          | 7.2%      | 9.6%       | 81.9%     |
|    |                               |           |            |           |

#### **UK NBP Gas Prices**

Mth Ahead **Qtr Ahead** Season Ahead Year Ahead

Today Last W/D Last Week Last Month Last Year £79.17 £77.81 £70.74 £61.90 £13.46 £79.32 £77.93 £71.09 £60.70 £14.57 £85.47 f84.49 £78.05 £68.40 f32.29 £69.85 £68.64 £63.76 £57.65 £31.00



## Gas

**Gas Year Ahead Pricing Information** 



|   |          | Gas Cost Mo | ovement (£) |           |
|---|----------|-------------|-------------|-----------|
|   |          |             |             |           |
|   | Last W/D | Last Week   | Last Month  | Last Year |
| Μ | £1.36    | £8.43       | £17.27      | £65.72    |
| Q | £1.39    | £8.23       | £18.62      | £64.75    |
| S | £0.98    | £7.41       | £17.07      | £53.18    |
| Υ | £1.20    | £6.08       | £12.20      | £38.85    |
|   |          |             |             |           |

NBP gas contracts opened up high at the start of the week following a short supply outlook with additional gains supported by a strengthening European carbon market. The supply outlook gets tighter as Norwegian supplies fall which, causes values to increase. The wider commodity market makes gains throughout the week supporting increased values for NBP gas. Towards the end of the week, the upward trend remains as supplies into the UK are thin due to the reduced Norwegian flow and LNG shipments.

|   |          | Gas Real Mo | vement (%) |           |
|---|----------|-------------|------------|-----------|
|   |          |             |            |           |
|   | Last W/D | Last Week   | Last Month | Last Year |
| Μ | 1.7%     | 11.9%       | 27.9%      | 488.4%    |
| Q | 1.8%     | 11.6%       | 30.7%      | 444.4%    |
| S | 1.2%     | 9.5%        | 24.9%      | 164.7%    |
| Υ | 1.8%     | 9.5%        | 21.2%      | 125.3%    |
|   |          |             |            |           |

At the start of the week, the US and Iran discussions on a multilateral nuclear deal are paused until Iran elect a new president. This causes Brent values to open up high as Iran will not be returning to the oil market within this period. These gains are quickly reversed as an OPEC discussion on oil production concerns investors. Throughout the week, US oil inventories fall which sparks an optimistic view on the demand recovery for investors. At the end of the week, investors build further confidence as data is released showing Germany's economic growth supporting the outlook for European demand recovery.

| Energy Commodities |           |            |           |
|--------------------|-----------|------------|-----------|
|                    |           |            |           |
| Carbon €/t CO2     | Coal \$/t | Oil \$/bbl |           |
| 55.05              | 127.15    | 76.18      | Present   |
| 51.9               | 119.23    | 73.52      | Last Week |
| 6.07%              | 6.64%     | 3.62%      | Movement  |

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