

Week Ending: 27 August 2021

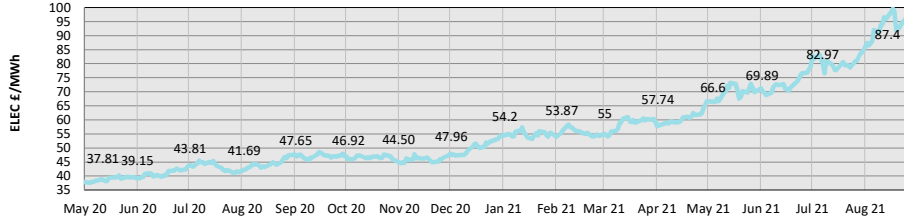
## UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	<b>£112.73</b>	£108.84	£102.18	£102.13	£42.12
Qtr Ahead	<b>£118.86</b>	£115.60	£109.51	£104.41	£48.07
Season Ahead	<b>£117.14</b>	£113.96	£108.18	£101.60	£51.00
Year Ahead	<b>£98.64</b>	£96.13	£92.09	£83.91	£47.41



## Electricity

### Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>£3.90</b>	<b>£10.56</b>	<b>£10.61</b>	<b>£70.62</b>
Q	<b>£3.26</b>	<b>£9.35</b>	<b>£14.46</b>	<b>£70.80</b>
S	<b>£3.19</b>	<b>£8.97</b>	<b>£15.54</b>	<b>£66.14</b>
Y	<b>£2.51</b>	<b>£6.55</b>	<b>£14.73</b>	<b>£51.23</b>

### Insight

At the start of the week, following the NBP gas market, which was supported by a gaining European carbon market, electricity contracts opened up high with further gains supported by reduced wind generation. These gains continued into the week as wind generation remained low. However, longer-dated contracts tracked losses as the carbon market weakened. Wind generation was forecast to be more than double the output seen on Wednesday however, unplanned outages from the Heysham 1 nuclear power plant reduced supply outlook and increased contract prices. At the end of the week, wind generation forecasts fell short as output remained weak and the market tracked NBP gas gains.

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>3.6%</b>	<b>10.3%</b>	<b>10.4%</b>	<b>167.7%</b>
Q	<b>2.8%</b>	<b>8.5%</b>	<b>13.8%</b>	<b>147.3%</b>
S	<b>2.8%</b>	<b>8.3%</b>	<b>15.3%</b>	<b>129.7%</b>
Y	<b>2.6%</b>	<b>7.1%</b>	<b>17.6%</b>	<b>108.1%</b>

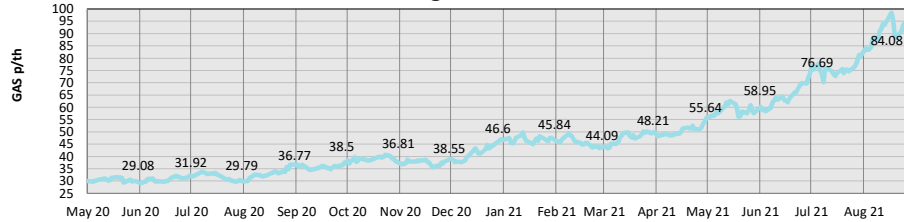
## UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	<b>£117.72</b>	£113.93	£103.40	£102.23	£28.03
Qtr Ahead	<b>£122.08</b>	£117.63	£109.48	£104.15	£35.66
Season Ahead	<b>£121.05</b>	£116.64	£107.60	£101.53	£38.80
Year Ahead	<b>£96.81</b>	£94.15	£88.26	£80.90	£36.60



## Gas

### Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>£3.80</b>	<b>£14.32</b>	<b>£15.49</b>	<b>£89.69</b>
Q	<b>£4.45</b>	<b>£12.61</b>	<b>£17.93</b>	<b>£86.43</b>
S	<b>£4.41</b>	<b>£13.46</b>	<b>£19.52</b>	<b>£82.25</b>
Y	<b>£2.66</b>	<b>£8.55</b>	<b>£15.91</b>	<b>£60.22</b>

### Insight

Following a strong European carbon market, NBP gas contracts opened up high at the start of the week despite data that showed an increase in Russian supply into Europe. Market supply uncertainty brought contract values up combined with an increased demand caused by a Norwegian supply outage. The supply outages continued to affect the market throughout the week with additional gains supported by the carbon market. The supply outlook remained tight as there is a limited LNG shipment expectation for the UK but the European carbon market rallied prices up. Towards the end of the week, NBP gas contracts opened high after UK storage injections and continued support from the carbon and coal markets.

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>3.3%</b>	<b>13.8%</b>	<b>15.2%</b>	<b>320.0%</b>
Q	<b>3.8%</b>	<b>11.5%</b>	<b>17.2%</b>	<b>242.4%</b>
S	<b>3.8%</b>	<b>12.5%</b>	<b>19.2%</b>	<b>212.0%</b>
Y	<b>2.8%</b>	<b>9.7%</b>	<b>19.7%</b>	<b>164.5%</b>

### Insight

Brent oil contracts continued to be affected by the increased COVID-19 cases and Asian lockdown restrictions announced last week. However, the US dollar decreased in value which sparked buying action into the market. Throughout the week Brent gained further upside from Mexican production issues which weakened supply combined with reduced COVID-19 cases in Asia. Brent oil made gains as data was released showing fuel demand had recovered to the highest point since COVID-19 and global lockdown restrictions however, Mexican production resumed. Towards the end of the week, Brent makes slight gains as Mexico shutdown oil production in anticipation of a hurricane.

Energy Commodities			
Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
<b>59</b>	<b>171.1</b>	<b>68.77</b>	Present
<b>54.38</b>	<b>167.8</b>	<b>65.23</b>	Last Week
<b>8.50%</b>	<b>1.97%</b>	<b>5.43%</b>	Movement

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