

Week Ending: 06 August 2021

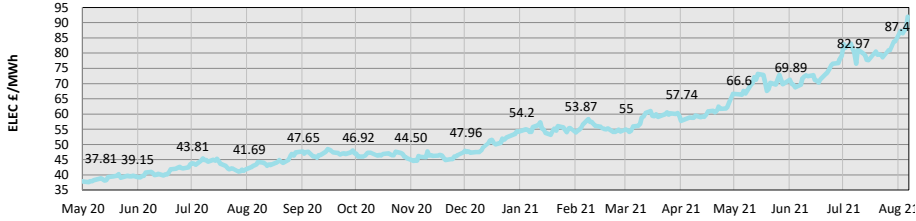
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£106.59	£103.66	£102.13	£89.69	£38.37
Qtr Ahead	£111.74	£108.61	£104.41	£97.43	£45.29
Season Ahead	£109.21	£106.11	£101.60	£96.84	£47.32
Year Ahead	£91.96	£88.06	£83.91	£81.15	£44.21



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	£2.93	£4.47	£16.91	£68.23
Q	£3.13	£7.34	£14.31	£66.46
S	£3.10	£7.61	£12.37	£61.89
Y	£3.90	£8.05	£10.81	£47.75

Insight

At the start of the week, electricity contracts opened up high and gained support from lower than average wind generation and the wider commodities as the European carbon market built value. While longer-term contracts initially gained benefits from a bullish carbon market, short-term contracts made a dip following a weak commodity trend. Contract losses were limited by the continued tight supply outlook throughout the week. Towards the end of the week, we see a mix of long and short-term contracts as the carbon market made dips before returning to the upward trend along with coal and the NBP gas market.

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	2.8%	4.4%	18.9%	177.8%
Q	2.9%	7.0%	14.7%	146.8%
S	2.9%	7.5%	12.8%	130.8%
Y	4.4%	9.6%	13.3%	108.0%

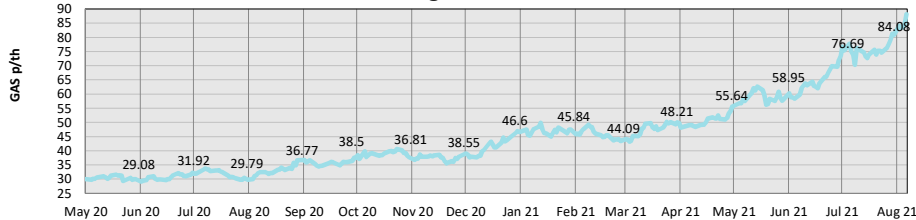
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£108.91	£106.36	£102.23	£88.51	£22.35
Qtr Ahead	£112.08	£108.33	£104.15	£95.00	£31.30
Season Ahead	£109.69	£105.35	£101.53	£94.78	£34.65
Year Ahead	£88.20	£84.29	£80.90	£76.24	£32.53



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	£2.55	£6.68	£20.41	£86.57
Q	£3.75	£7.93	£17.08	£80.79
S	£4.34	£8.16	£14.91	£75.04
Y	£3.91	£7.30	£11.96	£55.67

Insight

NBP gas contracts opened high at the start of the week following a tight supply outlook for European inventories. However, UK supplies increased early on in the week and lowered contracts. Contracts lost further value as forecasts indicated increased wind generation however, UK supplies reduced and contributed to the tight supply outlook. Later in the week, fears of a Russian supply disruption cause a strong upward trend to the wider commodities. NBP gas makes large increases following the supply fundamentals at the end of the week.

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	2.4%	6.5%	23.1%	387.4%
Q	3.5%	7.6%	18.0%	258.1%
S	4.1%	8.0%	15.7%	216.6%
Y	4.6%	9.0%	15.7%	171.1%

Insight

At the start of the week, Brent oil opened lower following manufacturing data from China which indicated a slower than expected economic recovery, therefore, lower oil demand. Contract losses were limited by an expected reduction in US inventories which would spark demand growth. However, increased COVID-19 cases within China and the US reduced investor confidence in demand growth. Iran contributed to fears as they aim to remove US sanctions on oil output which would introduce higher supply levels to the market. The fear of limited demand growth continued to affect contract values throughout the week with only minor increases at the end of the week.

Energy Commodities				
	Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
	56.66	160.9	70.73	Present
	54.05	150.2	75.42	Last Week
	4.83%	7.12%	-6.22%	Movement

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