

Week Ending: 10 December 2021

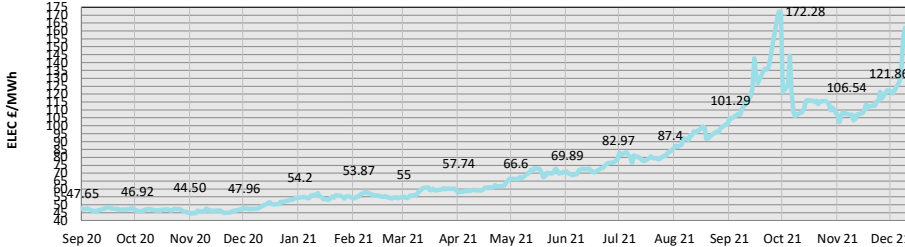
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£327.94	£326.97	£301.88	£187.47	£56.75
Qtr Ahead	£283.87	£280.32	£256.32	£187.72	£54.60
Season Ahead	£156.43	£157.42	£119.55	£106.12	£46.04
Year Ahead	£159.44	£161.83	£122.42	£107.11	£48.98



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	£0.97	£26.07	£140.47	£271.19
Q	£3.55	£27.55	£96.16	£229.27
S	-£0.99	£36.89	£50.31	£110.40
Y	-£2.39	£37.02	£52.33	£110.46

Insight

At the start of the week, electricity contracts mirrored the NBP gas market while it remained a key driver but continued to rise with support from the European carbon market after the slight dip in gas prices. The market continued the upward trend with revised forecasts indicating lower temperatures and support from carbon market trades. Throughout the week, contracts continued to gain from key market influencers, mirroring the NBP gas market and making higher gains during a supply disruption. Contracts started to reverse previous gains towards the end of the week, along with the NBP gas and European carbon markets. Market losses continued with additional downside added from increased wind generation while the carbon market remained weak, affecting the wider market.

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	0.3%	8.6%	74.9%	477.9%
Q	1.3%	10.7%	51.2%	419.9%
S	-0.6%	30.9%	47.4%	239.8%
Y	-1.5%	30.2%	48.9%	225.5%

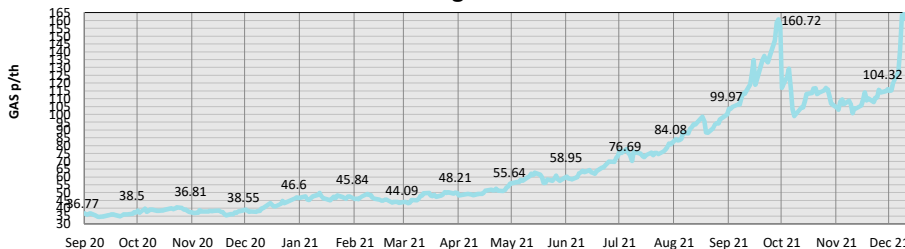
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£263.50	£257.00	£234.50	£194.92	£44.82
Qtr Ahead	£256.91	£251.61	£227.75	£191.23	£44.38
Season Ahead	£165.48	£160.21	£118.20	£102.45	£36.02
Year Ahead	£166.94	£161.29	£119.70	£103.78	£40.22



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	£6.50	£29.00	£68.58	£218.68
Q	£5.30	£29.16	£65.69	£212.54
S	£5.27	£47.28	£63.03	£129.46
Y	£5.65	£47.24	£63.16	£126.72

Insight

NBP gas contracts were mixed at the start of the week as short term contracts were pushed lower due to comfortable LNG supplies into the UK, while long term contracts increased with the European carbon market. Later on, revised weather forecasts for colder temperatures and increased demand pushed the market up with gains supported by the oil and carbon markets. The upward trend remained throughout the week due to a supply disruption at the Gassco Troll field that reduced capacity. Despite market demand and unplanned outages, UK supplies remained high with further downside from the carbon markets, reversing previous gains. At the end of the week, despite strong supplies and a weak carbon market, NBP gas increased against the previous session.

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	2.5%	12.4%	35.2%	487.9%
Q	2.1%	12.8%	34.3%	479.0%
S	3.3%	40.0%	61.5%	359.5%
Y	3.5%	39.5%	60.9%	315.1%

Insight

Brent oil contracts opened high at the start of the week, with the outcome of the OPEC meeting resulting in current production levels remaining. Additional support was provided from Saudi Arabia's increased selling price to Asia and stalled US-Iran sanctions to bring Iranian oil to market. Brent continued to trade higher as investors remained confident that the new COVID-19 variant would have a limited impact on global oil demand. Throughout the week, contracts remained level following an increase in COVID-19 cases, and investors reassessed the demand impact of the new variant. The Brent oil market tracked losses towards the end of the week following renewed COVID-19 restrictions that could impact demand growth. Despite earlier dips, Brent contracts increased at the end of the week as investors reassessed demand impact again with bullish results.

Energy Commodities			
Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
83.73	163.25	75.18	Present
78.25	155.25	69.86	Last Week
7.00%	5.15%	7.62%	Movement

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