

Week Ending: 07 January 2022

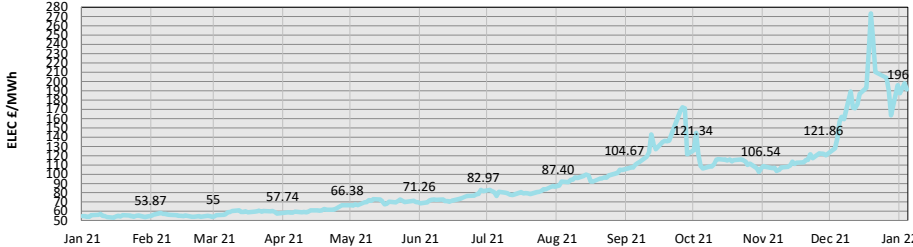
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£266.68	£292.66	£220.00	£327.94	£70.65
Qtr Ahead	£195.93	£197.18	£228.00	£283.87	£54.49
Season Ahead	£186.51	£195.71	£157.00	£156.43	£52.91
Year Ahead	£191.61	£198.04	£163.50	£159.44	£55.73



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	-£25.98	£46.68	-£61.26	£196.03
Q	-£1.25	-£32.07	-£87.94	£141.44
S	-£9.20	£29.51	£30.08	£133.60
Y	-£6.43	£28.11	£32.17	£135.87

Insight

At the start of the week, electricity contracts traded high as temperatures lowered with additional support from limited Russian supplies, impacting the NBP gas market. Cold temperatures continued to increase values throughout the week with support from NBP gas trades while the French nuclear facilities remained offline. Shorter-term contracts made slight dips towards the end of the week as wind generation increased, but most contracts gained value, mirroring the gas market. Long term contracts gained additional value in the market following the upside of a strengthening carbon market. Meanwhile, short term contracts continued to fall due to strong wind generation.

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	-8.9%	21.2%	-18.7%	277.5%
Q	-0.6%	-14.1%	-31.0%	259.6%
S	-4.7%	18.8%	19.2%	252.5%
Y	-3.2%	17.2%	20.2%	243.8%

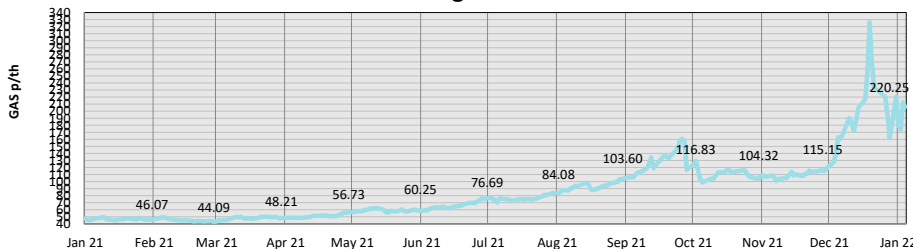
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£229.85	£236.29	£168.00	£263.50	£60.90
Qtr Ahead	£203.25	£210.58	£170.00	£256.91	£44.90
Season Ahead	£202.61	£209.50	£158.00	£165.48	£43.55
Year Ahead	£206.43	£212.83	£161.50	£166.94	£47.59



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	-£6.44	£61.85	-£33.65	£168.95
Q	-£7.32	£33.25	-£53.66	£158.35
S	-£6.89	£44.61	£37.13	£159.06
Y	-£6.40	£44.93	£39.49	£158.83

Insight

The NBP gas market started the week high with a limited supply outlook created by reduced Russian flows; However, strong LNG expectations restricted the upside to a limited supply and cold temperatures. Norwegian supply issues and no flow of Russian supplies pressured storage in Europe despite the expectation of increased supplies from LNG deliveries. The upward trend remained, with delayed LNG shipments and limited Russian supplies being key drivers in the wider markets. At the end of the week, the market eased off, opening lower as the UK received firm supplies of LNG despite the upside provided by Russian flows.

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	-2.7%	36.8%	-12.8%	277.4%
Q	-3.5%	19.6%	-20.9%	352.7%
S	-3.3%	28.2%	22.4%	365.2%
Y	-3.0%	27.8%	23.7%	333.7%

Insight

Brent oil contracts opened up the week high despite the OPEC meeting announcements of increased production quotas from next month as members expect no impact from Omicron cases. Later on, data suggested that US oil inventories were falling, which provided uplift against bearish signals from new Omicron cases. The upward trend continued later into the week as investors started to fear Omicron's impact on oil demand and Kazakhstan's, an OPEC member, civil disruption threatened oil production. The fears of supply limitations due to Kazakhstan continue to affect market prices, increasing value at the end of the week.

Energy Commodities				
	Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
	85.42	195	81.72	Present
	80.65	169.7	77.78	Last Week
	5.91%	14.91%	5.07%	Movement

Contact Utility SwapShop:

Call: 0333 9000 246

Email: info@utilityswapshop.co.uk