

Week Ending: 11 February 2022

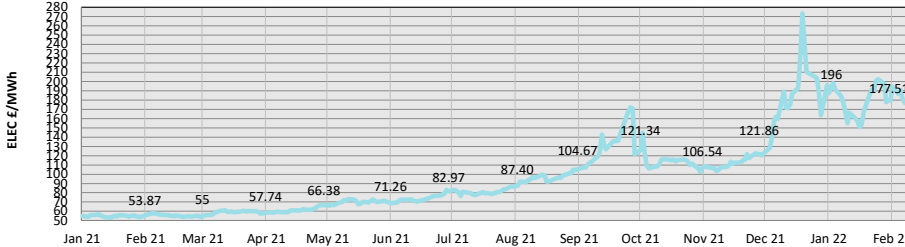
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£169.99	£169.05	£184.81	£227.05	£55.57
Qtr Ahead	£176.15	£180.22	£187.70	£167.54	£52.33
Season Ahead	£174.58	£169.94	£185.52	£160.03	£52.32
Year Ahead	£179.56	£176.62	£194.06	£166.18	£56.16



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	£0.94	-£14.82	-£57.06	£114.43
Q	-£4.06	-£11.55	£8.61	£123.82
S	£4.64	-£10.94	£14.54	£122.26
Y	£2.94	-£14.50	£13.37	£123.40

Insight

At the start of the week, the electricity market made a downward movement with forecasts for increasing wind generation and tracking losses within the NBP gas and European carbon market. Despite reduced French nuclear generation, the market continues on a downtrend, with LNG shipments expected to increase supply outlook. Electricity contracts continued to lose value as weather forecasts indicated bearish fundamentals for the month and the wider commodity market weakened. Towards the end of the week, the majority of contracts opened up higher alongside a recovering carbon market. Additional gains were provided by mirroring the NBP gas market despite losses in the short term due to weather fundamentals.

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	0.6%	-8.0%	-25.1%	205.9%
Q	-2.3%	-6.2%	5.1%	236.6%
S	2.7%	-5.9%	9.1%	233.7%
Y	1.7%	-7.5%	8.0%	219.7%

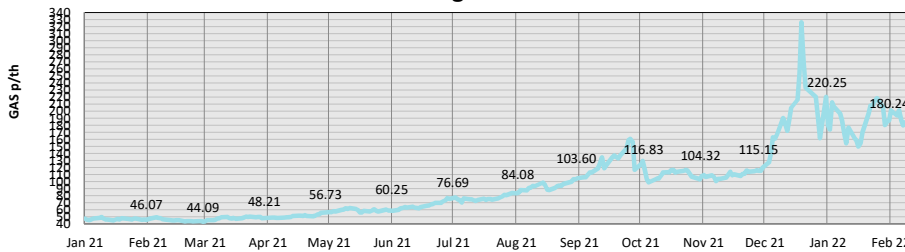
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£180.19	£175.50	£199.35	£216.00	£44.50
Qtr Ahead	£180.26	£177.50	£197.50	£174.35	£41.45
Season Ahead	£179.78	£175.50	£197.28	£172.77	£41.50
Year Ahead	£184.39	£179.69	£201.25	£176.69	£46.05



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	£4.69	-£19.16	-£35.81	£135.70
Q	£2.76	-£17.24	£5.91	£138.82
S	£4.28	-£17.50	£7.02	£138.29
Y	£4.70	-£16.86	£7.70	£138.34

Insight

The NBP gas market opened the week low due to increasing Russian flows through Europe and increased temperature that eased off demand. Despite initial market increases due to reducing Russian supplies, the NBP gas market remained low due to weather forecasts indicating higher seasonal averages. Russian flows and forecasts for LNG and wind generation increased mid-week, providing a health supply outlook and additional downside to gas contracts. The NBP market mirrored the losses in the European carbon market near the end of the week, while weather fundamentals remained a market driver for losses. At the end of the week, Russian flows remained limited and overcame the bearish weather fundamentals and increased contracts across the curve.

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	2.7%	-9.6%	-16.6%	305.0%
Q	1.6%	-8.7%	3.4%	334.9%
S	2.4%	-8.9%	4.1%	333.3%
Y	2.6%	-8.4%	4.4%	300.4%

Insight

Brent oil lost value at the start of the week due to diplomatic discussions between the US and Iran to stop the weaponisation of Iran nuclear power and resume oil production for the market. Negotiations to remove US sanctions on Iran remained a key driver for price decreases; meanwhile, France progressed with Russia to decrease tensions in the East. Throughout the week, US inventories reduced, adding strain to an already tight supply outlook while demand remained high, resulting in higher oil contract values. The market remained volatile with bearish movement caused by US - Iran sanction discussions and bullish movement from reducing US oil inventories and a tight supply outlook. The tight supply outlook was reinforced at the end of the week in an IEA statement, closing oil contracts high.

Energy Commodities				
	Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
	92.87	245	93.1	Present
	96.45	227	92.31	Last Week
	-3.71%	7.93%	0.86%	Movement

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