

Week Ending: 18 February 2022

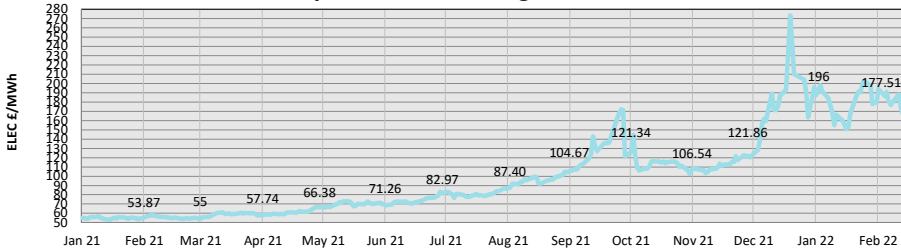
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£167.01	£167.50	£169.99	£200.18	£54.37
Qtr Ahead	£168.29	£170.78	£176.15	£165.17	£51.24
Season Ahead	£167.90	£169.34	£174.58	£162.51	£51.29
Year Ahead	£174.63	£174.75	£179.56	£167.52	£55.33



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	-£0.49	-£2.98	-£33.17	£112.64
Q	-£2.49	-£7.86	£3.12	£117.06
S	-£1.44	-£6.67	£5.39	£116.61
Y	-£0.12	-£4.92	£7.11	£119.31

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	-0.3%	-1.8%	-16.6%	207.2%
Q	-1.5%	-4.5%	1.9%	228.5%
S	-0.9%	-3.8%	3.3%	227.4%
Y	-0.1%	-2.7%	4.2%	215.6%

Insight

At the start of the week, electricity contracts mirrored the movement in the NBP gas market with gains due to increased tension between Russia and the West. Forecasts for increased temperatures and wind generation reversed previous gains with additional benefit from easing Eastern tensions and a weaker European carbon market. The bearish forecasts pushed short term contracts lower; meanwhile, longer-term values increased as the NBP market made an upward shift. Soon after, all contracts ignored bearish weather fundamentals and gains were supported by the gas markets. At the end of the week, the electricity market followed a general downtrend and mirrored the wider commodity markets.

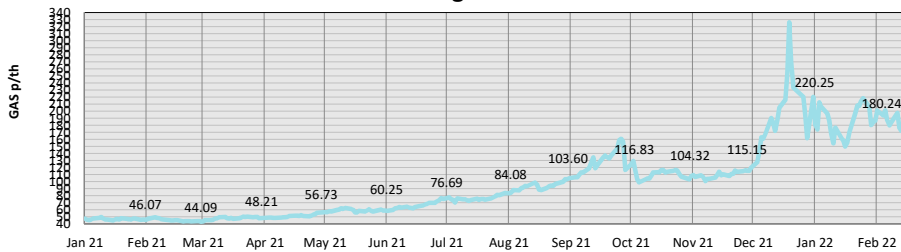
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£174.25	£176.84	£180.19	£189.07	£43.33
Qtr Ahead	£174.79	£176.84	£180.26	£166.92	£40.75
Season Ahead	£174.40	£177.31	£179.78	£166.50	£40.76
Year Ahead	£179.08	£181.50	£184.39	£170.45	£45.44



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	-£2.59	-£5.94	-£14.82	£130.92
Q	-£2.04	-£5.47	£7.88	£134.04
S	-£2.91	-£5.39	£7.89	£133.64
Y	-£2.42	-£5.31	£8.63	£133.65

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	-1.5%	-3.3%	-7.8%	302.2%
Q	-1.2%	-3.0%	4.7%	328.9%
S	-1.6%	-3.0%	4.7%	327.9%
Y	-1.3%	-2.9%	5.1%	294.1%

Insight

The NBP gas market opened the week high following the ongoing tensions between Russia and the West with increased risk of a Ukraine invasion. Russia later announced the withdrawal of some military forces from the Ukraine border, easing tensions; increased temperatures and wind generation provided additional contract losses. Most contracts closed higher throughout the week with mixed signals from the East. Russia announced the withdrawal of some military forces, while NATO claims they are still mobilising. Towards the end of the week, reduced Russian supplies and Norwegian outages contributed to a weak supply outlook and bolstered the NBP market. Significant gains were limited to increasing wind generation.

Insight

The Brent oil market closely monitored the situation in the East and increased value with fears of supply disruption, should tensions increase. The threat of supply disruptions was slightly eased with Russia's announcement of withdrawing some military forces. Contract values increased as investors assessed the supply and demand outlook with additional value-added from a reduction in US inventories and returned tension to the East. Despite the threat of supply disruptions in the East, contracts lifted as the US continued discussions with Iran, which would bring additional supplies to the market. At the end of the week, Brent oil continued to trade lower due to the potential increase in supplies if Iran entered the market.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
89.47	232.5	91.49	Present
92.87	245	93.1	Last Week
-3.66%	-5.10%	-1.73%	Movement

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