

Week Ending: 25 February 2022

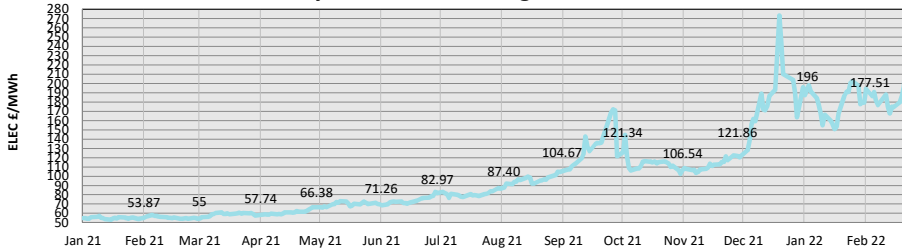
## UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	<b>£234.00</b>	£225.34	£167.01	£218.30	£51.88
Qtr Ahead	<b>£256.24</b>	£274.50	£168.29	£200.67	£49.98
Season Ahead	<b>£233.50</b>	£222.29	£167.90	£197.02	£49.79
Year Ahead	<b>£234.75</b>	£228.33	£174.63	£202.53	£54.26



## Electricity

### Electricity Year Ahead Pricing Information



Electricity Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>£8.66</b>	£66.99	£15.70	£182.13
Q	<b>-£18.27</b>	£87.95	£55.57	£206.26
S	<b>£11.22</b>	£65.60	£36.48	£183.71
Y	<b>£6.43</b>	£60.12	£32.22	£180.49

### Insight

At the start of the week, the electricity market lost some value with increasing wind generation and weakness in the NBP gas and European carbon markets. Contracts reversed the previous losses with gains supported by strong trades in the NBP gas market due to increasing tension in the East. The geopolitical tensions in Russia and Ukraine continued to provide value for NBP gas contracts that supported the electricity market, with added value from the carbon markets. Market prices made significant increases late into the week as Russia started the invasion of Ukraine that has fueled uncertainty. Towards the end of the week, the electricity market made minor decreases while the Russian invasion remained headline news having a crippling increase in the commodity markets and uncertainty for the future outlook.

Electricity Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>3.8%</b>	40.1%	7.2%	351.1%
Q	<b>-6.7%</b>	52.3%	27.7%	412.7%
S	<b>5.0%</b>	39.1%	18.5%	369.0%
Y	<b>2.8%</b>	34.4%	15.9%	332.6%

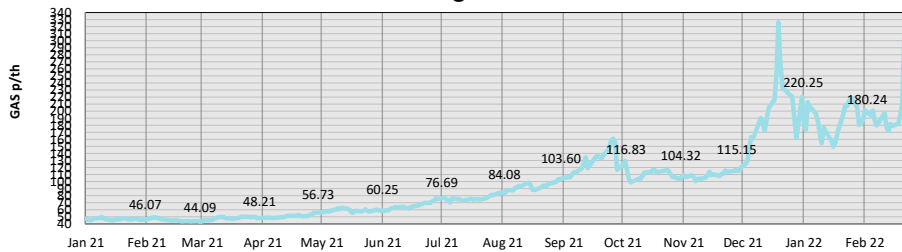
## UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	<b>£240.00</b>	£308.01	£174.25	£221.19	£39.80
Qtr Ahead	<b>£240.30</b>	£307.82	£174.79	£214.31	£38.31
Season Ahead	<b>£239.13</b>	£306.35	£174.40	£214.19	£38.35
Year Ahead	<b>£241.84</b>	£309.33	£179.08	£218.44	£43.43



## Gas

### Gas Year Ahead Pricing Information



Gas Cost Movement (£)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>-£68.01</b>	£65.76	£18.82	£200.21
Q	<b>-£67.52</b>	£65.51	£25.99	£202.00
S	<b>-£67.22</b>	£64.73	£24.94	£200.78
Y	<b>-£67.49</b>	£62.76	£23.41	£198.42

### Insight

NBP gas opened the week low as Russia signalled de-escalation on Ukraine tension with a willingness to have summit talks with the US. Despite previous signals, tensions in the East grew and sparked concern over supply disruption in Europe, increasing NBP gas values. Midweek, Ukraine announced a state of emergency with growing fears of an invasion that supported gas gains alongside a strong European carbon market. Towards the end of the week, the commodity market made sharp increases as Russia invaded Ukraine with reported attacks in major cities. Thereafter, sanctions against Russia were announced, which could result in a downside for gas supply and tighten the future outlook supporting gains. Contracts levelled out with slight dips, but the Russian invasion remains the driver for market volatility.

Gas Real Movement (%)				
	Last W/D	Last Week	Last Month	Last Year
M	<b>-22.1%</b>	37.7%	8.5%	503.1%
Q	<b>-21.9%</b>	37.5%	12.1%	527.3%
S	<b>-21.9%</b>	37.1%	11.6%	523.6%
Y	<b>-21.8%</b>	35.0%	10.7%	456.9%

### Insight

Brent oil contracts gained value at the start of the week despite US and Iran discussions to lift oil sanctions as the tension in the East between Russia and Ukraine outweighed potential additional supplies. Soon into the week, Russian troops crossed into Ukraine and sent the commodity markets into high volatility, including Brent oil. The upwards trend continued throughout the week with increasing tension and tight supply outlook, with an additional risk of supply disruption and uncertain future outlook. Towards the end of the week, Brent broke above the \$100 per barrel mark and investors continued to fear the oil supply disruptions in current market conditions. However, contracts took a slight reverse as the US announced that they would not target Russian oil and gas in their sanctions.

Energy Commodities			
Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
<b>88.14</b>	239	91.59	Present
<b>89.47</b>	232.5	91.49	Last Week
<b>-1.49%</b>	2.80%	0.11%	Movement

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