

Week Ending: 18 March 2022

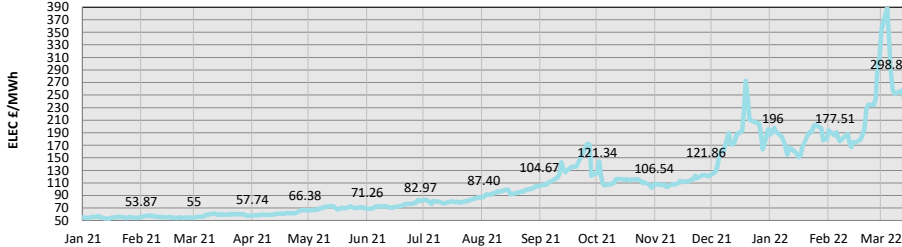
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£245.34	£242.23	£266.58	£167.01	£57.80
Qtr Ahead	£244.19	£242.16	£263.62	£168.29	£54.81
Season Ahead	£244.51	£244.40	£256.35	£167.90	£54.05
Year Ahead	£243.38	£241.71	£252.02	£174.63	£59.05



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	£3.10	-£21.25	£78.33	£187.54
Q	£2.03	-£19.42	£75.90	£189.38
S	£0.11	-£11.84	£76.61	£190.46
Y	£1.67	-£8.64	£68.75	£184.33

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	1.3%	-8.0%	46.9%	324.5%
Q	0.8%	-7.4%	45.1%	345.5%
S	0.0%	-4.6%	45.6%	352.4%
Y	0.7%	-3.4%	39.4%	312.1%

Insight

At the start of the week, the electricity market weakened amid ceasefire negotiations between Russia and Ukraine, which could ease supply concerns; increased LNG delivery forecasts provided additional downside. Electricity contracts regained value following a reduction in Russian gas flows, which impacted the NBP gas market. Throughout the week, contracts lost value with forecasts for strong wind generation expected to ease supply outlook meanwhile the NBP market provided additional downside with minor losses. The market continued to drop as strong wind generation and LNG delivery outlook provided a healthy supply outlook with support from falling coal and European carbon markets. Towards the end of the week, short term contracts followed NBP gas losses while long term contracts gained value.

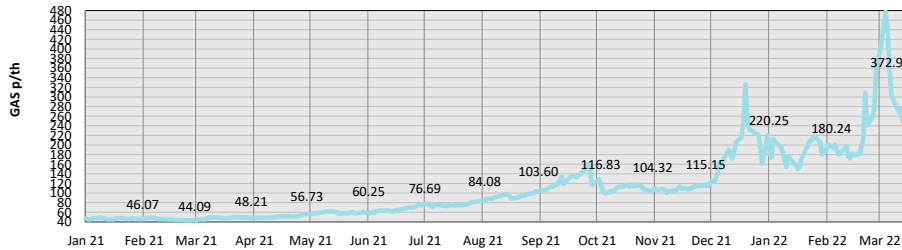
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	250.98	256.97	306.89	174.25	43.34
Qtr Ahead	253.62	258.50	307.15	174.79	42.13
Season Ahead	255.26	261.17	303.75	174.40	42.09
Year Ahead	253.23	254.49	293.60	179.08	47.27



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-5.99	-55.91	76.74	207.65
Q	-4.88	-53.53	78.83	211.49
S	-5.91	-48.49	80.87	213.17
Y	-1.26	-40.37	74.15	205.96

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-2.33%	-18.22%	44.04%	479.16%
Q	-1.89%	-17.43%	45.10%	501.99%
S	-2.26%	-15.96%	46.37%	506.46%
Y	-0.50%	-13.75%	41.41%	435.71%

Insight

The NBP gas market opened low amid a stable flow of Russian gas into Europe while ceasefire negotiations continued. Bearish weather fundamentals and increasing LNG deliveries also prompted losses for gas contracts. Unfortunately, Russian gas flow took a turn and brought fear into the market with an uncertain future outlook. Midweek, bearish weather fundamentals and LNG delivery forecasts lowered the NBP gas market and outweighed Eastern conflict. Despite initial drops from reduced CCGT demand and increasing wind, planned Norwegian maintenance reduced market supplies and increased contract values. At the end of the week, wind generation began to fall while CCGT demand increased, causing upward movement.

Insight

Brent oil followed the wider commodity markets with a low opening amid the Eastern ceasefire negotiations between Russia and Ukraine but with additional losses as China reports increased COVID-19 cases. Investors kept close to the ongoing Eastern negotiations that continued to pressure values down with the additional downside threat of China COVID-19 cases which could significantly reduce demand. The market remained balanced midweek before closing off low due to increasing US inventories. Towards the end of the week, the Brent oil market lifted following forecasts for reduced Russian supplies from next month despite the potential for conflict to ease due to negotiations. Brent oil made significant gains as negotiations broke down and failed, spoiling the chance to end the conflict.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
78.89	334.5	107.93	Present
76.76	366	112.67	Last Week
2.77%	-8.61%	-4.21%	Movement

Contact Utility SwapShop:

Call: 0333 9000 246

Email: info@utilityswapshop.co.uk