

Week Ending: 13 May 2022

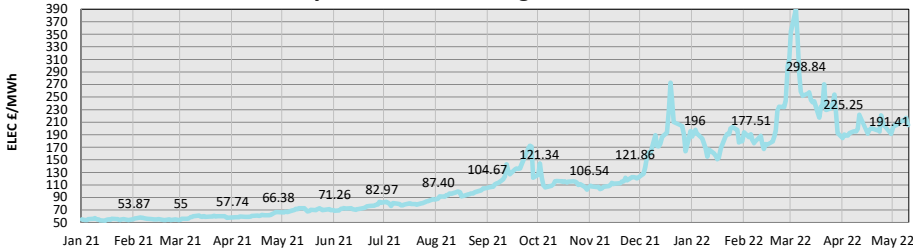
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£171.05	£182.82	£166.37	£214.29	£76.63
Qtr Ahead	£208.70	£218.90	£208.45	£243.02	£75.69
Season Ahead	£246.00	£264.55	£238.70	£253.03	£84.29
Year Ahead	£205.52	£216.71	£205.12	£222.11	£73.11



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£11.77	£4.68	-£43.24	£94.42
Q	-£10.20	£0.25	-£34.32	£133.01
S	-£18.55	£7.30	-£7.03	£161.71
Y	-£11.19	£0.40	-£16.59	£132.41

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-6.4%	2.8%	-20.2%	123.2%
Q	-4.7%	0.1%	-14.1%	175.7%
S	-7.0%	3.1%	-2.8%	191.8%
Y	-5.2%	0.2%	-7.5%	181.1%

Insight

At the start of the week, electricity contracts lost value amid increasing wind generation and downward shifts in the NBP gas market. Despite continued bearish weather outlooks, the electricity market lost value mirroring NBP gas as Ukraine announced it would stop Russian gas flows to Europe through their pipelines, which would tighten global supplies. Fears of tightening global supplies influenced the wider commodity market into the week and increased contract values. Towards the end of the week, the market saw more upward movement with planned Norwegian maintenance, further restricting supplies, and Russia announced sanctions on 31 'unfriendly' companies, including Gazprom Germania. Significant gains were limited by increasing wind generation and weak European coal trading.

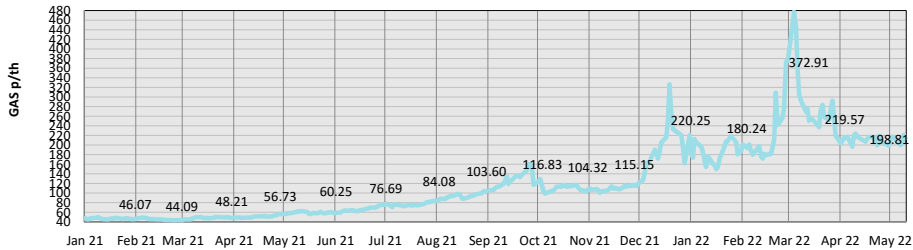
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	155.25	171.37	146.71	195.86	68.36
Qtr Ahead	207.55	223.18	209.15	233.43	65.62
Season Ahead	252.25	260.30	244.10	246.88	73.56
Year Ahead	214.32	220.90	214.94	217.09	62.59



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-16.12	8.54	-40.61	86.90
Q	-15.63	-1.60	-25.88	141.94
S	-8.06	8.15	5.37	178.69
Y	-6.57	-0.62	-2.77	151.73

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-9.40%	5.82%	-20.73%	127.12%
Q	-7.00%	-0.77%	-11.08%	216.31%
S	-3.09%	3.34%	2.18%	242.93%
Y	-2.98%	-0.29%	-1.27%	242.41%

Insight

The NBP gas market opened lower at the start of the week, despite unplanned Norwegian outages reducing supplies, as temperatures increased above average and the European carbon and coal markets experienced softer trading. Longer-dated contracts continued to lose value with weak carbon and coal trading; however, most contracts increased following Ukraine's announcement to stop Russian flows through their pipeline. A tight supply outlook and drop in LNG deliveries caused increases midweek, despite a bearish weather outlook. Planned Norwegian maintenance later in the week contributed to the already tight supply outlook and increased investors' fears. At the end of the week, lower trades in the coal and carbon markets filtered into NBP gas contracts with additional downside from reduced CCGT demand.

Insight

Brent oil was impacted by increases in the USD, promoting a sell-off and reducing contract values at the start of the week. The oil market remained low in the first half of the week as investors monitored the increasing lockdown measures in China, which could result in significant demand reductions; meanwhile the USD continued to gain value. Contracts made some gains shortly after Ukraine's announcement to pause Russian gas flow, and the EU progressed discussions to ban Russian oil and gas imports, which would tighten global supplies. Brent oil was volatile towards the end of the week as the increasing USD challenged a short supply outlook causing sharp increases and decreases. At the end of the week, Brent opened high but was below the previous week, as the EU focused on the Russian oil ban.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
88.48	393	111.55	Present
91.54	379.5	112.39	Last Week
-3.34%	3.56%	-0.75%	Movement

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