

Week Ending: 06 May 2022

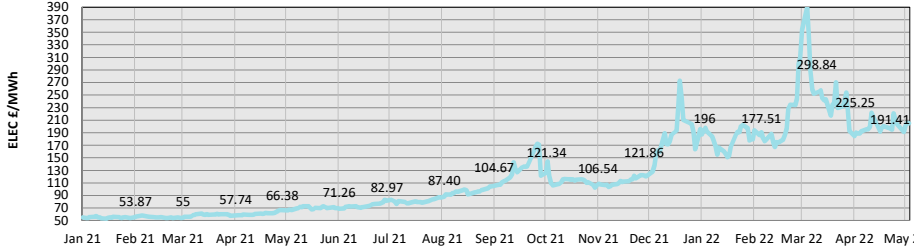
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£166.05	£179.40	£169.22	£208.63	£69.13
Qtr Ahead	£207.05	£213.37	£202.86	£235.70	£69.00
Season Ahead	£239.05	£241.04	£239.20	£235.20	£77.00
Year Ahead	£205.18	£205.37	£203.44	£192.45	£66.70



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£13.35	-£3.17	-£42.58	£96.92
Q	-£6.32	£4.19	-£28.65	£138.05
S	-£1.99	-£0.15	£3.85	£162.05
Y	-£0.20	£1.74	£12.73	£138.48

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-7.4%	-1.9%	-20.4%	140.2%
Q	-3.0%	2.1%	-12.2%	200.1%
S	-0.8%	-0.1%	1.6%	210.5%
Y	-0.1%	0.9%	6.6%	207.6%

Insight

At the start of the week, electricity contracts lost value amid a healthy LNG supply outlook and bearish weather forecasts. Additional contract losses were limited due to the increasing NBP gas and carbon markets. Contracts reversed losses and mirrored gains in the NBP market as the EU made another wave of sanctions on Russia, which threatened the supply outlook. Towards the end of the week, contracts continued to rise as exports to Europe via interconnectors continued strong and the wider commodity market firmed. Stronger trades in the NBP market supported the upwards trend with additional value gains from coal and carbon increases, and strong exports to Europe reduced the supply outlook.

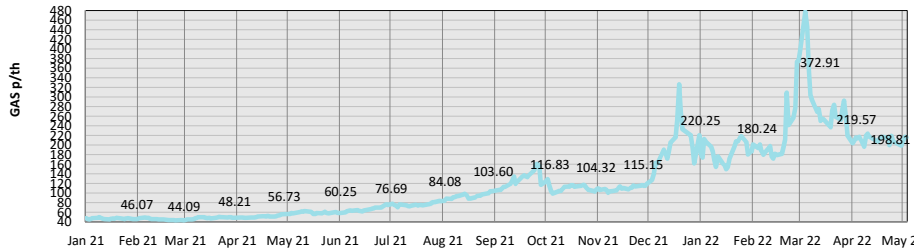
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	150.55	168.50	148.00	237.75	61.50
Qtr Ahead	212.30	219.50	199.55	256.25	59.65
Season Ahead	246.60	248.20	237.49	264.93	67.30
Year Ahead	215.80	217.35	205.77	217.09	57.57



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-17.95	2.56	-87.20	89.05
Q	-7.20	12.76	-43.95	152.65
S	-1.60	9.11	-18.33	179.30
Y	-1.55	10.03	-1.28	158.23

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-10.65%	1.73%	-36.68%	144.80%
Q	-3.28%	6.39%	-17.15%	255.91%
S	-0.64%	3.84%	-6.92%	266.42%
Y	-0.71%	4.87%	-0.59%	274.85%

Insight

The NBP gas market initially opened low due to bearish weather forecasts and strong LNG delivery schedules to the UK before increasing as demand picked up and EU sanctions on Russia pressured contracts higher. Throughout the week, contracts were supported by gains in the European carbon and coal markets while the EU announced the 6th round of sanctions on Russia, which increased market value. Some short term contracts lost value due to warmer temperatures, but most NBP contracts increased despite health LNG supplies as coal and carbon gains weighed in on the market. At the end of the week, the trends continued as short term contracts lost value to increasing temperatures and LNG supplies while long term contracts mirrored coal and carbon gains.

Insight

Brent oil lost value at the start of the week, despite awaiting EU decisions on Russian sanctions, as investors grew concerned at a potential demand decrease if China imposed lockdown measures as COVID-19 cases increase. Following EU sanctions on Russia, Brent oil contracts increased with the potential to see Russian oil removed from the market by the end of 2022 with member states approval. Oil continued to rise following the EU sanctions, which threatened the supply outlook and overshadowed potential demand reductions in Russia and increased US oil inventories. At the end of the week, oil remained high with potential reductions in global supplies should a ban on Russian oil and gas be approved.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
91.54	379.5	112.39	Present
84.45	326.3	107.14	Last Week
8.40%	16.30%	4.90%	Movement

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