

Week Ending: 17 June 2022

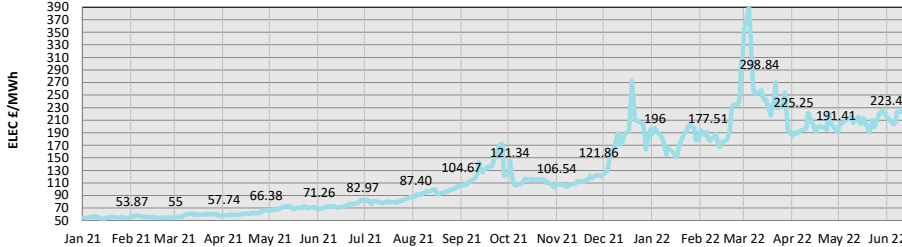
UK Baseload Electricity Prices

| | Today | Last W/D | Last Week | Last Month | Last Year |
|--------------|----------------|----------|-----------|------------|-----------|
| Mth Ahead | £257.77 | £274.53 | £179.33 | £182.36 | £77.09 |
| Qtr Ahead | £283.36 | £290.85 | £198.73 | £215.11 | £77.95 |
| Season Ahead | £319.23 | £335.89 | £261.21 | £250.53 | £84.23 |
| Year Ahead | £264.70 | £270.79 | £223.45 | £212.27 | £71.40 |



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

| | Last W/D | Last Week | Last Month | Last Year |
|---|----------|---------------|---------------|----------------|
| M | -£16.76 | £78.43 | £75.41 | £180.67 |
| Q | -£7.49 | £84.63 | £68.25 | £205.41 |
| S | -£16.66 | £58.01 | £68.70 | £235.00 |
| Y | -£6.08 | £41.26 | £52.43 | £193.31 |

Electricity Real Movement (%)

| | Last W/D | Last Week | Last Month | Last Year |
|---|----------|--------------|--------------|---------------|
| M | -6.1% | 43.7% | 41.4% | 234.4% |
| Q | -2.6% | 42.6% | 31.7% | 263.5% |
| S | -5.0% | 22.2% | 27.4% | 279.0% |
| Y | -2.2% | 18.5% | 24.7% | 270.8% |

Insight

At the start of the week, the electricity market opened high with reduced wind generation and gas supplies, increasing electricity demand. UK exports to Europe increased, further tightening the UK supply outlook, and the European carbon market gained value, supporting the wider commodities. Contracts mirrored NBP gas gains throughout the week and continued the upward trend with supplies tightening due to reduced wind generation and increased exports, and demand increased amid reduced LNG as a result of the Freeport LNG terminal fire. The market lost value towards the end of the week with forecasts for increased wind generation, but some contracts increased following EDF's reactor outages for the next 2 weeks. Contrast lost value again following the downwards shift in NBP gas and increased wind generation.

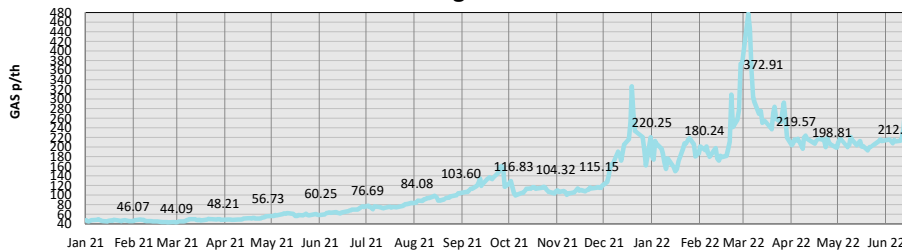
UK NBP Gas Prices

| | Today | Last W/D | Last Week | Last Month | Last Year |
|--------------|----------------|----------|-----------|------------|-----------|
| Mth Ahead | 227.62p | 295.73p | 151.50p | 161.19p | 70.74p |
| Qtr Ahead | 261.35p | 310.62p | 178.67p | 198.00p | 71.09p |
| Season Ahead | 257.55p | 342.95p | 240.65p | 233.43p | 78.05p |
| Year Ahead | 256.27p | 277.48p | 211.63p | 202.09p | 63.76p |



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

| | Last W/D | Last Week | Last Month | Last Year |
|---|----------|---------------|---------------|----------------|
| M | -68.11p | 76.13p | 66.43p | 156.88p |
| Q | -49.27p | 82.69p | 63.35p | 190.27p |
| S | -85.41p | 16.90p | 24.12p | 179.50p |
| Y | -21.20p | 44.65p | 54.18p | 192.51p |

Gas Real Movement (%)

| | Last W/D | Last Week | Last Month | Last Year |
|---|----------|---------------|---------------|----------------|
| M | -23.03% | 50.25% | 41.21% | 221.77% |
| Q | -15.86% | 46.28% | 31.99% | 267.66% |
| S | -24.90% | 7.02% | 10.33% | 229.97% |
| Y | -7.64% | 21.10% | 26.81% | 301.92% |

Insight

The NBP gas market made increases at the start of the week following unplanned Norwegian outages and reduced wind generation that tightened UK supplies. Expectations for demand increases due to cooling solutions in higher temperatures also pushed contracts higher with support from extended outages from the US Freeport LNG terminal. Mid-week, supplies tightened as Russian supplies to Europe dropped and Norwegian maintenance reduced UK gas flows. The market made significant increases later on following the announcement that operations at the Freeport LNG export terminal are expected to be down for the next 3 months, impacting the future supply outlook for Europe. At the end of the week, demand for CCGT fell as wind generation increased and the UK supply outlook was positive.

Insight

Brent oil had mixed contracts at the start of the week, but Chinese lockdown measures weighed in on the market and reduced some value as demand is expected to ease off. Investors ignored concerns of potential demand reduction, despite increased COVID-19 cases, as oil supplies were limited with Libyan political tension resulting in reduced oil exports. Oil contracts lost value throughout the week with increased fears of a recession with further support from COVID-19 outbreaks in China that threatened demand. Towards the end of the week, the US Federal Reserve increased interest rates to support the economy, weakening contracts. However, a tight supply outlook outweighed the downside and increased contracts as Libyan oil remained low and demand is expected to increase. Investors continued to react to tightening supplies with higher trades but were limited by concerns about a weak

Energy Commodities

| Carbon €/t CO2 | Coal \$/t | Oil \$/bbl | |
|----------------|-----------------|-----------------|-----------|
| €82.37 | \$389.35 | \$113.12 | Present |
| €81.86 | \$392.35 | \$122.01 | Last Week |
| 0.62% | -0.76% | -7.29% | Movement |

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