

Week Ending: 01 June 2022

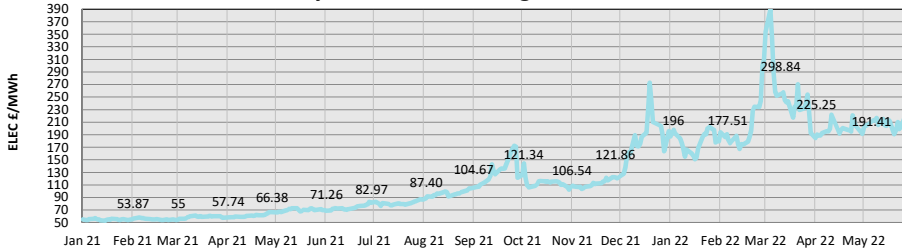
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£198.12	£194.15	£169.82	£177.03	£74.86
Qtr Ahead	£213.79	£219.93	£204.09	£206.37	£74.56
Season Ahead	£262.88	£265.46	£248.87	£238.69	£81.94
Year Ahead	£223.41	£224.24	£210.02	£200.78	£69.89



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	£3.97	£28.30	£21.08	£123.26
Q	-£6.14	£9.71	£7.43	£139.23
S	-£2.58	£14.01	£24.19	£180.95
Y	-£0.83	£13.39	£22.63	£153.52

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	2.0%	16.7%	11.9%	164.6%
Q	-2.8%	4.8%	3.6%	186.7%
S	-1.0%	5.6%	10.1%	220.8%
Y	-0.4%	6.4%	11.3%	219.6%

Insight

At the start of the week, the electricity market gained value as wind generation reduced, and the NBP gas market supported a bullish movement. EDF also announced plans to shut down Hinkley Point B nuclear station would continue as scheduled, with the UK Government considering a delay to ease the short term supply outlook. Long term contracts continued the upwards movement following signals from the European carbon and coal markets while short term contracts lost value amid forecasts for warmer, windier weather that would reduce demand and support wind generation. At the end of the working week, electricity contracts lost some previous gains, with the NBP gas market being a key price driver.

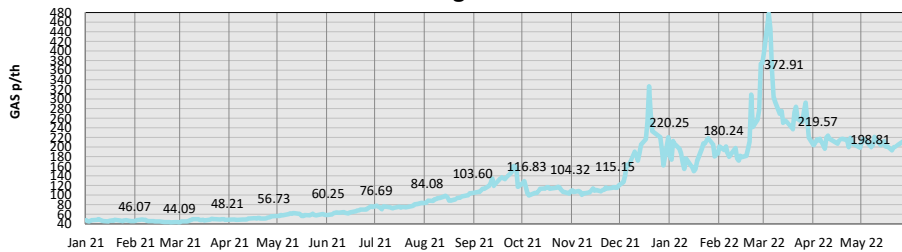
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	166.00p	180.50p	141.75p	166.84p	63.04p
Qtr Ahead	187.85p	210.10p	186.60p	212.12p	63.09p
Season Ahead	243.70p	251.44p	231.85p	246.25p	70.99p
Year Ahead	212.30p	216.13p	200.55p	210.02p	58.95p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-14.50p	24.25p	-0.84p	102.96p
Q	-22.25p	1.25p	-24.27p	124.76p
S	-7.74p	11.85p	-2.55p	172.71p
Y	-3.83p	11.75p	2.28p	153.35p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-8.03%	17.11%	-0.51%	163.32%
Q	-10.59%	0.67%	-11.44%	197.75%
S	-3.08%	5.11%	-1.04%	243.30%
Y	-1.77%	5.86%	1.09%	260.16%

Insight

The NBP gas market opened the week high following EU meetings to discuss a Russian oil and gas ban. Reducing wind generation and increased expectations of Norwegian maintenance also contributed price increases. The market reacted to the EU's soft ban on Russian imports and reports of stopping supply to the Netherlands and reduced supplies to Germany with further upside from increasing CCGT demand. Short term contracts lost some value with forecasts for increasing wind generation in the coming week and slightly increased Norwegian supply capacity, improving the short term supply outlook. Despite previous reports and speculation, Russian supplies via Nord Stream 1 increased at the end of the working week, weakening short term contracts, but the long term outlook remained uncertain.

Insight

Brent oil made gains at the start of the week following the wider commodity market and reactions to EU discussions to ban Russian oil and gas imports. However, significant gains were limited as Hungary pushed for exemptions, which could support a stronger supply outlook. The oil market continued to gain value as the EU implemented a ban on Russian imports by sea, limiting the supply outlook, but not via pipelines. Lockdown measures in China eased towards the end of the week, which will bring back demand growth and further tighten the global supply outlook. At the end of the week, investors expect strong demand growth as Shanghai ended lockdown measures which support the upwards trend.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€86.08	\$412.00	\$116.29	Present
€84.20	\$406.65	\$119.43	Last Week
2.23%	1.32%	-2.63%	Movement

Contact Utility SwapShop:

Call: 0333 9000 246

Email: info@utilityswapshop.co.uk