

Week Ending: 15 July 2022

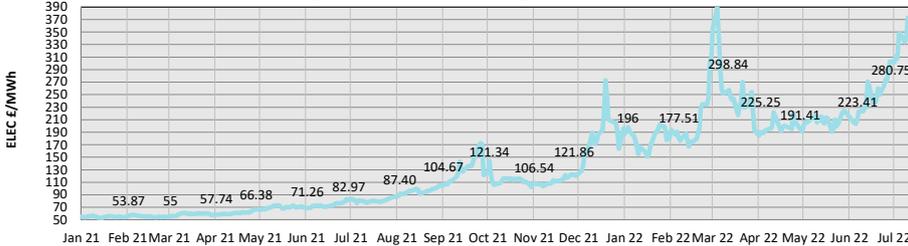
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£240.15	£285.60	£296.79	£257.77	£87.93
Qtr Ahead	£456.78	£486.33	£444.59	£283.36	£94.64
Season Ahead	£436.75	£465.73	£428.91	£319.23	£94.35
Year Ahead	£339.00	£370.51	£347.67	£264.70	£78.36



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£45.45	-£56.64	-£17.62	£152.22
Q	-£29.56	£12.18	£173.42	£362.14
S	-£28.98	£7.84	£117.52	£342.40
Y	-£31.51	-£8.67	£74.30	£260.64

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-15.9%	-19.1%	-6.8%	173.1%
Q	-6.1%	2.7%	61.2%	382.6%
S	-6.2%	1.8%	36.8%	362.9%
Y	-8.5%	-2.5%	28.1%	332.6%

Insight

At the start of the week, the electricity market opened higher as wind generation remained low and interconnector exports were high with strong demand from France as increasing temperatures impacted their nuclear generation capacity. The NBP gas market supported contract increases and demand remained high from France due to the inability to cool nuclear reactors with the rivers rising temperatures. Throughout the week, ongoing Norwegian outages contributed to gains and CCGT generation also faced issues amid increasing temperatures. Despite warm temperatures and low wind generation, most contracts lost value following US economic news. The gas supply outlook also supported a downwards shift at the end of the week with health supply levels and falling European coal prices.

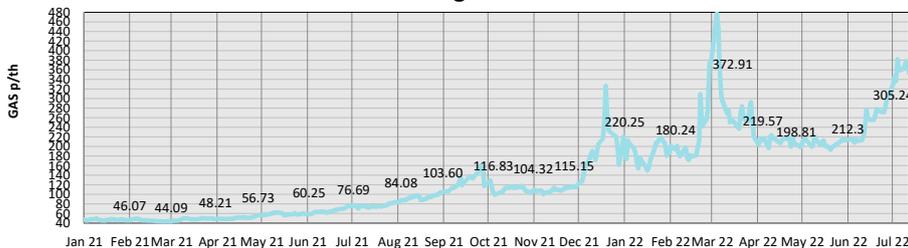
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	223.00p	246.50p	279.85p	227.62p	86.71p
Qtr Ahead	417.00p	437.80p	419.00p	261.35p	91.60p
Season Ahead	421.50p	441.13p	420.70p	257.55p	91.95p
Year Ahead	353.25p	371.67p	359.50p	256.27p	73.94p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-23.50p	-56.85p	-4.62p	136.30p
Q	-20.80p	-2.00p	155.65p	325.40p
S	-19.63p	0.80p	163.96p	329.55p
Y	-18.42p	-6.25p	96.98p	279.31p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-9.53%	-20.31%	-2.03%	157.19%
Q	-4.75%	-0.48%	59.56%	355.24%
S	-4.45%	0.19%	63.66%	358.40%
Y	-4.95%	-1.74%	37.84%	377.77%

Insight

The NBP gas market gained value at the start of the week amid the Nord Stream 1 pipeline maintenance and unplanned Norwegian outages that significantly reduced UK supplies. Reduced wind generation also contributed to a negative supply outlook, with ongoing outages stretching supplies in an already rising market. Mid-week, CCGT demand increased to displace the lack of wind generation, but supplies remained low. Soon after, NBP gas contracts lost value as supply concerns were eased following the resolution of the unplanned Norwegian outages. Longer-term contract reductions were also supported by a drop in oil and coal prices. At the end of the week, increased LNG imports supported the positive supply outlook and continued the price drop.

Insight

Brent oil lost value at the start of the week as China introduced a zero COVID policy by increasing testing, lockdowns and restrictions, significantly impacting and threatening future demand. A strengthening USD also sparked a sell-off in the market, further reducing contract values. Investors The zero COVID policy continued to drive the market down as investors expected low demand and the USD increases also supported the downwards trend. Adding to the negatives, news spread of a potential interest rate bounce in the US which could see investors withdraw from positions and reduce market value. Towards the end of the week, the market drivers remain the same, with the new Chinese policy remaining the key downforce.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€85.38	\$410.00	\$101.16	Present
€82.79	\$412.00	\$107.02	Last Week
3.13%	-0.49%	-5.48%	Movement

Contact Utility SwapShop:

Call: 0333 9000 246

Email: info@utilityswapshop.co.uk