

Week Ending: 19 August 2022

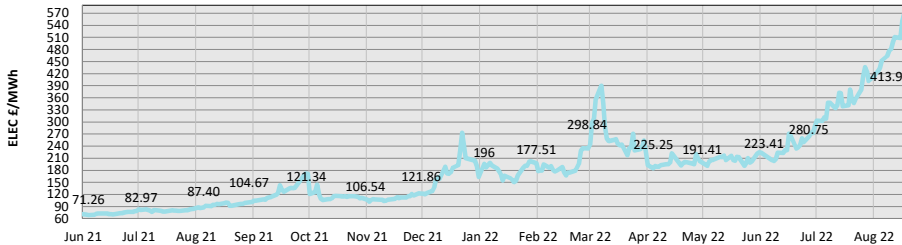
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£451.66	£444.99	£389.18	£284.30	£102.18
Qtr Ahead	£673.72	£664.72	£629.88	£490.79	£109.51
Season Ahead	£676.09	£664.57	£621.24	£464.57	£108.18
Year Ahead	£570.32	£560.75	£510.43	£357.97	£92.09



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	£6.67	£62.49	£167.36	£349.49
Q	£9.00	£43.83	£182.93	£564.20
S	£11.52	£54.85	£211.52	£567.91
Y	£9.57	£59.89	£212.35	£478.23

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	1.5%	16.1%	58.9%	342.0%
Q	1.4%	7.0%	37.3%	515.2%
S	1.7%	8.8%	45.5%	525.0%
Y	1.7%	11.7%	59.3%	519.3%

Insight

At the start of the week, the electricity market gained value despite reduced interconnector exports as wind generation continued to fall low while nuclear generation and the Norwegian gas pipeline faced outages that affected supply levels. The market remained strong with further increases from the reduced solar generation, which also added to future supply outlook uncertainty. Throughout the week, increases in the coal and European carbon markets supported gains and electricity mirrored upward NBP gas movements. Supplies further reduced as UK interconnector exports increased and demand increased for CCGT amid low wind generation. At the end of the week, the long-term future outlook uncertainty remained a key driver across the commodity market and the contracts continued the upwards trend to new highs.

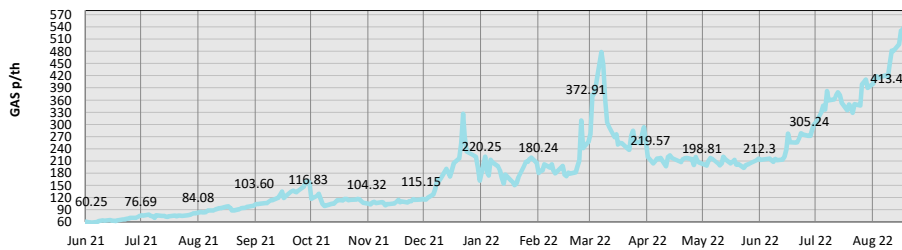
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	457.29p	452.00p	395.25p	326.06p	103.40p
Qtr Ahead	579.13p	557.35p	491.54p	411.72p	109.48p
Season Ahead	602.13p	575.75p	507.20p	409.97p	107.60p
Year Ahead	575.43p	543.08p	480.91p	349.99p	88.26p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	5.29p	62.04p	131.23p	353.89p
Q	21.78p	87.59p	167.41p	469.65p
S	26.38p	94.94p	192.16p	494.54p
Y	32.35p	94.52p	225.44p	487.17p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	1.17%	15.70%	40.25%	342.25%
Q	3.91%	17.82%	40.66%	429.00%
S	4.58%	18.72%	46.87%	459.63%
Y	5.96%	19.65%	64.41%	551.95%

Insight

The NBP gas market was affected by long-term supply outlook concerns at the start of the week alongside high temperatures, affecting short-term demand and reduced generation. CCGT demand also increased as wind generation fell but outages on the Norwegian gas pipeline stretched supplies, causing contract increases. Mid-week, CCGT demand remained strong and high temperatures across Europe affected maximum generation capacity with ongoing Russian restrictions reducing supplies to Europe. Towards the end of the week, supply and demand fundamentals remained unbalanced with ongoing Norwegian supply issues during high demand caused by temperature increases. Long-term outlooks remained uncertain without Russian supplies to meet European demands and the market continued to gain value.

Insight

Brent oil lost value at the start of the week following an increase in strategic oil reserves and a forecast for reduced demand as Chinese lockdown restrictions to fight COVID-19 remained tight. The downside continued as the USD increased, prompting a sell-off in the market. Throughout the week, investors' concerns about global economic growth issues increased and forecasts pointed towards further reductions in demand, weakening oil contracts in the market. Strategic reserves fell toward the end of the week and supported some upwards movement, but long-term demand concerns remained. Supply issues in the US, Asia and Russia also supported some market gains. At the end of the week, Brent oil made further gains as European demand increased, but Russian supply issues remained.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€98.01	\$416.25	\$96.72	Present
€88.87	\$407.65	\$98.15	Last Week
10.28%	2.11%	-1.46%	Movement

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