

Week Ending: 29 July 2022

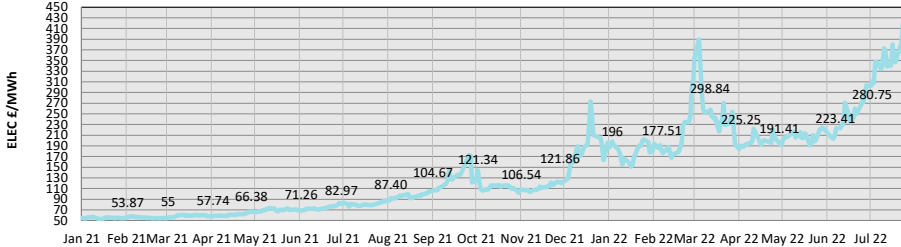
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£310.67	£347.05	£284.30	£263.86	£102.13
Qtr Ahead	£540.53	£581.65	£490.79	£386.14	£104.41
Season Ahead	£525.37	£557.62	£464.57	£374.03	£101.60
Year Ahead	£401.68	£424.99	£357.97	£303.02	£83.91



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£36.39	£26.37	£46.81	£208.54
Q	-£41.11	£49.74	£154.39	£436.13
S	-£32.25	£60.80	£151.33	£423.77
Y	-£23.31	£43.72	£98.66	£317.78

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-10.5%	9.3%	17.7%	204.2%
Q	-7.1%	10.1%	40.0%	417.7%
S	-5.8%	13.1%	40.5%	417.1%
Y	-5.5%	12.2%	32.6%	378.7%

Insight

At the start of the week, contracts initially lost value amid cooler temperatures before revised weather forecasts supported an increase due to lower wind generation for the short term, with the supply outlook predicted to be tight. The electricity market mirrored sharp gains from NBP gas following news of further Nord Stream 1 maintenance limiting capacity and further upside from lower than expected wind generation. Throughout the week, Russian gas concerns remained a market driver across commodities, and renewable generation remained low. Towards the end of the week, short-term contracts lost value despite ongoing Russian gas concerns and French nuclear capability as wind generation increased and CCGT demand fell. Contracts continued to mirror NBP gas and lost market value.

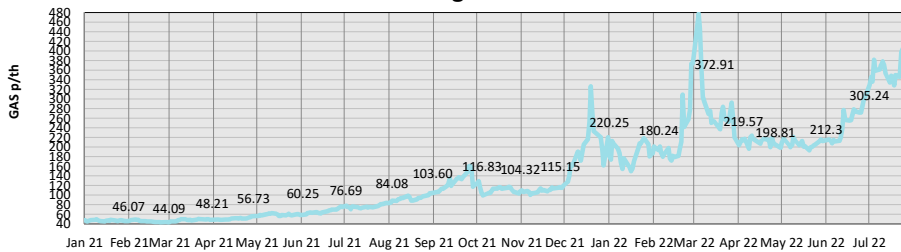
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	320.00p	360.50p	326.06p	245.32p	102.23p
Qtr Ahead	456.92p	483.43p	411.72p	328.83p	104.15p
Season Ahead	458.87p	500.49p	409.97p	378.53p	101.53p
Year Ahead	390.22p	410.66p	349.99p	305.24p	80.90p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-40.50p	-6.06p	74.68p	217.77p
Q	-26.52p	45.19p	128.09p	352.77p
S	-41.63p	48.90p	80.34p	357.34p
Y	-20.44p	40.24p	84.98p	309.32p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-11.23%	-1.86%	30.44%	213.02%
Q	-5.48%	10.98%	38.95%	338.71%
S	-8.32%	11.93%	21.22%	351.95%
Y	-4.98%	11.50%	27.84%	382.36%

Insight

The NBP gas market made losses at the start of the week following wind forecasts for higher outputs before making sharp increases as a result of the Nord Stream 1 maintenance extension announcement that would significantly limit capacity to Europe. Prices remained high following Russian gas supply concerns and Nord Stream 1 capacity reduction ahead of maintenance. Mid-week, Nord Stream 1 commenced maintenance and gas contracts gained value in reaction to reduced supply. Later in the week, wind generation began to increase, and the UK reduced exports, supporting a dip in the market. Russian gas supplies also stopped falling and relieved some short-term concerns. At the end of the week, despite increased interconnector exports, contracts continued to dip.

Insight

Brent oil opened the week with mixed signals as prices were supported by a reducing USD promoting a buy-in, but long-term demand concerns remained around ongoing COVID-19 restrictions in China. Later on, potential restrictions on Russian exports added to market instability before contracts ultimately lost value, with global economic uncertainty sparking fears. The Nord Stream 1 maintenance made a slight disruption to the Brent oil market and contracts gained value as the USD continued to fall and reverse levels dropped. Towards the end of the week, reserves remained low, and Russia's gas supply concerns remained a key driver to gains across the commodity markets. Despite increased interest rates, the market remained on an upward trend at the end of the week.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€78.55	\$407.90	\$103.97	Present
€76.30	\$409.20	\$103.20	Last Week
2.95%	-0.32%	0.75%	Movement

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