

Week Ending: 23 September 2022

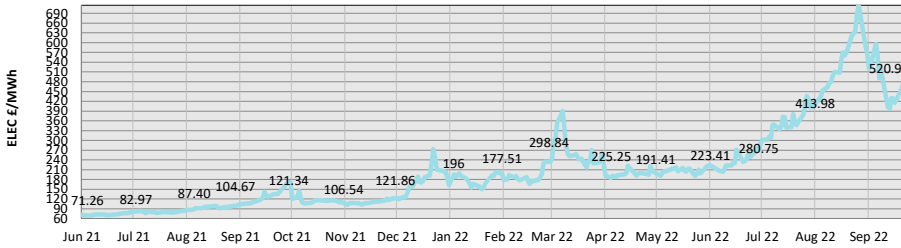
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£293.77	£300.00	£319.83	£574.00	£188.01
Qtr Ahead	£531.56	£512.23	£492.80	£830.63	£192.76
Season Ahead	£567.33	£534.75	£502.50	£842.98	£186.08
Year Ahead	£454.33	£439.50	£415.88	£715.90	£142.92



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£6.23	-£26.06	-£280.23	£105.75
Q	£19.34	£38.76	-£299.06	£338.80
S	£32.58	£64.83	-£275.65	£381.26
Y	£14.83	£38.46	-£261.57	£311.41

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-2.1%	-8.1%	-48.8%	56.2%
Q	3.8%	7.9%	-36.0%	175.8%
S	6.1%	12.9%	-32.7%	204.9%
Y	3.4%	9.2%	-36.5%	217.9%

Insight

At the start of the week, the electricity market gained value amidst bullish weather fundamentals that saw temperatures and wind drop below seasonal averages, increasing demand for heating and reducing generation from wind. Throughout the week, the NEMO interconnector between the UK and Belgium was announced to be unavailable until later in the week reducing supplies and wind generation is expected to be 20% below average this season. Increasing tensions in the Ukraine-Russia war also raised supply concerns. Additional forecasts also suggested temperatures and wind generation will drop further, pushing demand up. At the end of the week, short-term contracts continued to climb with ongoing bullish market drivers putting supply and demand outlook out of skew.

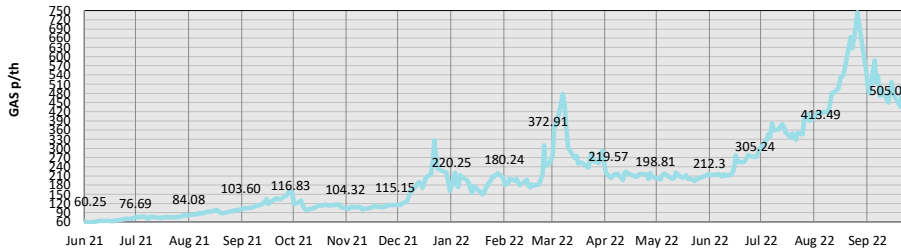
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	278.09p	293.50p	333.50p	578.00p	176.15p
Qtr Ahead	407.33p	422.50p	450.75p	733.50p	176.91p
Season Ahead	473.34p	486.00p	502.65p	787.80p	181.48p
Year Ahead	451.30p	456.98p	474.58p	744.65p	137.07p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-15.41p	-55.41p	-299.91p	101.94p
Q	-15.18p	-43.43p	-326.18p	230.42p
S	-12.66p	-29.31p	-314.46p	291.87p
Y	-5.68p	-23.28p	-293.35p	314.23p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-5.25%	-16.61%	-51.89%	57.87%
Q	-3.59%	-9.63%	-44.47%	130.25%
S	-2.60%	-5.83%	-39.92%	160.83%
Y	-1.24%	-4.91%	-39.39%	229.24%

Insight

NBP gas received mixed signals at the end of the week as 23 European LNG deliveries are expected by next week to ease supply concerns, and Norway is due to lift capacity restrictions to support increased exports to the UK. but gas demand is expected to increase in the short term due to low temperatures and wind generation. However, supply concerns were further eased as the UK expects 12 LNG deliveries by early next month, a 50% increase from the same period last year. Towards the end of the week, despite a positive outlook for LNG supplies, the market gained value with increasing UK demand and ongoing Norwegian maintenance, affecting imports. The majority of contracts remained on the upwards trend to close the week.

Insight

Brent oil lost value at the start of the week following expectations for Federal reserve rate increases later in the week and the USD approaching a 20-year high against other currencies. The oil markets gained value in reaction to Russia's announcement of military mobilisation, sparking further worries about tight oil and gas supplies. The EU also aims to impose sanctions on imports of Russian Crude oil by the start of December, further reducing supplies. There was some downside as the US Federal Reserve increased interest rates to tackle inflation, which led to concerns of reduced economic growth and demand. Chinese demand growth reports strengthened the market with expectations of demand to return to higher levels before the USD made further gains at the end of the week and reduced market value with fears of a recession.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€65.77	\$435.20	\$86.15	Present
£73.27	\$439.00	\$91.35	Last Week
-10.24%	-0.87%	-5.69%	Movement

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