

Week Ending: 02 September 2022

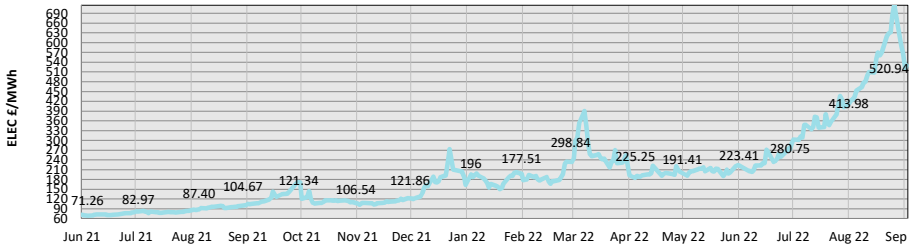
## UK Baseload Electricity Prices

|              | Today          | Last W/D | Last Week | Last Month | Last Year |
|--------------|----------------|----------|-----------|------------|-----------|
| Mth Ahead    | <b>£471.80</b> | £488.85  | £574.00   | £374.86    | £125.67   |
| Qtr Ahead    | <b>£676.16</b> | £685.13  | £830.63   | £578.33    | £127.92   |
| Season Ahead | <b>£680.87</b> | £679.88  | £842.98   | £574.00    | £127.60   |
| Year Ahead   | <b>£529.87</b> | £520.94  | £715.90   | £452.77    | £105.15   |



## Electricity

### Electricity Year Ahead Pricing Information



### Electricity Cost Movement (£/MWh)

|   | Last W/D     | Last Week | Last Month | Last Year |
|---|--------------|-----------|------------|-----------|
| M | -£17.05      | -£102.20  | £96.94     | £346.13   |
| Q | -£8.97       | -£154.47  | £97.83     | £548.24   |
| S | <b>£1.00</b> | -£162.11  | £106.87    | £553.27   |
| Y | <b>£8.93</b> | -£186.03  | £77.10     | £424.72   |

### Insight

At the start of the week, the electricity market mirrored NBP gas with sharp decreases in prices as Europe announced action to stabilise the market. Throughout the week, wind generation forecasts dropped, but electricity contacts continued to fall with NBP gas as weakening coal and oil supported bearish commodity movement. There were minor increases towards the end of the week as there were concerns that the Nord Stream 1 outages would not finish on schedule, which would lead to lower than expected supplies for the short-term outlook. Despite a recovery for the coal market, electricity remained on a downward trend.

### Electricity Real Movement (%)

|   | Last W/D    | Last Week | Last Month | Last Year |
|---|-------------|-----------|------------|-----------|
| M | -3.5%       | -17.8%    | 25.9%      | 275.4%    |
| Q | -1.3%       | -18.6%    | 16.9%      | 428.6%    |
| S | <b>0.1%</b> | -19.2%    | 18.6%      | 433.6%    |
| Y | <b>1.7%</b> | -26.0%    | 17.0%      | 403.9%    |

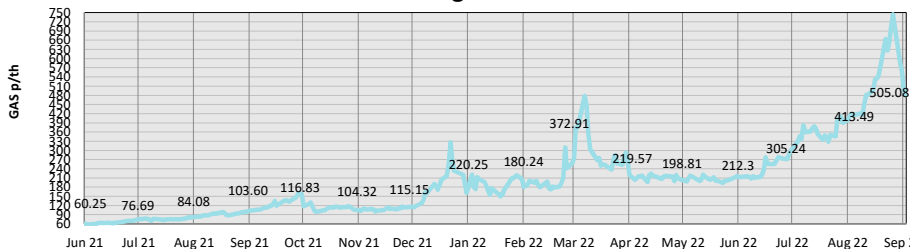
## UK NBP Gas Prices

|              | Today          | Last W/D | Last Week | Last Month | Last Year |
|--------------|----------------|----------|-----------|------------|-----------|
| Mth Ahead    | <b>425.37p</b> | 457.75p  | 578.00p   | 372.23p    | 132.39p   |
| Qtr Ahead    | <b>510.00p</b> | 543.50p  | 733.50p   | 463.66p    | 134.70p   |
| Season Ahead | <b>535.80p</b> | 435.50p  | 787.80p   | 469.27p    | 134.07p   |
| Year Ahead   | <b>479.59p</b> | 505.08p  | 744.65p   | 416.37p    | 104.77p   |



## Gas

### Gas Year Ahead Pricing Information



### Gas Cost Movement (p/therm)

|   | Last W/D       | Last Week | Last Month | Last Year |
|---|----------------|-----------|------------|-----------|
| M | -32.39p        | -152.64p  | 53.14p     | 292.98p   |
| Q | -33.51p        | -223.51p  | 46.34p     | 375.30p   |
| S | <b>100.30p</b> | -252.01p  | 66.53p     | 401.73p   |
| Y | -25.49p        | -265.07p  | 63.21p     | 374.82p   |

### Insight

The NBP gas market lost value at the start of the week and made sharp losses, despite Nord Stream 1 outages due and unplanned Norwegian outages. The downwards trend was supported by weakening European carbon and oil markets with additional relief as LNG import forecasts increased, which would ease some supply concerns for the winter period. Following news of European intervention on rising energy market prices, the market continued to make sharp losses with minor increases due to the start of a new month and ongoing pipeline outages. At the end of the week, the market kept falling despite bullish supply factors and closed significantly lower than the previous week.

### Gas Real Movement (%)

|   | Last W/D      | Last Week | Last Month | Last Year |
|---|---------------|-----------|------------|-----------|
| M | -7.07%        | -26.41%   | 14.27%     | 221.30%   |
| Q | -6.16%        | -30.47%   | 9.99%      | 278.62%   |
| S | <b>23.03%</b> | -31.99%   | 14.18%     | 299.65%   |
| Y | -5.05%        | -35.60%   | 15.18%     | 357.76%   |

### Insight

Brent oil initially made increases ahead of the Nord Stream 1 planned maintenance, but prices soon fell due to ongoing demand concerns with additional losses as the USD increased and prompted a sell-off in the market. The oil market also lost value amid European action to tackle the energy market increases, and predictions of increased COVID-19 restrictions in China sparked further demand concerns. Asian demand concerns remained a key driver for oil as prices fell alongside the other commodity markets. Investors also closely monitored the global economy with concerns of a recession. At the end of the week, Brent gains some value despite ongoing bearish factors.

### Energy Commodities

| Carbon €/t CO2 | Coal \$/t | Oil \$/bbl |           |
|----------------|-----------|------------|-----------|
| €77.89         | \$435.00  | \$93.02    | Present   |
| <b>€90.31</b>  | \$417.40  | \$100.99   | Last Week |
| -13.75%        | 4.22%     | -7.89%     | Movement  |

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