

Week Ending: 04 November 2022

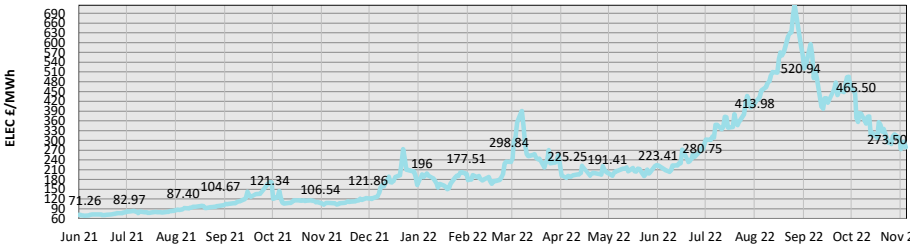
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£323.75	£330.83	£277.72	£554.05	£184.42
Qtr Ahead	£540.00	£520.50	£590.89	£713.44	£181.78
Season Ahead	£263.55	£271.75	£305.30	£371.30	£106.51
Year Ahead	£278.65	£295.88	£318.30	£382.56	£107.85



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£7.07	£46.04	-£230.30	£139.33
Q	£19.50	-£50.89	-£173.44	£358.22
S	-£8.20	-£41.74	-£107.75	£157.04
Y	-£17.23	-£39.65	-£103.91	£170.80

Insight

At the start of the week, the electricity market lost value with temperature and wind forecasts above seasonal demand, reducing supply pressure, and with additional support from a declining European carbon market. Mirroring the NBP gas market, there were some increases following planned outages at an EDF power station towards the end of the month, but most contracts remained low. Throughout the week, wind generation was expected to produce a strong output but failed to meet forecasts which resulted in short-term increases. The market continued to mirror NBP gas and contracts increased with higher CCGT demand, due to lower-than-expected wind generation, with support from outages. At the end of the week, contracts across the curve lost value, and most contracts closed below the previous week.

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-2.1%	16.6%	-41.6%	75.6%
Q	3.7%	-8.6%	-24.3%	197.1%
S	-3.0%	-13.7%	-29.0%	147.4%
Y	-5.8%	-12.5%	-27.2%	158.4%

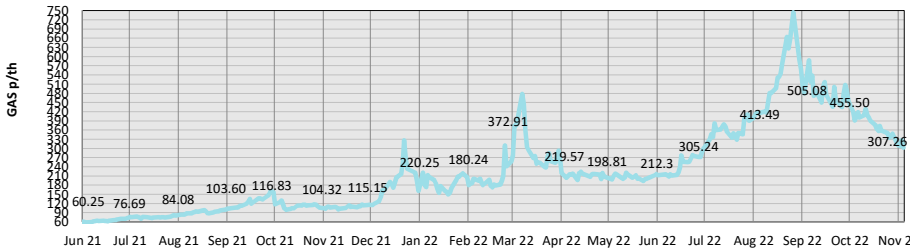
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	289.50p	330.15p	242.45p	307.01p	192.06p
Qtr Ahead	334.54p	369.45p	392.78p	471.96p	187.13p
Season Ahead	291.88p	317.83p	336.85p	387.73p	105.18p
Year Ahead	302.63p	327.14p	348.40p	400.99p	106.47p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-40.65p	47.05p	-17.51p	97.45p
Q	-34.92p	-58.25p	-137.43p	147.41p
S	-25.96p	-44.97p	-95.85p	186.70p
Y	-24.51p	-45.78p	-98.36p	196.16p

Insight

The NBP gas market opened low at the start of the week with bearish news that European storage levels were 94% full and further support from forecasted UK wind generation being above seasonal averages. The UK also expects additional LNG imports towards the end of the month, and weather fundamentals pointed to more bearish actions with lower CCGT demand. Forecasts do expect a demand increase but remain 25% lower than average. Mid-week, wind generation outputs failed to meet the expectation and increased gas demand for CCGT, increasing contract values, despite healthy LNG import forecasts. Towards the end of the week, the forecasted increase in demand sparked upwards movement, but the market remains on a downward trend, with the closing price being below previous weeks.

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-12.31%	19.41%	-5.70%	50.74%
Q	-9.45%	-14.83%	-29.12%	78.78%
S	-8.17%	-13.35%	-24.72%	177.51%
Y	-7.49%	-13.14%	-24.53%	184.25%

Insight

Brent oil lost significant value following increased COVID-19 restrictions in China that will heavily impact demand as the world's largest oil importer. The US is expected to increase their oil production, which could lead to an oversupplied market in the current conditions. US production levels increased to the highest levels seen since COVID-19 but were overshadowed by the promising potential of reduced restriction in China by March 2023 via a newly formed reopening committee that could return large demand volumes. Later in the week, the market began to regain value amidst low reserves and recent UK and US Government actions to tackle economic issues. Investors soon ignored reducing reserves and switched focus to future demand outlooks that remain uncertain until further announcements.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€76.36	\$349.50	\$98.57	Present
€81.21	\$385.70	\$95.77	Last Week
-5.97%	-9.39%	2.92%	Movement

Contact Utility SwapShop:

Call: 0333 9000 246

Email: info@utilityswapshop.co.uk