

Week Ending: 27 January 2023

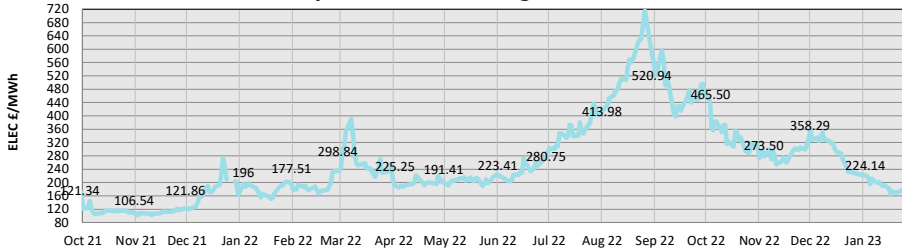
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£139.58	£140.41	£160.00	£212.16	£218.30
Qtr Ahead	£141.96	£145.05	£155.98	£213.13	£200.67
Season Ahead	£143.07	£145.88	£157.27	£210.01	£197.02
Year Ahead	£157.41	£160.61	£170.37	£224.14	£202.53



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£0.83	-£20.42	-£72.58	-£78.72
Q	-£3.10	-£14.02	-£71.17	-£58.71
S	-£2.81	-£14.20	-£66.94	-£53.95
Y	-£3.20	-£12.96	-£66.73	-£45.12

Insight

At the start of the week, the electricity market gained value amid bullish weather forecasts and tight supply margins. Improving weather fundamentals into the week supported a downward shift, soon after cancelled plans to fire up three coal plants due to sufficient supplies, and a total of 28 LNG expected shipments for Jan-23. Throughout the week, ongoing bearish weather fundamentals supported short-term losses and reduced demand for gas. Towards the end of the week, EDF restarted a nuclear facility, reducing French dependence on UK exports and providing some downside to the market. Improved forecasts for the week ahead supported bearish trends with support from the Freeport LNG terminal, expected to be operational by Mar-23, and the return of UK nuclear reactors next week.

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-0.6%	-12.8%	-34.2%	-36.1%
Q	-2.1%	-9.0%	-33.4%	-29.3%
S	-1.9%	-9.0%	-31.9%	-27.4%
Y	-2.0%	-7.6%	-29.8%	-22.3%

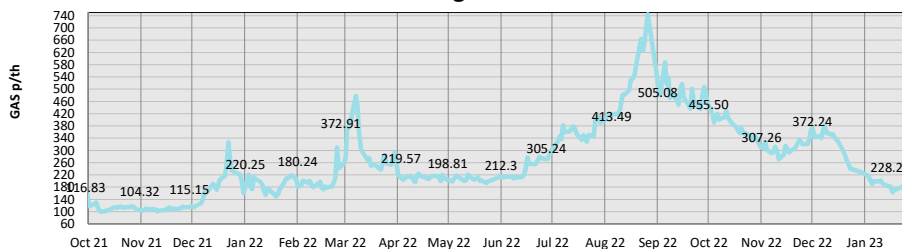
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	140.88p	147.01p	157.23p	196.96p	221.19p
Qtr Ahead	143.47p	149.12p	160.55p	207.00p	214.31p
Season Ahead	144.32p	150.03p	161.49p	220.50p	214.19p
Year Ahead	158.11p	162.55p	173.65p	228.25p	218.44p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-6.12p	-16.35p	-56.08p	-80.30p
Q	-5.65p	-17.08p	-63.53p	-70.84p
S	-5.72p	-17.17p	-76.18p	-69.87p
Y	-4.44p	-15.54p	-70.15p	-60.33p

Insight

NBP gas contracts opened the market with gains following tight supply margins within the electricity market and ongoing planned outages in Norway that continued to limit imported supplies and forecast a short system. Norwegian supplies picked up early in the week to support losses with an additional downside as the Freeport LNG terminal repairs were completed and due to resume operations to support supplies. Mid-week, gas demand decreased amid strong wind and supplies were increased with additional Norwegian flows. Some gains were made later in the week as Norwegian flows were reduced due to maintenance. Positive LNG news for the Freeport terminal and 6 confirmed deliveries for Feb-22 put the market in a well-supplied system across the curve.

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-4.17%	-10.40%	-28.47%	-36.31%
Q	-3.79%	-10.64%	-30.69%	-33.05%
S	-3.81%	-10.63%	-34.55%	-32.62%
Y	-2.73%	-8.95%	-30.73%	-27.62%

Insight

Throughout the week, Brent oil made increases following expectations that OPEC will maintain current oil production levels; this will most likely result in an increase in the short term if Chinese demand increases in line with forecasts, despite initial doubt. There were additional gains as the oil benchmark was increased amid a slow build-up of US crude stocks that went against positive forecasts. The potential of sanctions on Russian exports also supported an upwards trend as supplies would be tight with peak Chinese demand. The global economic situation remained a concern for investors, but only limited gains from previous upsides.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€93.15	\$348.81	\$86.66	Present
€88.96	\$350.95	\$87.63	Last Week
4.71%	-0.61%	-1.11%	Movement

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