

Week Ending: 07 July 2023

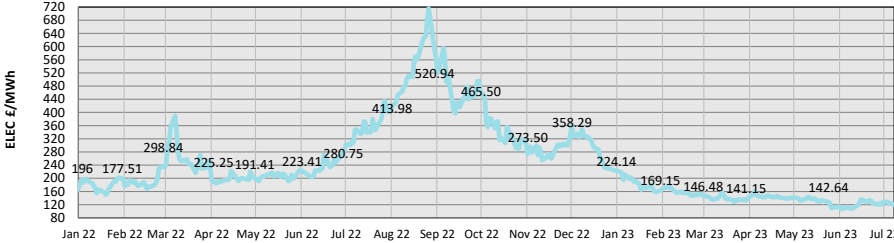
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£84.14	£91.51	£96.39	£79.99	£296.79
Qtr Ahead	£117.07	£124.12	£99.19	£82.85	£444.59
Season Ahead	£125.20	£130.47	£135.44	£116.71	£428.91
Year Ahead	£119.09	£123.44	£127.30	£107.30	£347.67



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£7.37	-£12.25	£4.15	-£212.65
Q	-£7.06	£17.88	£34.22	-£327.53
S	-£5.28	-£10.24	£8.49	-£303.72
Y	-£4.35	-£8.21	£11.79	-£228.58

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-8.1%	-12.7%	5.2%	-71.6%
Q	-5.7%	18.0%	41.3%	-73.7%
S	-4.0%	-7.6%	7.3%	-70.8%
Y	-3.5%	-6.4%	11.0%	-65.7%

Insight

At the start of the week, power prices fell mirroring the gas market as renewable wind generation exceed average levels. Solar output remained 20% above seasonal norms, further reducing gas-fired demand. Mid-week, spot prices declined with increased wind generation forecasts and continued strong solar production. Prices remained flat the following day due to conflicting gas and carbon markets influences. Towards the end of the week, EDF's Hartlepool nuclear reactor began a scheduled outage, while wind generation is expected to average 6.2GWs over the next two weeks, surpassing June's levels. Falling UKA's contributed to the overall decrease in power prices.

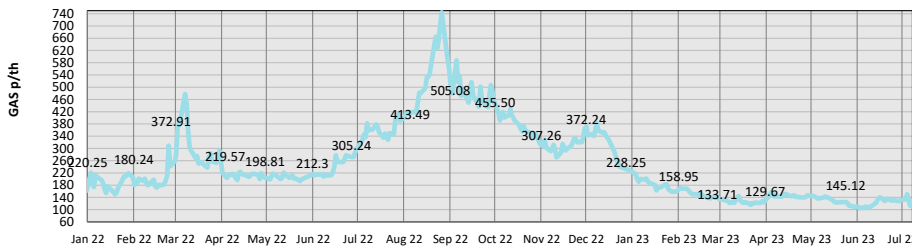
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	79.53p	82.98p	89.56p	64.40p	279.85p
Qtr Ahead	119.54p	107.84p	91.43p	69.54p	419.00p
Season Ahead	130.35p	114.05p	135.72p	109.83p	420.70p
Year Ahead	129.15p	112.59p	132.46p	107.61p	359.50p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-3.46p	-10.04p	15.13p	-200.33p
Q	11.70p	28.11p	50.00p	-299.47p
S	16.30p	-5.37p	20.53p	-290.35p
Y	16.55p	-3.31p	21.54p	-230.36p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-4.17%	-11.20%	23.50%	-71.58%
Q	10.85%	30.75%	71.89%	-71.47%
S	14.29%	-3.96%	18.69%	-69.02%
Y	14.70%	-2.50%	20.02%	-64.08%

Insight

At the start of the week, gas prices fluctuated with the market reversing the gains from last week. Above average wind generation led to an oversupply, resulting in a 65% drop in gas-fired demand. The UK expected three LNG shipments by mid-July. Mid-week, prices settled with mixed trends, as renewable generation forecasts reduced the need for gas-fired demand in the short term. Towards the end of the week, Gas prices increased to attract more LNG cargoes in the future. Despite an extended maintenance period at Troll field, prices softened. UK storage reached 75% capacity, surpassing the average timeframe.

Insight

At the start of the week, oil prices were volatile but eventually declined. Saudi Arabia, Russia and Algeria announced supply cuts, but weak demand in H2 and a stronger US dollar weighed on prices. Mid-week, concerns over restricted supplies briefly boosted prices but global economic data showed falling demand. Towards the end of the week, oil prices continued to be pressured by bearish forces, including contracting manufacturing in the US and Europe, sluggish growth in China, and the anticipation of interest rate hikes. Despite OPEC+ efforts to tighten supplies, prices fell due to the downbeat demand outlook in OECD countries.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€90.87	\$139.65	\$76.51	Present
€93.05	\$125.96	\$74.25	Last Week
-2.34%	10.87%	3.04%	Movement

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