

Week Ending: 18 August 2023

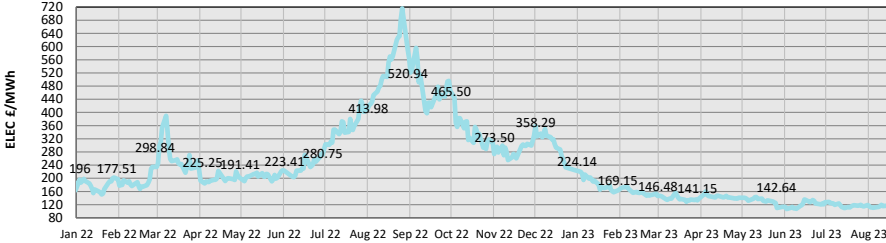
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£89.62	£92.24	£89.49	£75.58	£451.66
Qtr Ahead	£117.22	£118.80	£114.17	£114.08	£673.72
Season Ahead	£124.15	£125.86	£119.59	£121.48	£676.09
Year Ahead	£120.11	£121.83	£115.41	£118.37	£570.32



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£2.62	£0.14	£14.05	-£362.04
Q	-£1.58	£3.06	£3.15	-£556.50
S	-£1.71	£4.56	£2.67	-£551.94
Y	-£1.72	£4.70	£1.74	-£450.21

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-2.8%	0.2%	18.6%	-80.2%
Q	-1.3%	2.7%	2.8%	-82.6%
S	-1.4%	3.8%	2.2%	-81.6%
Y	-1.4%	4.1%	1.5%	-78.9%

Insight

At the start of the week, power prices witnessed gains due to strong movements within NBP markets. This was accompanied by a net import position for power in the UK, contributing to bullish pricing. Mid-week, Wind generation forecasts were revised downwards throughout the week and into the following week. Despite falling power prices in the previous session, contracts aligned with NBP counterparts. The combination of below seasonal wind output and higher temperatures provided support to near-term prices. Towards the end of the week, temperatures over the weekend and the upcoming week are anticipated to remain above seasonal averages. However, wind output forecasts for next week indicate a potential decrease of 10-20% below average, which could exert pressure on near-curve contracts. Far-curve prices were influenced by the rise in carbon markets during the same period.

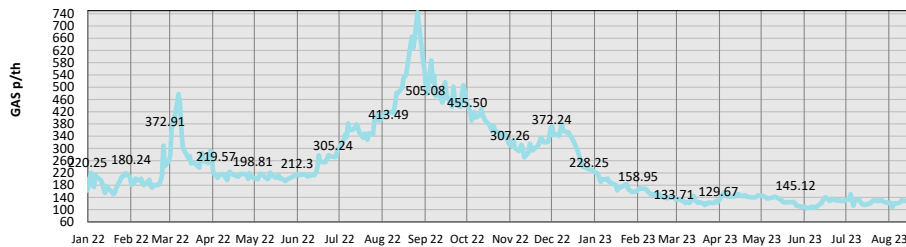
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	93.22p	98.38p	94.53p	70.98p	457.29p
Qtr Ahead	123.95p	128.55p	118.67p	115.33p	579.13p
Season Ahead	134.55p	138.34p	127.97p	128.13p	602.13p
Year Ahead	134.49p	138.29p	128.40p	130.04p	575.43p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-5.16p	-1.31p	22.25p	-364.07p
Q	-4.60p	5.29p	8.62p	-455.18p
S	-3.80p	6.58p	6.42p	-467.59p
Y	-3.80p	6.09p	4.45p	-440.94p

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-5.24%	-1.38%	31.34%	-79.61%
Q	-3.58%	4.45%	7.47%	-78.60%
S	-2.75%	5.14%	5.01%	-77.66%
Y	-2.75%	4.74%	3.42%	-76.63%

Insight

At the start of the week, NBP contracts saw gains across the curve due to concerns about potential LNG worker strikes in Australia. Mid-week, BP contracts retraced some of the gains from Tuesday's session, as a balanced market helped alleviate worries stemming from possible LNG strikes in Australia. The market also saw a slight easing of prices as storage levels approached capacity. Towards the end of the week, NBP contracts experienced declines across the curve. The market responded to the anticipation of reduced gas demand due to forecasted wind output levels well above seasonal norms for the remainder of the week. Moreover, demand levels dropped in the previous session, further impacting prices. As the market opened today, near-term prices were observed to be trading higher compared to last night's close.

Insight

At the start of the week, oil prices experienced a decline due to apprehensions surrounding a slowdown in China's economic recovery. Despite this, rising demand in the US provided a counterbalance, preventing more significant fluctuations in prices. Mid-week, oil prices exhibited volatility as increased demand exerted pressure on supply levels. The influence of a stronger US dollar played a role in keeping prices subdued, especially for non-USD currency users, as the cost of oil increased for them. Towards the end of the week, benchmark oil prices gained momentum during trading sessions. This upswing was attributed to expectations of further economic recovery-boosting policies being introduced in China. In addition, the depreciation of the US dollar in the previous session contributed to making oil more affordable for non-US currency holders, thereby fostering bullish market sentiments.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€92.14	\$147.00	\$84.31	Present
€90.41	\$143.00	\$86.88	Last Week
1.91%	2.80%	-2.96%	Movement

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