

Week Ending: 15 September 2023

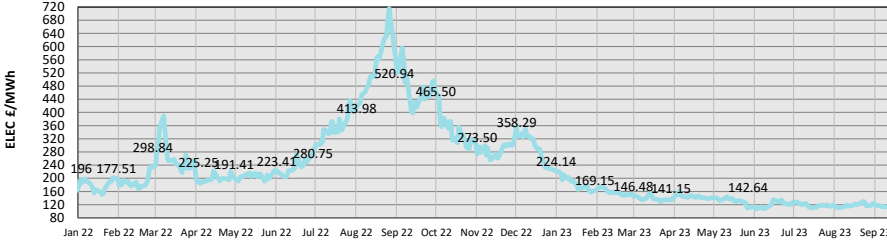
UK Baseload Electricity Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	£84.83	£88.72	£82.70	£89.62	£319.83
Qtr Ahead	£102.26	£106.52	£103.51	£117.22	£492.80
Season Ahead	£112.69	£116.67	£115.33	£124.15	£502.50
Year Ahead	£110.61	£114.48	£114.18	£120.11	£415.88



Electricity

Electricity Year Ahead Pricing Information



Electricity Cost Movement (£/MWh)

	Last W/D	Last Week	Last Month	Last Year
M	-£3.89	£2.13	-£4.79	-£235.00
Q	-£4.27	-£1.25	-£14.97	-£390.55
S	-£3.97	-£2.64	-£11.46	-£389.81
Y	-£3.87	-£3.58	-£9.50	-£305.27

Insight

At the start of the week, power prices saw an increase, closely following the trends in the Gas market. Additionally, an unexpected full capacity outage of the 500MW interconnector between the UK and Ireland was scheduled on Tuesday adding pressure to the power market. Mid-week, the nuclear reactor Hartlepool 2 would be back online by the end of the month. Despite this, power contracts continued to mirror the bearish movement observed in the NBP markets. Towards the end of the week, the power market remained volatile, with fluctuations reversing the previous day's gains, in line with the NBP markets. However, there was some optimism for the upcoming week as temperatures were expected to rise slightly above seasonal norms, accompanied by strong wind output and the potential arrival of four LNG cargoes in the UK.

Electricity Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-4.4%	2.6%	-5.3%	-73.5%
Q	-4.0%	-1.2%	-12.8%	-79.3%
S	-3.4%	-2.3%	-9.2%	-77.6%
Y	-3.4%	-3.1%	-7.9%	-73.4%

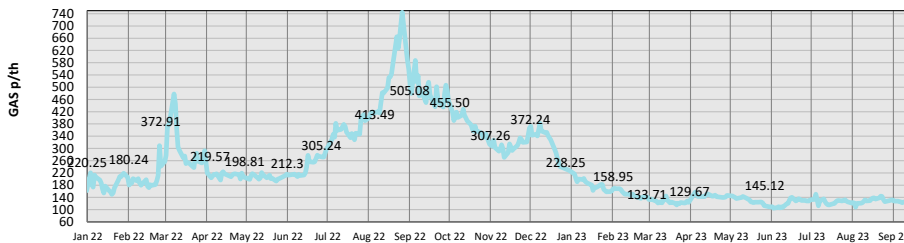
UK NBP Gas Prices

	Today	Last W/D	Last Week	Last Month	Last Year
Mth Ahead	89.76p	93.64p	83.26p	93.22p	333.50p
Qtr Ahead	109.70p	113.43p	106.98p	123.95p	450.75p
Season Ahead	123.15p	126.15p	121.50p	134.55p	502.65p
Year Ahead	124.95p	127.78p	125.09p	134.49p	474.58p



Gas

Gas Year Ahead Pricing Information



Gas Cost Movement (p/therm)

	Last W/D	Last Week	Last Month	Last Year
M	-3.88p	6.50p	-3.46p	-243.74p
Q	-3.73p	2.72p	-14.25p	-341.05p
S	-3.00p	1.65p	-11.40p	-379.51p
Y	-2.84p	-0.14p	-9.54p	-349.64p

Insight

At the start of the week, gas prices showed strength across most of the curve, with prompt prices rising due to a combination of factors, including Britain's exports on the Dutch BBL Pipeline, below-average wind generation, and extended outages in Norway, which increased demand. Mid-week, the outlook remained mixed. Gas prices strengthened again due to Norwegian pipeline maintenance extensions, cancelled LNG imports at Freeport, and additional maintenance requirements on the BBL pipeline. Towards the end of the week, gas prices experienced a decline in value, driven by strong wind output forecasts over the next two weeks. Additionally, shipping signals and port data indicated the arrival of three LNG vessels in Britain before the end of September, which may have contributed to the decrease in gas prices. The near-curve contract pricing continued to fall, reflecting the changing market dynamics.

Gas Real Movement (%)

	Last W/D	Last Week	Last Month	Last Year
M	-4.14%	7.81%	-3.71%	-73.09%
Q	-3.28%	2.54%	-11.50%	-75.66%
S	-2.38%	1.35%	-8.47%	-75.50%
Y	-2.22%	-0.12%	-7.09%	-73.67%

Insight

At the start of the week, oil prices were marked by volatility, primarily influenced by OPEC+ continuing its production cuts until the end of the year. Mid-week, oil prices surged to their highest levels since November 2022. This increase was attributed to strong global demand forecasts and concerns about Libyan oil supply disruptions caused by weather-related issues affecting key oil ports. OPEC also released a monthly market report expressing confidence in global demand for the coming year. Towards the end of the week, oil prices remained volatile due to a combination of factors, including ongoing supply issues from OPEC+ and concerns about inflation impacting the market. The International Energy Agency (IEA) continued to raise alarms about a potential supply deficit by the end of the year, while global inventories had already fallen to a 13-month low in August.

Energy Commodities

Carbon €/t CO2	Coal \$/t	Oil \$/bbl	
€86.18	\$162.47	\$94.15	Present
€86.32	\$157.73	\$90.63	Last Week
-0.16%	3.01%	3.88%	Movement

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