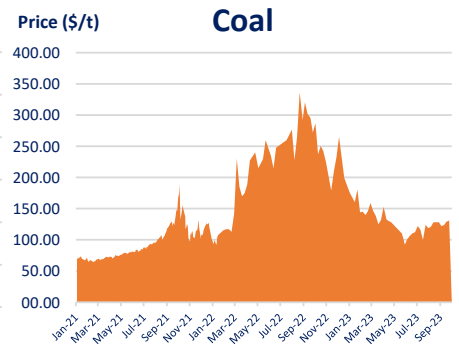
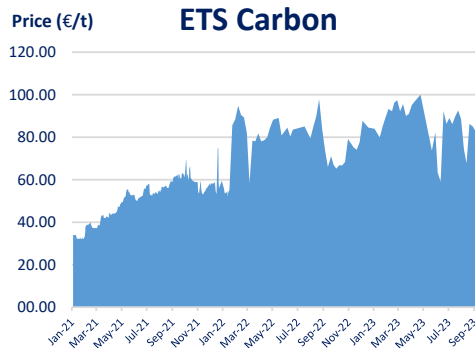
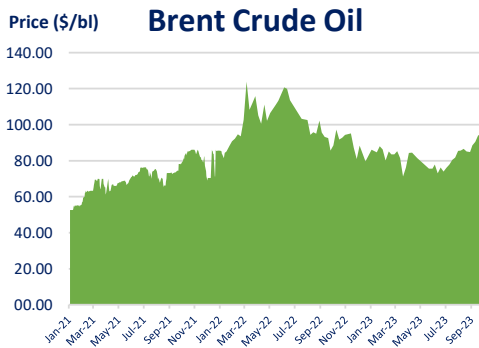
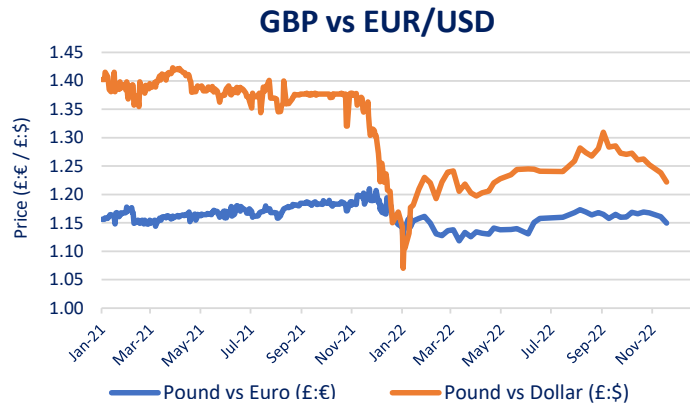


This morning has seen an extension of the recent bearish run as the UK's gas system opened the week in slight oversupply. This came as a result of increased flows via the Langeled gas pipeline into the UK and reduced exports from the UK to the continent. Furthermore, temperature forecasts are expected to remain above seasonal norms throughout October – significantly negating gas for heating demand – and the arrival of a further five LNG cargoes into the UK (on top of today's delivery) will bolster the supply outlook significantly. Bullish sentiment could be driven by any further maintenance extensions in the North Sea but, at the time of reporting, their impact on price movements is fairly minimal.

Last week's market saw some resurgence in the Brent Crude Oil price, with levels climbing on the back of a steep decline in US stocks of the commodity. This, coupled with the extension of production cuts by Saudi Arabia and Russia, are making for a bullish mix in the oil market. Elsewhere, in the European Carbon market, prices declined in Friday's session on the back of very limited trading activity in the build up to the Q3 23 trading deadline. The same bearish weather fundamentals and gas storage levels that impact the wider energy complex also weighed in bearishly on allowance price movements. It would appear that the Sterling-Euro exchange rate is set to trade in rangebound fashion for the foreseeable, largely due to a reduction in the release of fundamental news. Driving this is the fact that both the ECB and Bank of England have seemingly concluded their interest rate hiking cycles and hence the attentions of traders will now divert to economic growth figures and to a somewhat lesser extent the inflation rate. The outlook for the UK economy isn't exactly positive at present, and the expectation is that some fiscal tightening is almost inevitable over the coming years.

## Currency & Commodities

<b>Pound vs Dollar (£:\$)</b>	1.216
<b>Pound vs Euro (£:€)</b>	1.155
<b>Brent Crude Oil (\$/bl)</b>	92.76
<b>EU ETS Carbon (€/t)</b>	84.14
<b>API2 Coal (\$/t)</b>	127.43



# Weekly Energy Market Report

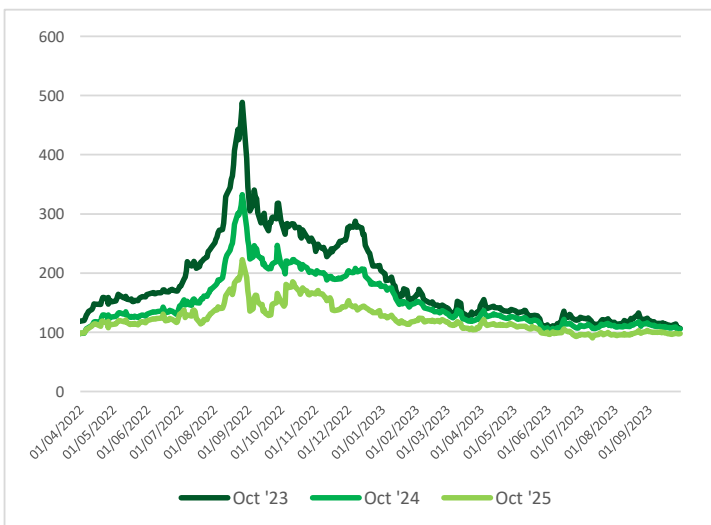
## Power Analysis

Power £/MWh	02/10/2023	Previous Day		Last Week		Last Month	
		29/09/2023	Change	25/09/2023	Change	01/09/2023	Change
Day Ahead	60	61	-0.41%	95	-36.58%	83	-26.97%
Nov-23	94	98	-4.10%	108	-12.68%	111	-15.33%
Dec-23	106	98	8.14%	108	-1.53%	111	-4.52%
Q1 24	114	115	-0.70%	123	-7.11%	132	-13.46%
Summer 24	100	103	-2.75%	109	-8.17%	114	-11.99%
Winter 24	119	120	-0.83%	125	-4.83%	131	-9.34%
Summer 25	93	94	-0.59%	95	-2.49%	97	-4.28%
Winter 25	107	109	-1.70%	111	-3.62%	117	-8.75%

## Gas Analysis

Gas p/th	02/10/2023	Previous Day		Last Week		Last Month	
		29/09/2023	Change	25/09/2023	Change	01/09/2023	Change
Day Ahead	88	97	-8.81%	110	-20.00%	87	1.15%
Nov-23	101	105	-4.17%	120	-16.04%	113	-10.49%
Dec-23	115	118	-2.83%	132	-12.73%	132	-12.73%
Q1 24	123	126	-2.21%	139	-11.25%	139	-11.42%
Summer 24	115	118	-2.25%	128	-10.21%	130	-11.50%
Winter 24	132	134	-1.30%	143	-7.65%	146	-9.51%
Summer 25	108	110	-1.84%	115	-5.70%	114	-5.29%
Winter 25	119	120	-0.60%	125	-5.15%	124	-4.33%

UK Power - Annual Prices (£/MWh)



UK Gas - Annual Prices (p/Th)

