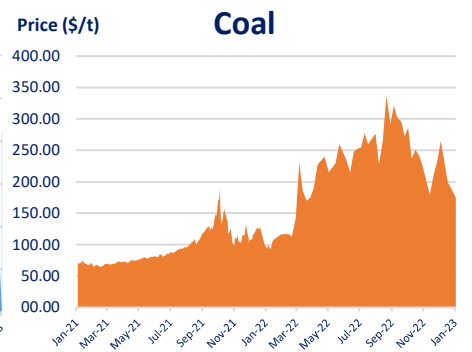
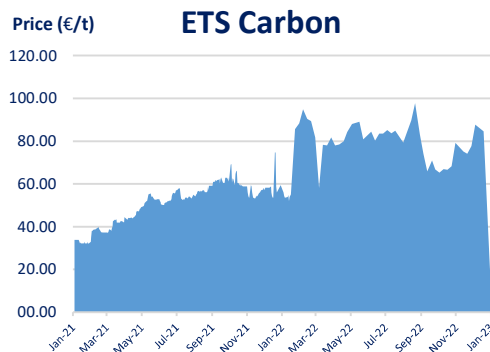
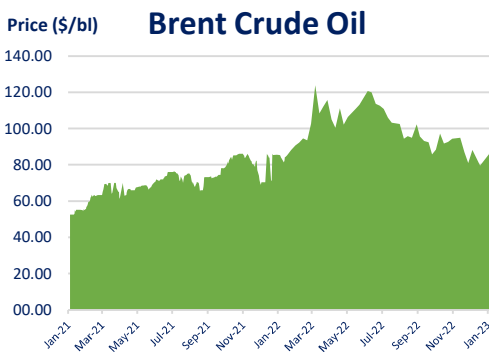
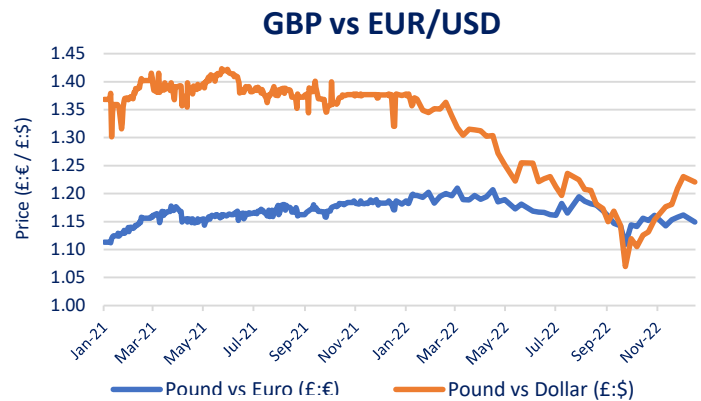


The UK's gas system began the first working week of the new year slightly short, a result of some minor reductions in Norwegian flows via North Sea pipelines. This comes as a result of extended maintenance at two processing facilities though the resultant upside price risk is limited given that they are expected to reach their resolution in the coming days. Battling market illiquidity throughout the festive period, prices did actually turnout a net reduction from start to finish with both short and long term prices responding bearishly to an improving demand/supply complex. Temperatures are forecasted to sit above seasonal normal levels over the course of January, which should alleviate pressures on the UK's gas system. Movements thus far in this morning's session are fairly muted but showing some generally downward movement.

The recent resurgence in Brent Crude Oil prices has been curbed in early 2023, as bearish sentiment surrounded demand forecasts. The International Monetary Fund has forecast that roughly third of the world's economies are about to slide into a recession this year which has had a damning impact on forecasted fuel demand. Furthermore, damning Chinese manufacturing data has indicated that a wave of Covid infections continued to impact negatively on oil demand in the country. Elsewhere, Coal prices continue to appreciate in value. Indeed, forecasts of increased demand for the commodity continue to focus on the shortage of Russian natural gas entering the global market. Sterling entered the New Year well supported against the Euro but is having its recovery impinged by growing investor confidence in the European Central Bank's recent responses to the current economic climate. This has prompted forecasts for increased interest rates across the Eurozone and a consequent curbing of inflation, bolstering the Euro's mid-term outlook against the Pound and prompting suggestions that Sterling's recovery has – for the interim at least – run its course. General investor sentiment seems to suggest that a recovery in UK economic sentiment will only occur next calendar year but for the time being is very much centred on inflation figures.

## Currency & Commodities

<b>Pound vs Dollar (£:\$)</b>	1.192
<b>Pound vs Euro (£:€)</b>	1.130
<b>Brent Crude Oil (\$/bl)</b>	85.97
<b>EU ETS Carbon (€/t)</b>	83.97
<b>API2 Coal (\$/t)</b>	175.21



# Weekly Energy Market Report

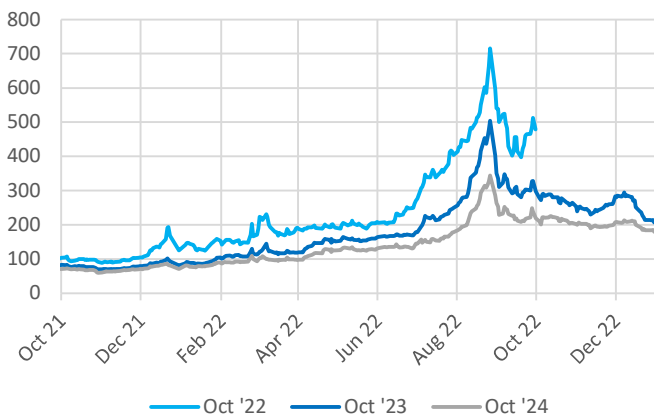
## Power Analysis

Power £/MWh	03/01/2023	Previous Day		Last Week		Last Month	
		30/12/2022	Change	27/12/2022	Change	02/12/2022	Change
Day Ahead	109	106	2.83%	110	-0.91%	264	-58.71%
Feb-23	212	203	4.15%	247	-14.45%	522	-59.50%
Mar-23	202	179	12.31%	206	-2.41%	362	-44.33%
Apr-23	208	209	-0.53%	224	-6.84%	325	-36.01%
Q2 23	230	208	10.32%	222	3.39%	322	-28.66%
Summer 23	210	201	4.40%	214	-1.92%	302	-30.54%
Winter 23	234	234	0.01%	244	-4.23%	335	-30.20%
Summer 24	175	175	-0.04%	179	-2.46%	224	-21.86%
Winter 24	210	234	-10.25%	244	-14.05%	335	-37.36%
Summer 25	144	145	-0.47%	148	-2.98%	162	-10.92%

## Gas Analysis

Gas p/th	03/01/2023	Previous Day		Last Week		Last Month	
		30/12/2022	Change	27/12/2022	Change	02/12/2022	Change
Day Ahead	161	160	0.63%	155	3.87%	325	-50.46%
Feb-23	179	186	-3.79%	211	-15.19%	341	-47.45%
Mar-23	183	188	-2.76%	212	-13.77%	341	-46.28%
Apr-23	194	201	-3.35%	221	-12.30%	339	-42.72%
Q2 23	195	201	-3.24%	221	-11.89%	335	-41.87%
Summer 23	193	201	-4.04%	220	-12.26%	332	-41.91%
Winter 23	222	220	0.87%	236	-5.98%	342	-35.18%
Summer 24	184	184	-0.09%	193	-4.75%	235	-21.59%
Winter 24	194	220	-11.85%	236	-17.83%	342	-43.36%
Summer 25	142	142	-0.20%	143	-0.57%	162	-12.28%

UK Power - Annual Prices (£/MWh)



UK Gas - Annual Prices (p/therm)

