

Weekly Energy Market Report

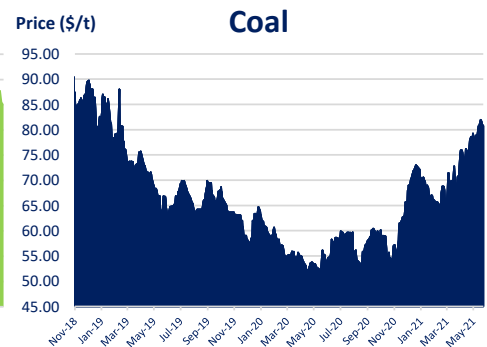
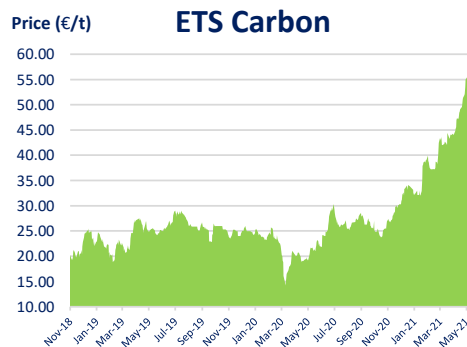
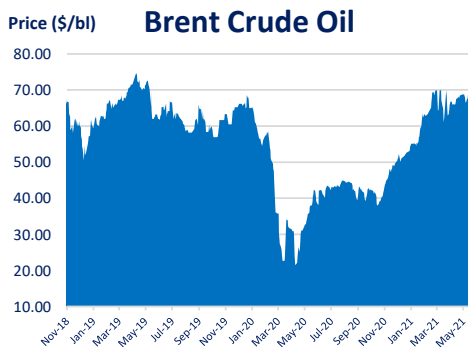
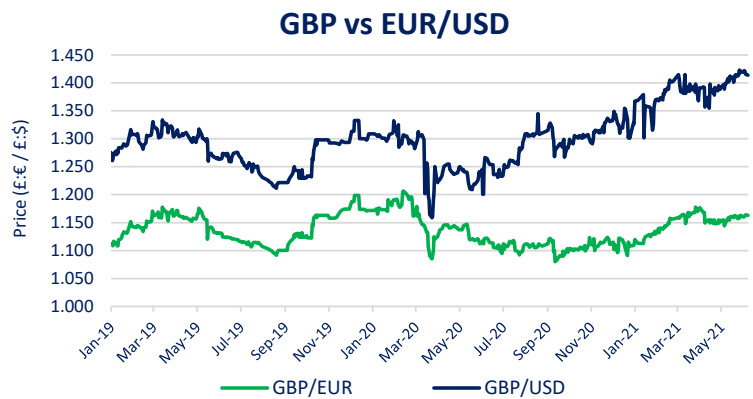
Commentary

07/06/2021

After a rather subdued ending to proceedings last week, this morning's session has opened in bullish fashion. For near-curve movements, this is owing to a rather weak wind generation complex placing greater pressures on gas-fired generation levels making up the National Grid's stack. That said, most of the short term, immediate demand/supply news is relatively bearish. Indeed, flows from Norway into the UK enter at close to full capacity and the UK's national demand levels are well below seasonal norms (owing to warmer temperatures). However, in the background of all of this are the low storage figures in the UK and NW Europe, catalysing any bullish movements and dampening downward sentiment. Maintenance at key gas infrastructure points is also ongoing but should this subside, and warmer temperatures persist, storage levels could have ample opportunity to improve. Carbon, while down on Friday, continues to trade above 50 €/t and in very close correlation to gas and electricity price movements across Europe. Elsewhere, this morning's session has seen the historic benchmark for global commodities, Brent crude oil, tick downwards as market correction saw the commodity exhibit price weakness following a week of gains amid optimism about global demand recovery and vaccination roll-outs. Brent is currently trading above \$71/bl, a far cry from the lows seen in the depth of the Pandemic. Pound Sterling has come under pressure at the start of the new week amidst warnings that the UK's previously "irreversible" journey out of lockdown could be delayed. With cases on the rise, once more it appears the government may not go ahead with the final step of easing, due on 21st of this month. According to Health Secretary Matt Hancock, the Government is "absolutely open" to delaying the June 21 unlocking. Media reports appear to suggest a two-week delay until 5th July is under discussion by scientists and civil servants.

Currency & Commodities

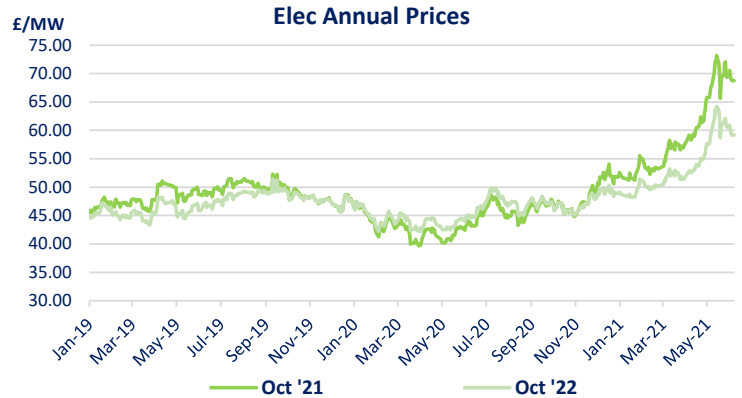
Pound vs Dollar (£:\$)	1.414
Pound vs Euro (£:€)	1.163
Brent Crude Oil (\$/bl)	71.38
EU ETS Carbon (€/t)	50.21
API2 Coal (\$/t)	80.78



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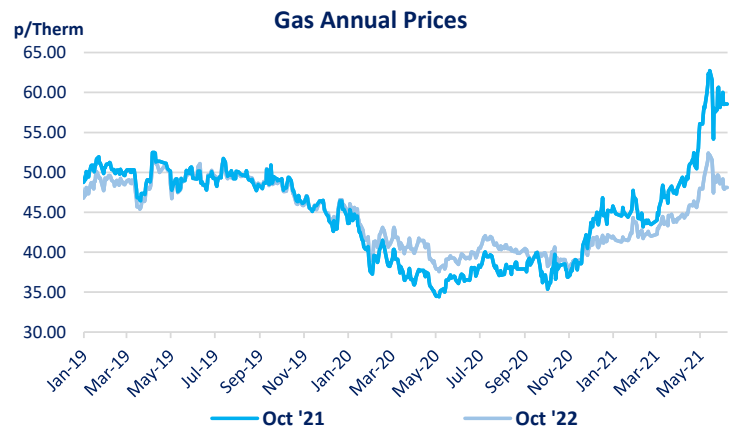
Electricity Analysis

Elec Futures	Price	Change	% Change
Jul-21	73.30	0.15	0.21%
Aug-21	72.45	0.05	0.07%
Sep-21	69.83	0.05	0.07%
Q3 21	74.63	0.01	0.01%
Q4 21	81.15	0.55	0.68%
W 21	81.25	0.50	0.62%
S 22	59.41	0.45	0.76%
W 22	68.98	0.15	0.22%
Oct 21 Annual	70.33	0.48	0.69%

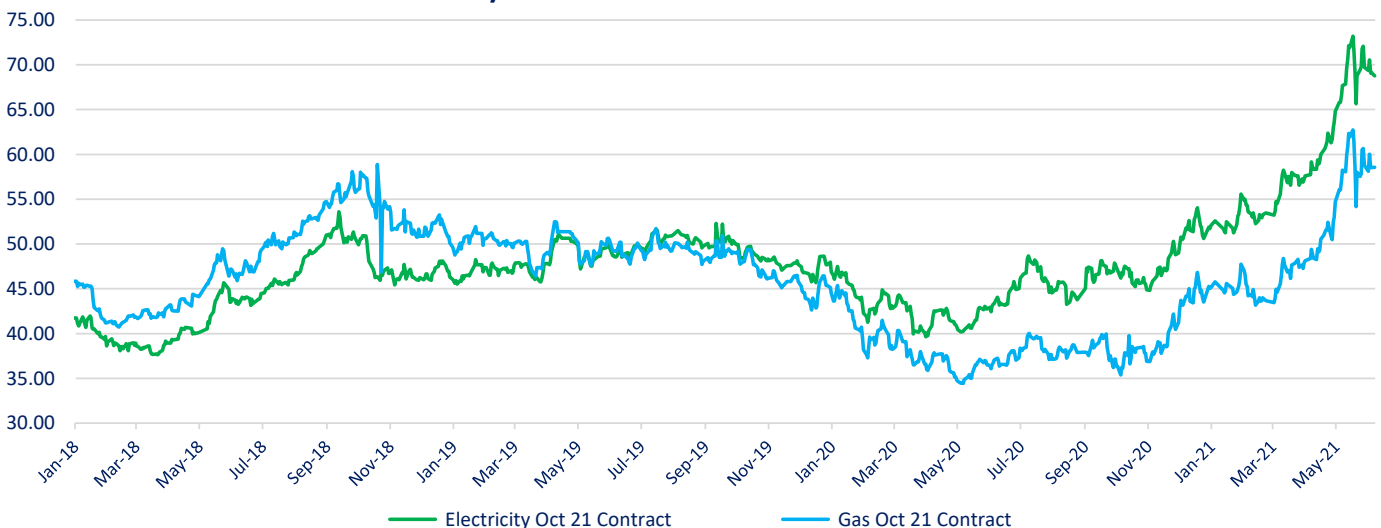


Gas Analysis

Gas Futures	Price	Change	% Change
Jul-21	63.69	0.98	1.56%
Aug-21	63.55	1.03	1.65%
Sep-21	63.89	1.02	1.62%
Q3 21	63.69	0.99	1.58%
Q4 21	70.15	0.87	1.26%
W 21	71.73	1.02	1.44%
S 22	46.99	0.65	1.40%
W 22	55.45	0.65	1.19%
Oct 21 Annual	59.36	0.84	1.43%



Elec / Gas October 2021 Annual Prices



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