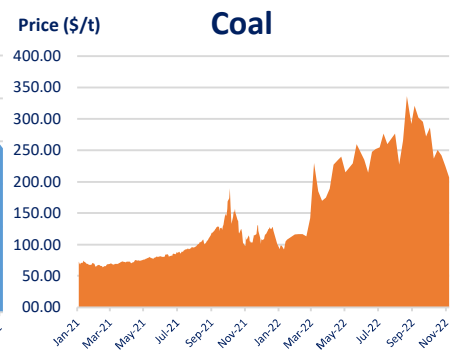
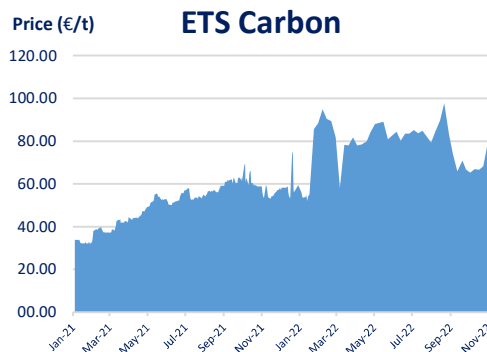
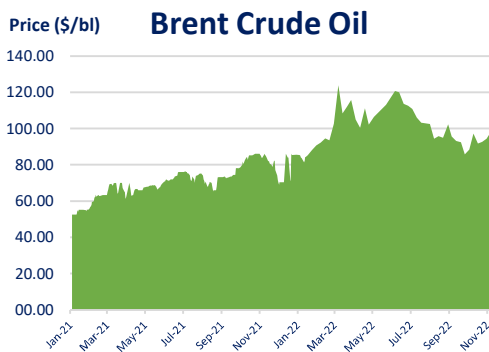
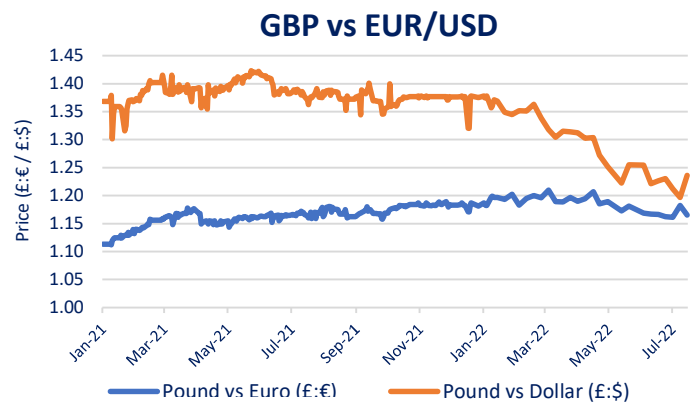


A forecasted increase in temperatures over the next week or so has seen price softening for shorter-term contracts in both gas and electricity markets. The persistence of these milder temperatures ensures lower heating demand in the UK and Europe and hence alleviates the pressure on short-term gas supply. Forecasts are predicting a cold end to November and a chilly December though, in reality, these are within range of seasonal norms and haven't had any bullish impact on price movements. European storage levels are heading into Winter at comfortable levels, far more so than had been previously predicted, which is seeing some risk fall out of the market. Upside risk largely sits in 2023 where an expectation of tight supply remains – particularly if there's a drop in Northern hemisphere temperatures and an increase in Asian LNG demand.

Oil prices have retracted by more than more than \$1/bl in Monday's morning session. This came as Chinese health officials reiterated their stringent COVID containment approach, continuing their aims for a zero-cases policy and consequently dashing hopes of a rebound in demand from the world's largest crude oil importer. Additionally, the easing of Winter supply fears as seen a correlated easing of coal prices globally. In the Carbon sphere, analysts have reduced their price forecasts for EU carbon allowances over the next two years, based on expectations of weaker economies across Europe and the likelihood of lower industrial output continentally. In tandem, as the European Commission looks set to increase its permit supply of EUAs, an unusual move in recent history, which should result in price decreases. The Pound weakened further against the Euro, as heavy losses were witnessed in the aftermath of the Bank of England's interest rate decision. There remains a risk that further losses could be forthcoming should general market perception of the UK economy and hence currency remain skittish in the coming weeks. Friday's release of UK GDP data will be telling. The Bank of England referenced its latest forecasts in indicating that they were of the belief that the recent interest rate hike should be enough to ensure that inflation returns down to the 2% target in the years ahead. So ultimately, unless there are fundamental shifts in market patterns ahead of upcoming Monetary Policy Committee meetings at the Bank, investors and market participants alike should not expect the base rate to rise further from November's newly-increased level of 3%.

Currency & Commodities

Pound vs Dollar (£:\$)	1.145
Pound vs Euro (£:€)	1.147
Brent Crude Oil (\$/bl)	98.25
EU ETS Carbon (€/t)	76.68
API2 Coal (\$/t)	206.86



Weekly Energy Market Report

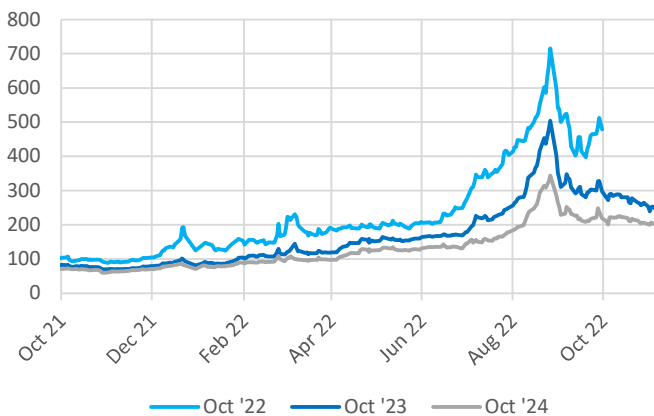
Power Analysis

Power £/MWh	07/11/2022	Previous Day		Last Week		Last Month	
		04/11/2022	Change	31/10/2022	Change	07/10/2022	Change
Day Ahead	82	117	-29.61%	95	-13.68%	148	-44.41%
Dec-22	307	310	-1.24%	323	-5.16%	650	-52.81%
Jan-23	657	664	-1.03%	674	-2.47%	788	-16.64%
Feb-23	619	620	-0.20%	636	-2.62%	786	-21.28%
Q1 - 23	492	535	-8.10%	521	-5.57%	690	-28.71%
Q2 23	237	279	-15.20%	280	-15.46%	323	-26.68%
Summer 23	227	263	-13.53%	263	-13.66%	308	-26.22%
Winter 23	277	289	-4.24%	295	-6.14%	333	-16.85%
Summer 24	200	201	-0.46%	203	-1.55%	224	-10.58%
Winter 24	229	289	-20.84%	295	-22.41%	333	-31.26%

Gas Analysis

Gas p/th	07/11/2022	Previous Day		Last Week		Last Month	
		04/11/2022	Change	31/10/2022	Change	07/10/2022	Change
Day Ahead	75	100	-25.50%	66	12.71%	180	-58.61%
Dec-22	274	283	-3.37%	301	-9.06%	427	-35.93%
Jan-23	313	328	-4.56%	335	-6.52%	451	-30.51%
Feb-23	321	337	-4.67%	345	-6.92%	466	-31.11%
Q1 - 23	316	331	-4.51%	339	-6.67%	456	-30.58%
Q2 23	297	297	-0.14%	302	-1.70%	392	-24.32%
Summer 23	290	290	-0.06%	295	-1.77%	385	-24.59%
Winter 23	310	311	-0.18%	317	-2.34%	405	-23.42%
Summer 24	228	229	-0.34%	239	-4.77%	263	-13.26%
Winter 24	240	311	-22.72%	317	-24.39%	405	-40.72%

UK Power - Annual Prices (£/MW)



UK Gas - Annual Prices (p/therm)

