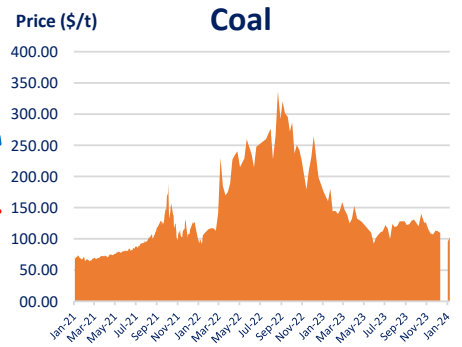
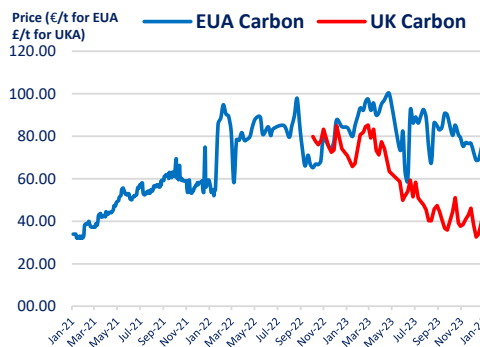
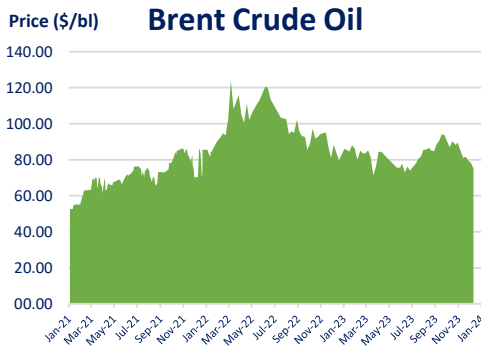
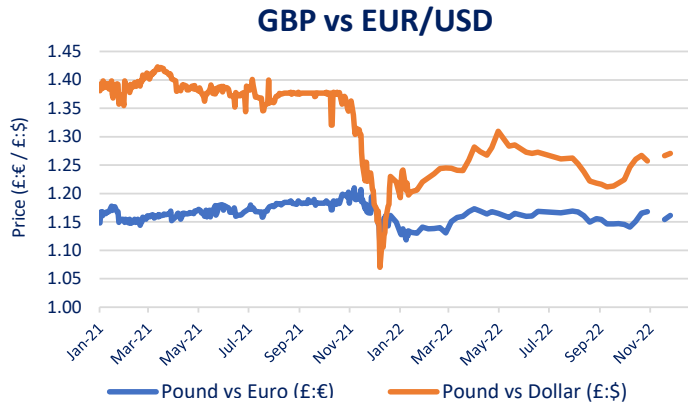


This morning, the UK system is slightly shorter, as we begin to navigate the colder temperatures and there is an increase in demand being observed. To help meet this increase in demand, we observe an increase in withdrawals from storage, LNG sendout and higher flows from Norway. The latest EC46 suggests a slightly warmer outlook as temperatures will begin to climb after tomorrow, peaking on 12 January, before dipping again until 17 January where they will climb once more and remain rangebound around seasonal norm for the remainder of the run from 20 January. Where the temperatures are expected to dip, this is still much below SNT, but an improvement on prior forecasts. Wind generation in the UK is forecast to be mixed but we should see some good outputs over the coming weeks which could alleviate some of the requirement for increased gas demand. After receipt of three LNG cargoes over the weekend, there are an expected twelve further to dock at UK terminals by the end of January, with the majority coming from USA.

Oil prices fell by more than 1% on Monday on sharp price cuts by top exporter Saudi Arabia and a rise in OPEC output, offsetting worries about escalating geopolitical tension in the Middle East. Rising supply and competition with rival producers prompted Saudi Arabia on Sunday to cut the February official selling price (OSP) of its flagship Arab Light crude to Asia to the lowest level in 27 months. Focusing purely on the fundamentals including, higher inventories, higher OPEC/non-OPEC production, and a lower-than-expected Saudi OSP, it would be impossible to be anything other than bearish crude oil. The Red Sea tensions are the only counterweight, albeit a relatively weak and intermittent one. Pound Sterling holds onto gains registered against the Euro and the majority of G10 currencies in the first week of 2024, thanks to receding interest rate cut bets. Support for the currency comes from a much-watched survey of the UK labour market that shows wage pressures remained elevated heading into year-end, tempering expectations that the Bank of England will imminently cut interest rates. The Dollar was the top-performing major currency as 2024 got underway, with the Pound coming in a close second. Key to this outperformance by Sterling and the Greenback is the easing in expectations for the scale of rate cuts due at both the Federal Reserve and Bank of England.

Currency & Commodities

Pound vs Dollar (£:\$)	0.000
Pound vs Euro (£:€)	0.000
Brent Crude Oil (\$/bl)	0.00
EU ETS Carbon (€/t)	69.22
API2 Coal (\$/t)	0.00



Weekly Energy Market Report

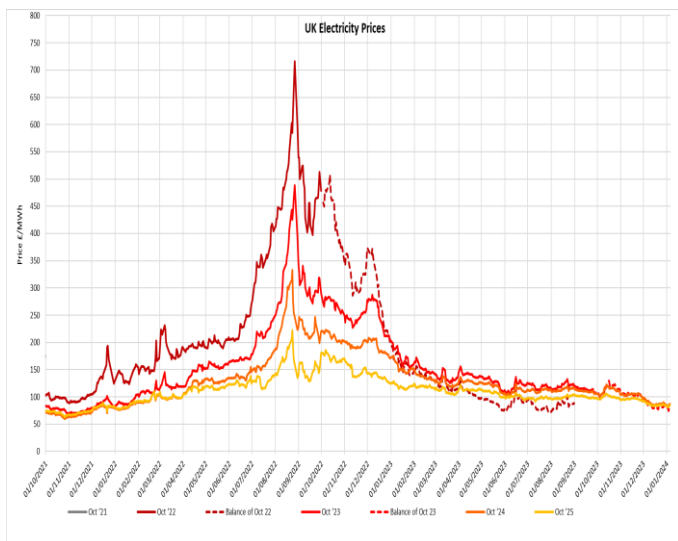
Power Analysis

Power £/MWh	08/01/2024	Previous Day		Last Week		Last Month	
		05/01/2024	Change	29/12/2023	Change	08/12/2023	Change
Day Ahead	91.50	83.00	10.24%	59.00	55.08%	81.00	12.96%
Feb-24	83.88	89.20	-5.96%	86.20	-2.69%	92.79	-9.60%
Mar-24	87.13	82.45	5.68%	80.95	7.63%	88.93	-2.02%
Q2 24	78.88	79.28	-0.51%	77.72	1.50%	83.67	-5.73%
Summer 24	79.41	79.41	0.00%	78.03	1.78%	83.80	-5.24%
Winter 24	95.79	95.84	-0.05%	95.72	0.08%	100.35	-4.55%
Summer 25	77.48	77.51	-0.04%	77.36	0.16%	81.65	-5.11%
Winter 25	92.84	92.87	-0.03%	93.38	-0.58%	94.50	-1.76%

Gas Analysis

Gas p/th	08/01/2024	Previous Day		Last Week		Last Month	
		05/01/2023	Change	29/12/2023	Change	08/12/2023	Change
Day Ahead	84.10	87.00	-3.33%	78.25	7.48%	95.10	-11.57%
Feb-24	81.88	87.02	-5.91%	80.71	1.45%	98.30	-16.70%
Mar-24	81.60	86.39	-5.54%	80.81	0.98%	98.01	-16.74%
Q2 24	80.78	85.16	-5.15%	80.80	-0.03%	95.92	-15.78%
Summer 24	80.83	85.35	-5.29%	81.00	-0.21%	95.71	-15.55%
Winter 24	96.54	100.17	-3.62%	98.52	-2.01%	111.95	-13.76%
Summer 25	83.30	86.36	-3.54%	84.51	-1.43%	94.02	-11.40%
Winter 25	92.44	94.98	-2.67%	93.41	-1.04%	104.20	-11.29%

UK Power - Annual Prices (£/MW)



UK Gas - Annual Prices (p/Th)

