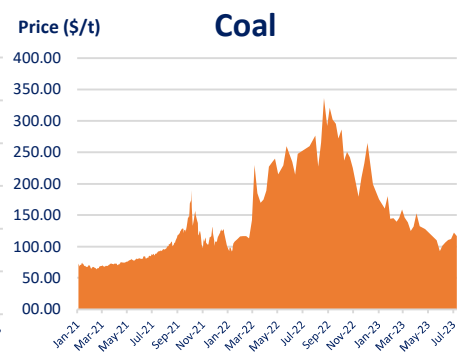
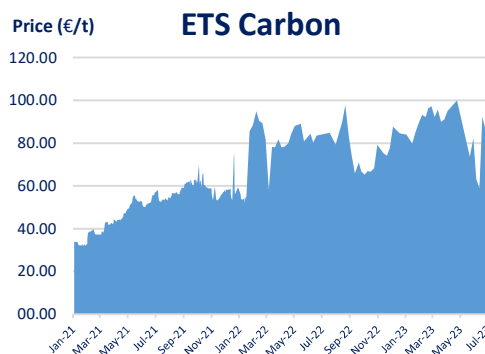
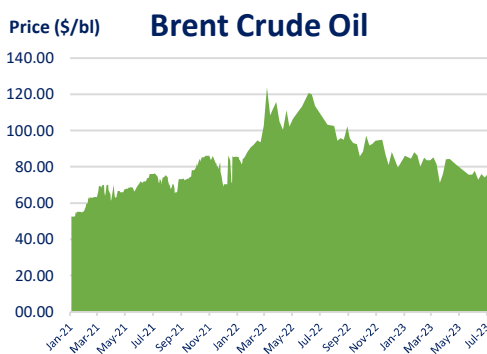
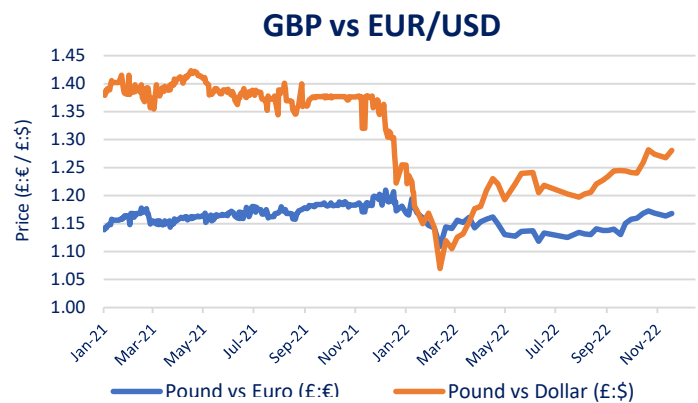


Downward movements seen during this morning's opening session have reversed some of Friday's movements and have been driving by a softening demand/supply picture. Indeed, the UK's gas system opening in oversupply this morning, with gas flows via the Langeled pipeline increasing, and the conclusion of maintenance at the Oseberg processing facility over the weekend, have all contributed to this. A temperature forecast which generally sits above seasonal normal levels over the next 45 days, and higher wind speeds are also aiding the picture. There is some upside risk resulting from the lack of LNG deliveries scheduled to arrive in the UK for the foreseeable – only one in a week's time – but there are a large number destined for north west Europe. Major oil benchmarks, in particular Brent Crude, are currently teetering between bullish and bearish movements given an array of conflicting fundamental drivers. The extent of China's economic recovery will prove key, with oil demand hitting expected to remain strong throughout 2023. Also, providing upside risk is the decision from Saudi Arabia and Russia to cut production in a bid to hike prices. On the downside, the ability for Central Banks to deal with inflationary pressures will also drive price direction. Lately, soaring inflation rates have seen oil traders sell stored oil in a bid to reduce their own costs. The result of this is a reduction in short-term contracts, but reduced oil in global storage which leaves the potential for price increases later in the year. The Pound to Euro exchange rate has traded close to mid-June above 1.17€ but early indication is that the exchange is likely to consolidate slightly downwards unless Sterling is able to provoke investor confidence this week. A number of key UK economic data releases could instigate this, particularly regarding employment and GDP figures, but early suggestions are that such drivers are fairly unlikely. The release of employment and wage growth figures is due on Tuesday and GDP data on Thursday, and both are expected to display a slip in economic growth trajectory, with a second-quarter contraction during May completely reversing the 0.2% expansion seen in April.

Currency & Commodities

Pound vs Dollar (£:\$)	1.282
Pound vs Euro (£:€)	1.168
Brent Crude Oil (\$/bl)	77.85
EU ETS Carbon (€/t)	97.39
API2 Coal (\$/t)	116.65



Weekly Energy Market Report

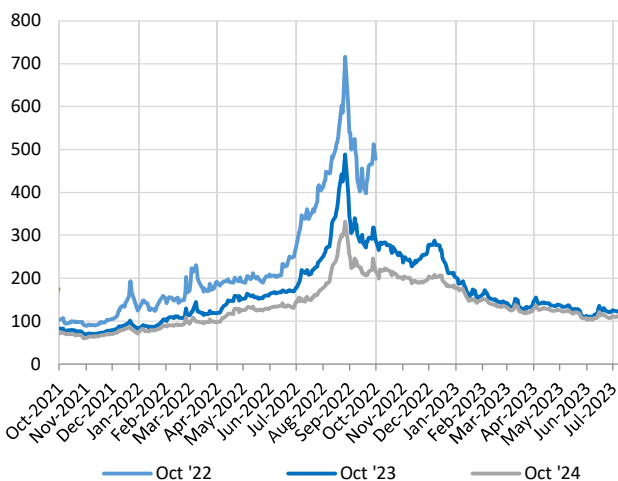
Power Analysis

Power £/MWh	10/07/2023	Previous Day		Last Week		Last Month	
		07/07/2023	Change	03/07/2023	Change	09/06/2023	Change
Day Ahead	87	88	-0.85%	86	1.45%	60	46.03%
Aug-23	82	85	-3.09%	90	-8.89%	89	-7.48%
Sep-23	90	92	-1.93%	96	-6.00%	98	-8.11%
Q4 23	118	119	-0.58%	122	-2.88%	121	-2.53%
Q1 24	135	135	-0.30%	134	0.59%	127	6.16%
Winter 23	127	127	-0.06%	128	-0.70%	124	2.28%
Summer 24	116	116	-0.02%	114	1.73%	102	13.69%
Winter 24	131	127	3.28%	128	2.62%	124	5.70%
Summer 25	99	99	0.00%	92	7.53%	96	3.69%

Gas Analysis

Gas p/th	10/07/2023	Previous Day		Last Week		Last Month	
		07/07/2023	Change	03/07/2023	Change	09/06/2023	Change
Day Ahead	78	81	-3.10%	84	-6.85%	79	-0.32%
Aug-23	79	82	-3.16%	84	-5.24%	82	-3.03%
Sep-23	85	88	-3.08%	88	-3.24%	86	-0.25%
Q4 23	122	123	-1.04%	120	1.94%	113	8.25%
Q1 24	144	145	-0.88%	137	4.77%	126	14.14%
Winter 23	133	134	-0.95%	129	3.45%	119	11.36%
Summer 24	132	134	-1.12%	123	7.24%	112	17.91%
Winter 24	144	134	7.24%	129	12.00%	119	20.57%
Summer 25	108	109	-1.34%	102	6.12%	102	6.13%

UK Power - Annual Prices (£/MW)



UK Gas - Annual Prices (p/th)

