

The UK gas system has opened undersupplied this morning, despite flows from Norway being stable on the previous day. LNG sendout is down slightly and UKCS terminal receipts are also slightly lower with rough storage withdrawals decreasing today, whilst a planned outage at Barrow North gas terminal has been extended to tomorrow, curtailing capacity. Temperatures are largely expected to remain above seasonal normal this week and for the remainder of December. Windspeeds for the next few days are just below normal levels, however following these particular days we are currently expecting to see a two week period of high winds which should limit the requirement for gas burn to generate electricity, in this time. We currently observe 18 LNG cargoes inbound to UK shores by 07 January, bringing an abundance of supply in the colder months.

Both crude oil benchmarks fell for a seventh straight week, posting their longest streak of weekly declines in half a decade, on lingering oversupply concerns. Even though oil reported its longest weekly losing streak since 2018, Brent and US WTI posted their first gain in six sessions on Friday, which analysts said could be a sign that the market has found a floor for now after falling for six straight sessions. European carbon prices slid back below a key level on Friday after an early rally had pushed the market to its highest in three days, maintaining a close correlation with energy prices that snapped a two-day rising streak amid continued mild weather. The Pound to Dollar exchange rate came under pressure last week as the impressive November rally failed and turned lower, but Pound Sterling's uptrend has the potential to continue. This is an action-packed week regarding UK data, and the rule of thumb is that the Pound will likely rise if the actual figure comes in higher than the expected reading, but we suspect the currency will experience a greater downside reaction to disappointments. This week sees the release of UK wage data, UK GDP data, Bank of England interest rate decision and guidance update and S&P Global PMI.

Currency & Commodities

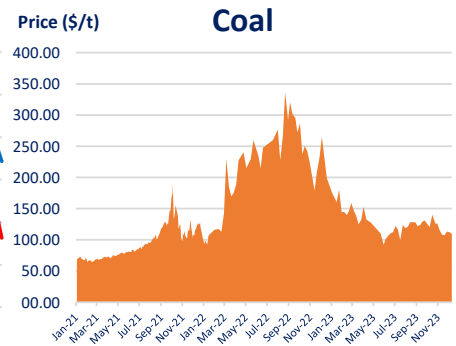
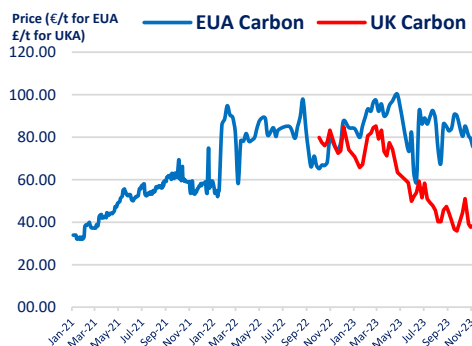
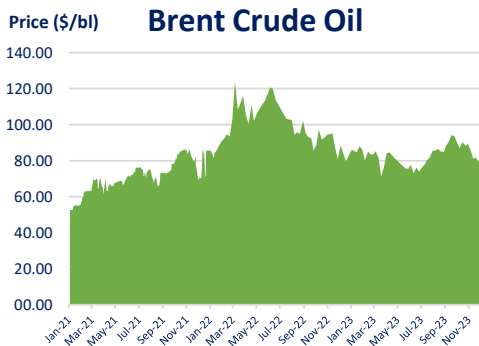
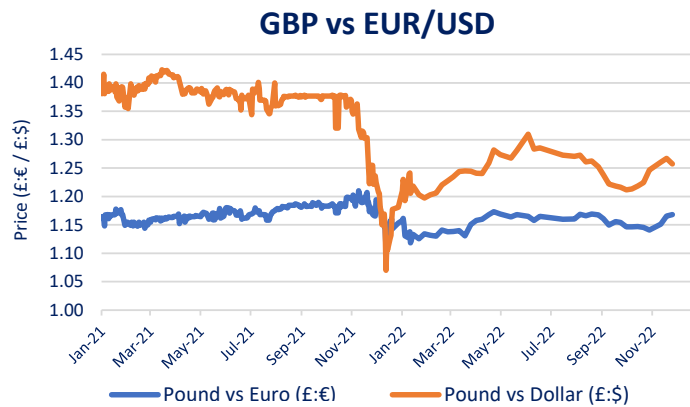
Pound vs Dollar (£:\$) 1.258

Pound vs Euro (£:€) 1.168

Brent Crude Oil (\$/bl) 75.14

EU ETS Carbon (€/t) 68.63

API2 Coal (\$/t) 109.55



Weekly Energy Market Report

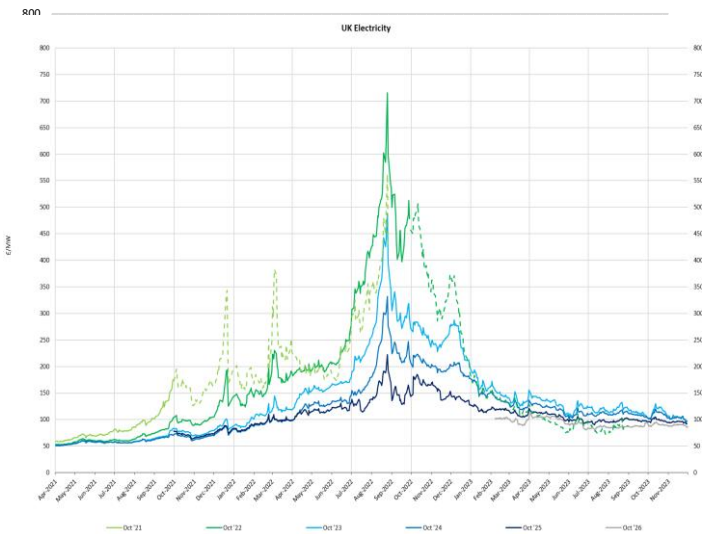
Power Analysis

Power £/MWh	11/12/2023	Previous Day		Last Week		Last Month	
		06/12/2023	Change	04/12/2023	Change	10/11/2023	Change
Day Ahead	85.50	86.50	-1.16%	113.50	-24.67%	96.00	-10.94%
Jan-24	85.75	91.00	-5.77%	94.07	-8.84%	117.00	-26.71%
Feb-24	89.00	93.77	-5.09%	97.45	-8.67%	121.43	-26.71%
Q1 24	91.35	91.75	-0.44%	94.59	-3.43%	115.72	-21.06%
Summer 24	80.09	84.64	-5.38%	88.00	-8.98%	100.36	-20.19%
Winter 24	100.36	101.20	-0.83%	103.90	-3.41%	119.49	-16.01%
Summer 25	81.65	83.03	-1.67%	86.13	-5.21%	89.86	-9.14%
Winter 25	102.25	95.42	7.16%	98.65	3.65%	105.35	-2.94%

Gas Analysis

Gas p/th	11/12/2023	Previous Day		Last Week		Last Month	
		08/12/2023	Change	04/12/2023	Change	10/11/2023	Change
Day Ahead	88.13	94.28	-6.52%	97.75	-9.84%	104.00	-15.26%
Jan-24	91.75	97.10	-5.51%	100.76	-8.94%	126.11	-27.25%
Feb-24	93.09	98.30	-5.30%	102.84	-9.48%	128.92	-27.79%
Q1 24	92.73	97.80	-5.19%	101.93	-9.02%	127.12	-27.06%
Summer 24	91.28	95.71	-4.63%	99.30	-8.07%	117.95	-22.61%
Winter 24	107.97	111.95	-3.55%	115.07	-6.17%	132.32	-18.40%
Summer 25	91.95	94.02	-2.20%	97.77	-5.95%	105.27	-12.65%
Winter 25	99.50	104.20	-4.51%	107.45	-7.40%	115.03	-13.50%

UK Power - Annual Prices (£/MW)



UK Gas - Annual Prices (p/Th)

