

# Weekly Energy Market Report

## Commentary

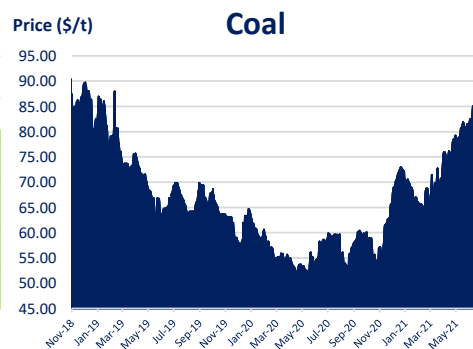
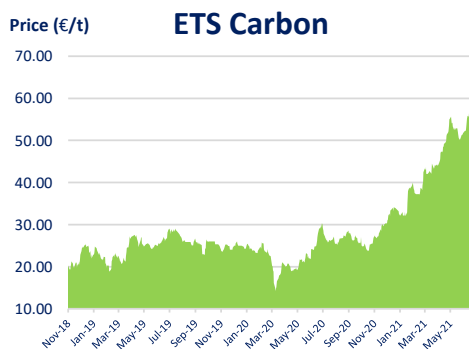
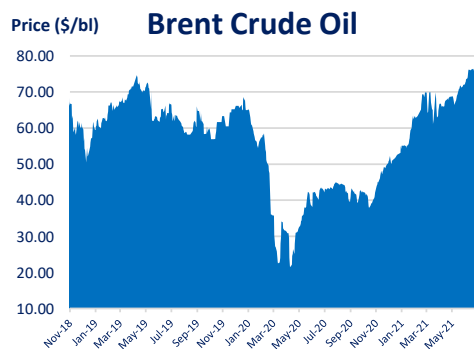
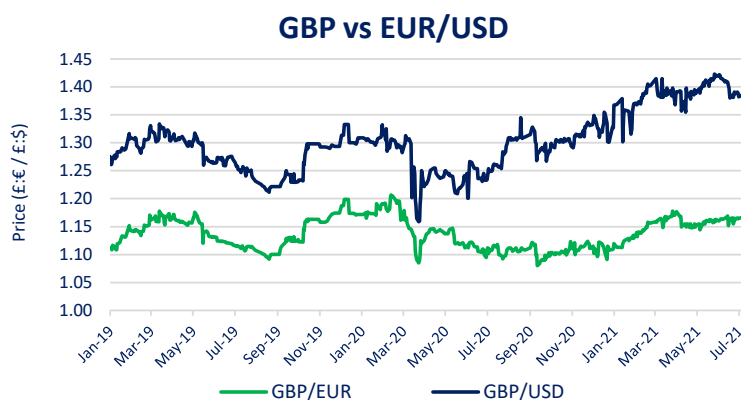
12/07/2021

UK gas and power markets closed the week strongly, ticking upwards in response to a number of indicators driving movements across Europe. Ongoing maintenance at key infrastructure continues to curtail supply levels heading into the UK, while strength in Japanese-Korean gas prices (JKM) also continued to divert LNG supply eastwards, restricting incoming deliveries to the UK and NW Europe. This has raised further concerns given that there is scheduled maintenance at the Nord Stream pipeline due to begin this week. This morning has seen a softening of prices, correcting some of Friday's upward movements. This comes as a result of gas demand remaining below seasonal normal levels from a demand/supply perspective.

Commodity-wise, the Brent Crude Oil price and EUA Carbon price both lifted on Friday's session, the former responding to suggestions of improving global demand and tightening US supply stocks last week, the latter responding to bullish European energy prices. This morning's opening has seen the price of oil slip slightly in response to concerns that the spread of COVID-19 variants could limit global growth potential and thus outweigh some of the upside sentiment that has recently taken hold of the market. Tightening supply forecasts remain a driver. While the Pound has strengthened more consistently throughout 2021 than most of its peers, there are suggestions that this upward rise may have run out of steam. Indeed, much of this movement was centred on the UK's quick rollout of Covid-19 vaccines that caught investor attention and improved confidence in the UK's economic recovery post-COVID. The easing of restrictions still due to be lifted on the 19th July, has played a part in Sterling strength but - with this date being widespread knowledge for some weeks now - is likely already factored into the Pound's current valuation.

## Currency & Commodities

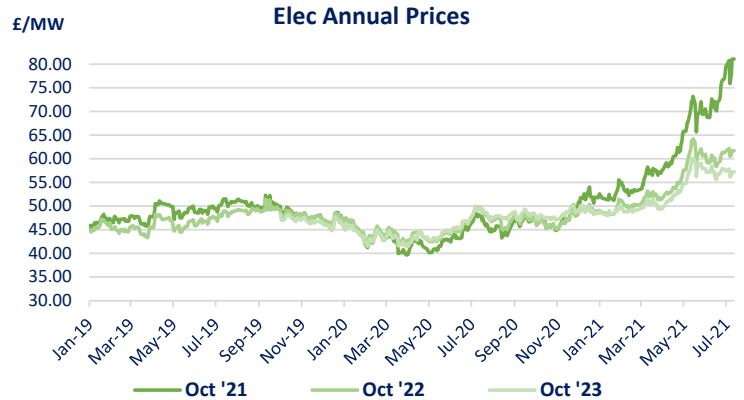
<b>Pound vs Dollar (£:\$)</b>	1.385
<b>Pound vs Euro (£:€)</b>	1.169
<b>Brent Crude Oil (\$/bl)</b>	74.35
<b>EU ETS Carbon (€/t)</b>	52.43
<b>API2 Coal (\$/t)</b>	88.23



# Weekly Energy Market Report

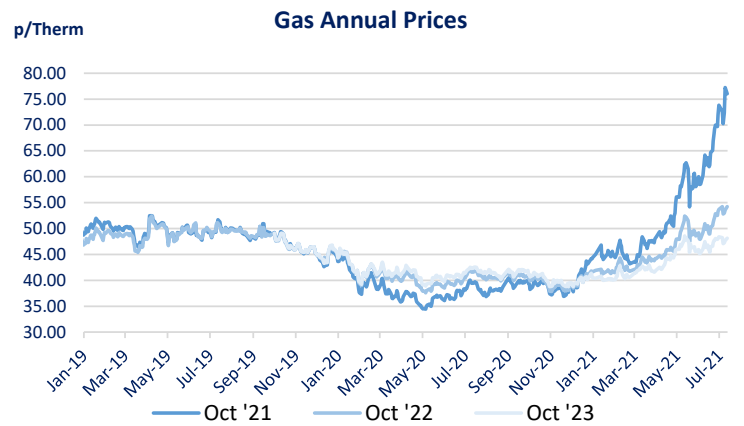
## Electricity Analysis

Elec Futures	Price	Weekly Change	
Aug-21	89.00	-2.00	-2.20%
Sep-21	90.38	-2.02	-2.19%
Oct-21	91.02	-2.58	-2.76%
Q4 21	96.02	-1.04	-1.07%
Q1 22	97.26	-3.79	-3.75%
W 21	95.00	-2.70	-2.76%
S 22	64.57	-1.08	-1.65%
W 22	71.51	-1.39	-1.91%
Oct 21 Annual	79.79	-1.89	-2.20%

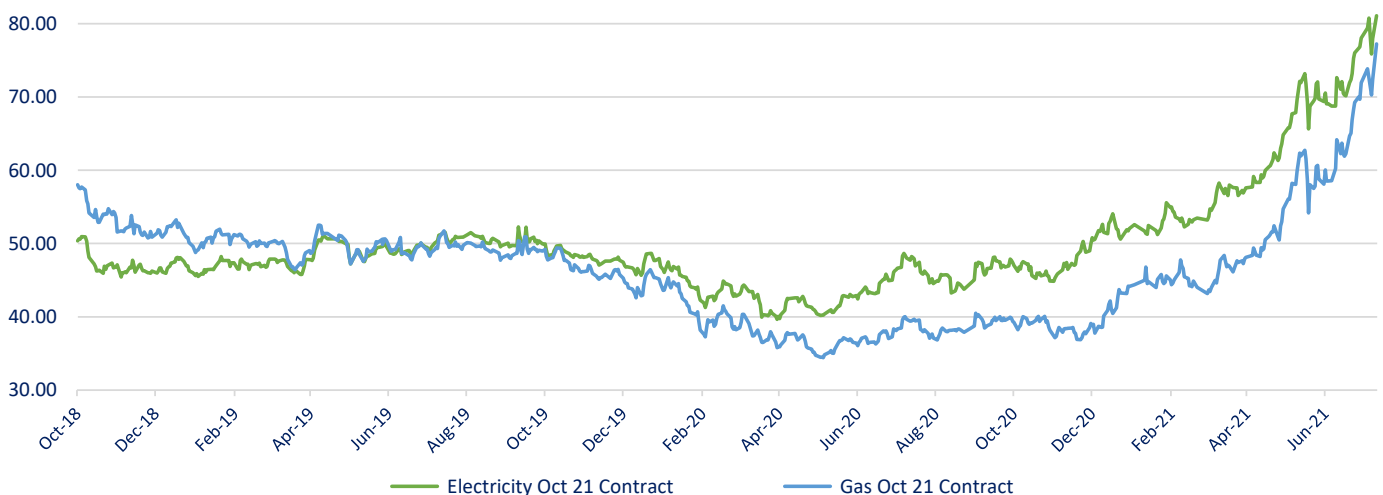


## Gas Analysis

Gas Futures	Price	Weekly Change	
Aug-21	86.38	-6.27	-6.77%
Sep-21	87.41	-6.09	-6.51%
Oct-21	89.16	-6.03	-6.33%
Q4 21	92.92	-5.36	-5.45%
Q1 22	92.60	-5.46	-5.57%
W 21	92.80	-5.38	-5.48%
S 22	56.85	-0.54	-0.94%
W 22	62.67	-0.97	-1.52%
Oct 21 Annual	74.83	-2.96	-3.81%



### Elec / Gas October 2021 Annual Prices



Brownlow Utilities Ltd. does not represent or endorse the accuracy or reliability of any of the information or content contained in this report. Under no circumstances will Brownlow Utilities Ltd. have any liability for any loss or damage by reliance on information obtained through this report which is used at your own risk. Under no circumstances should this report be used for investment purposes.