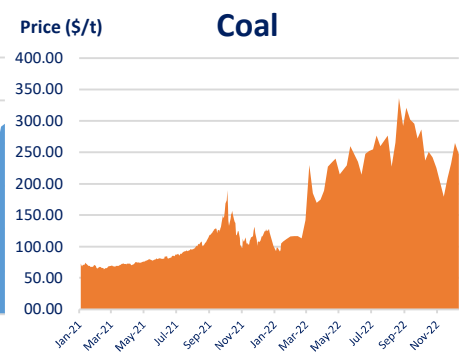
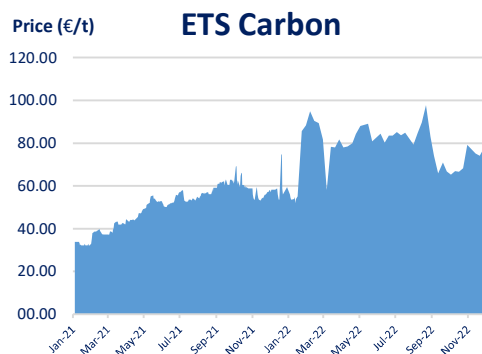
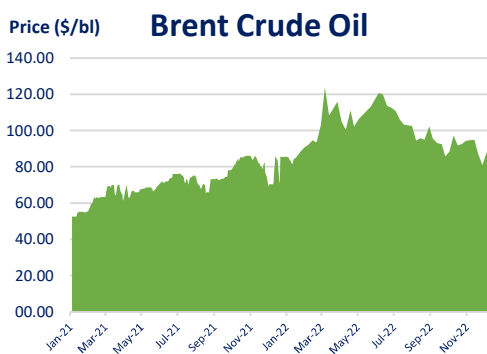
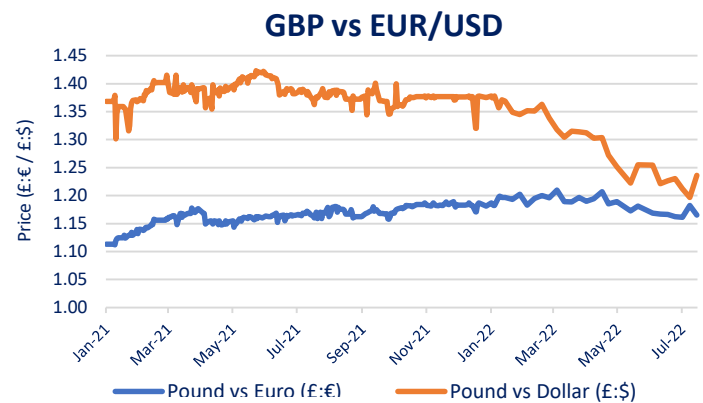


Energy prices closed the week quietly down following a week of consistent, albeit mild, increases. This morning's positions are trading in bearish fashion, owing to a healthy supply picture. The National Grid has commissioned the start-ups of 2 coal units at the Drax power station. There is no confirmation that these units will need to be used but it provides some well-received supply contingency in this week's cold snap. Some immediate shortness in supply is being covered by healthy flows into the UK from Europe and some withdrawals from mid-range storage. Furthermore, windspeeds are forecasted to increase from the current still conditions from tomorrow onwards which should help to alleviate the demand pressures placed on gas-for power generation. News of a plethora of inbound LNG deliveries to NW Europe, with 12 arriving at UK shores, has been warmly received.

Brent Crude Oil prices have traded bullishly thus far in today's session, lifting by more than 1% as the market responds to US supply uncertainty with a key Russian-US pipeline remaining shut and with no confirmed reopening date apparent. Downside risk for the commodity persists, driven by concerns of a forthcoming global recession and the consequent impact on oil demand. Elsewhere, EUA Carbon prices finished Friday's session down from the previous close but closed the week having gained from the previous. Prices were supported by a generally bullish energy picture on the continent. Sterling's recovery against continental counterparts has stalled and there is some potential for at least a partial reversal of its recent bull run. Market uncertainty is provoking this stance, driven by internal disagreement at the Bank of England's Monetary Policy Committee, who may have to forgo another UK inflation prediction later this week. Market expectations for base interest rates should be in this inflationary climate are deviating somewhat from the MPC's position on what measures will actually drive inflation back down towards its 2% target.

Currency & Commodities

Pound vs Dollar (£:\$)	1.227
Pound vs Euro (£:€)	1.163
Brent Crude Oil (\$/bl)	75.55
EU ETS Carbon (€/t)	89.12
API2 Coal (\$/t)	247.00



Weekly Energy Market Report

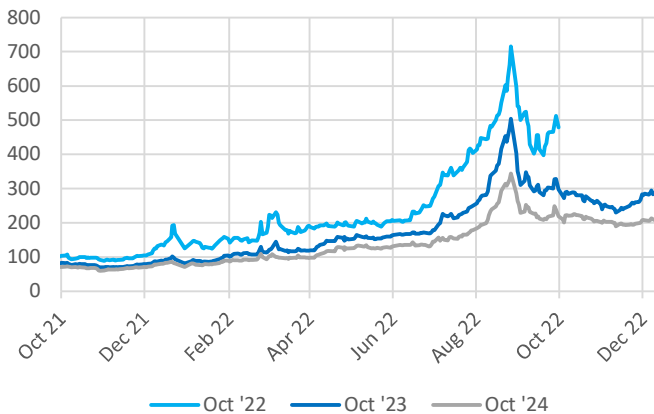
Power Analysis

Power £/MWh	12/12/2022	Previous Day		Last Week		Last Month	
		09/12/2022	Change	05/12/2022	Change	11/11/2022	Change
Day Ahead	412	340	21.18%	330	24.85%	111	272.01%
Jan-23	450	452	-0.42%	516	-12.71%	489	-7.90%
Feb-23	448	451	-0.59%	512	-12.48%	432	3.64%
Mar-23	271	312	-12.87%	339	-20.00%	252	7.90%
Q1 - 23	375	405	-7.34%	456	-17.69%	391	-4.05%
Q2 23	313	327	-4.15%	320	-2.15%	245	27.95%
Summer 23	307	308	-0.35%	301	2.10%	227	35.01%
Winter 23	326	338	-3.44%	332	-1.91%	269	21.17%
Summer 24	221	222	-0.35%	223	-0.72%	186	18.72%
Winter 24	250	338	-25.95%	332	-24.78%	269	-7.08%

Gas Analysis

Gas p/th	12/12/2022	Previous Day		Last Week		Last Month	
		09/12/2022	Change	05/12/2022	Change	11/11/2022	Change
Day Ahead	342	350	-2.29%	336	1.79%	100	242.00%
Jan-23	335	346	-3.15%	335	-0.11%	274	22.07%
Feb-23	339	349	-2.98%	338	0.33%	285	18.77%
Mar-23	337	349	-3.46%	338	-0.22%	277	21.69%
Q1 - 23	337	348	-3.20%	337	0.00%	279	20.82%
Q2 23	333	344	-3.19%	332	0.18%	252	32.24%
Summer 23	328	342	-3.96%	330	-0.64%	246	33.12%
Winter 23	339	352	-3.72%	339	-0.09%	274	23.61%
Summer 24	241	243	-0.88%	239	0.90%	217	10.95%
Winter 24	239	352	-32.12%	339	-29.56%	274	-12.85%

UK Power - Annual Prices (£/MW)



UK Gas - Annual Prices (p/therm)

