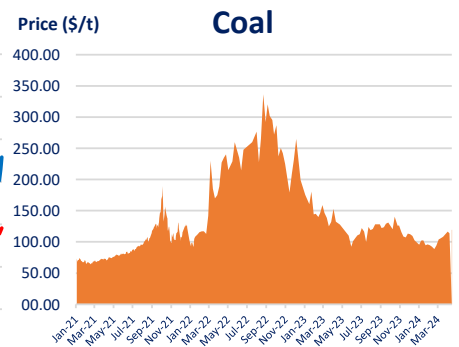
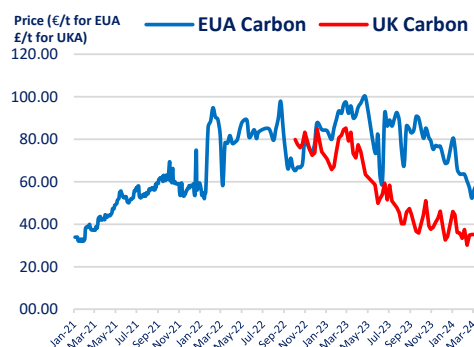
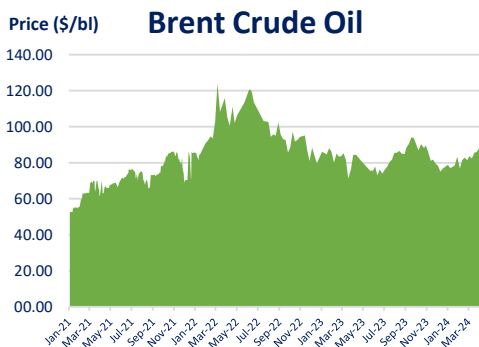
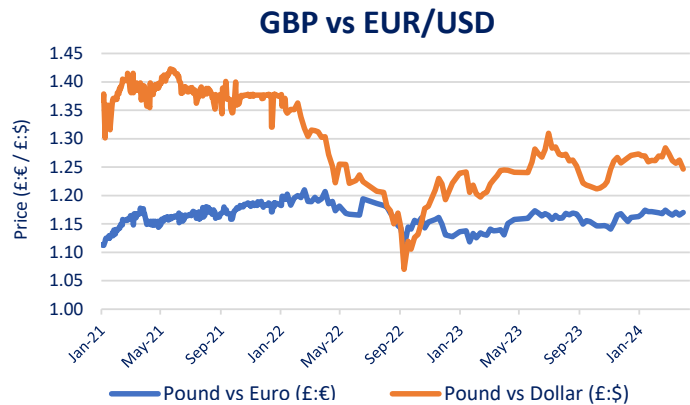


The UK system has opened short this morning. Last week, concerns grew over a potential Iranian attack on Israel, causing tension in energy markets, given Iran's significant role as the third-largest natural gas producer globally. However, reactions today seem subdued following the weekend's events, with the likelihood of further escalation appearing lower than anticipated. At the time of writing, the market is trading sideways, if not slightly bearish. In the short term, temperatures are further revised to be 2.5 degrees below the seasonal average for the upcoming week, however wind power generation remains robust, significantly reducing the need for gas in electricity production. Wind energy presently accounts for 51.8% of electricity generation, well above the yearly average of 30%, but this is expected to normalize in the upcoming week.

Oil prices fell on Monday as market participants dialled back risk premiums following Iran's weekend attack on Israel that the Israeli government said caused limited damage. Iran's attack involved more than 300 missiles and drones and was the first on Israel from another country in more than three decades, raising concerns about a broader regional conflict affecting oil traffic through the Middle East. But the attack, which Iran called retaliation for an air strike on its Damascus consulate, caused only modest damage, with missiles shot down by Israel's Iron Dome defence system. Israel, which is at war with Iran-backed Hamas militants in Gaza, has neither confirmed nor denied it struck the consulate. The attack was largely priced in the days leading up to it, both in oil and in energy prices, and the limited damage and the fact that there was no loss of life means that maybe any Israeli response is expected to be measured. The Pound Sterling shows a modest recovery against the US Dollar in Monday's London session. However, the near-term demand of the GBP/USD pair remains downbeat due to deepening Middle East tensions and speculation that the Bank of England (BoE) will start reducing interest rates sooner than the Federal Reserve (Fed). Currently, financial markets anticipate that the BoE will begin lowering borrowing costs from August while the Fed is expected to follow the same from the September meeting. This week, the United Kingdom's employment and inflation data will freshly guide market expectations for the BoE as markets wonder when it could start its much-awaited rate-cut cycle. Investors will keenly focus on the wage growth data for three months ending February, which will be released on Tuesday, as it remains a key driver to the UK's stubborn price pressures.

## Currency & Commodities

<b>Pound vs Dollar (£:\$)</b>	1.247
<b>Pound vs Euro (£:€)</b>	1.170
<b>Brent Crude Oil (\$/bl)</b>	89.82
<b>EU ETS Carbon (€/t)</b>	71.55
<b>API2 Coal (\$/t)</b>	119.18



# Weekly Energy Market Report

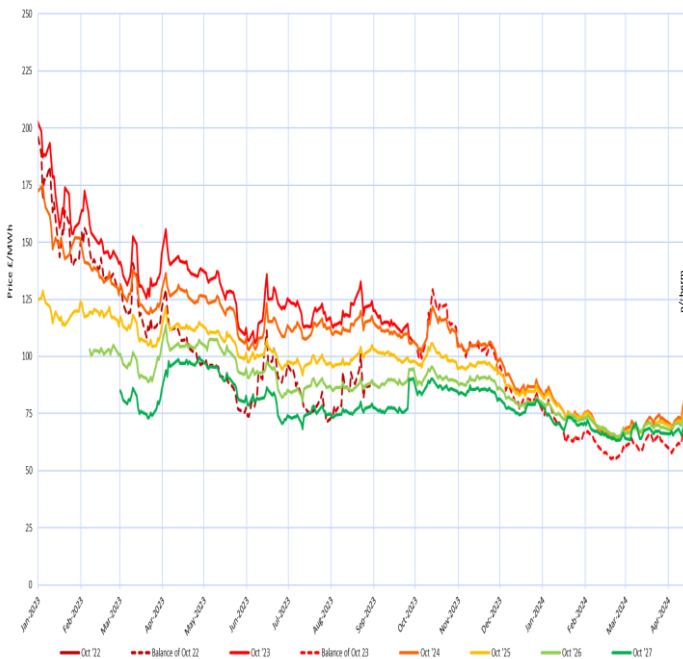
## Power Analysis

Power £/MWh	15/04/2024	Previous Day		Last Week		Last Month	
		12/04/2024	Change	08/04/2024	Change	15/03/2024	Change
Day Ahead	36.50	8.88	311.04%	53.00	-31.13%	65.50	-44.27%
May-24	65.50	61.65	6.24%	58.65	11.68%	61.25	6.94%
Jun-24	64.00	67.00	-4.48%	61.00	4.92%	61.70	3.73%
Q3 24	68.50	70.07	-2.24%	63.73	7.48%	64.55	6.12%
Winter 24	83.00	84.27	-1.50%	77.82	6.66%	75.27	10.27%
Summer 25	76.04	76.05	-0.01%	69.47	9.46%	66.31	14.68%
Winter 25	84.86	84.88	-0.03%	79.25	7.08%	75.48	12.43%
Summer 26	68.03	68.05	-0.03%	64.72	5.12%	64.33	5.76%

## Gas Analysis

Gas p/th	15/04/2024	Previous Day		Last Week		Last Month	
		12/04/2024	Change	08/04/2024	Change	15/03/2024	Change
Day Ahead	74.38	73.70	0.92%	67.30	10.52%	69.90	6.41%
May-24	74.63	76.38	-2.29%	69.71	7.06%	67.19	11.07%
Jun-24	73.86	75.80	-2.56%	69.22	6.70%	66.77	10.62%
Q3 24	75.91	77.87	-2.52%	71.95	5.50%	67.66	12.19%
Winter 24	92.06	94.06	-2.12%	86.29	6.69%	80.01	15.07%
Summer 25	85.92	88.12	-2.49%	79.98	7.42%	73.00	17.69%
Winter 25	94.75	97.24	-2.56%	89.36	6.03%	81.98	15.58%
Summer 26	74.95	76.14	-1.57%	71.88	4.27%	68.09	10.08%

UK Power - Annual Prices (£/MW)



UK Gas - Annual Prices (p/Th)



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