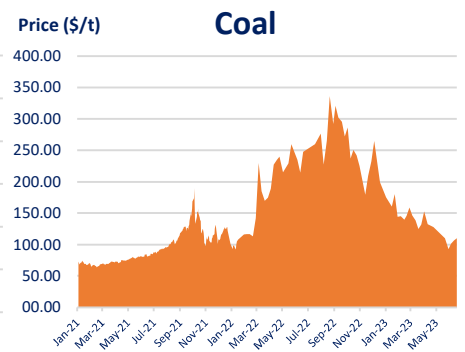
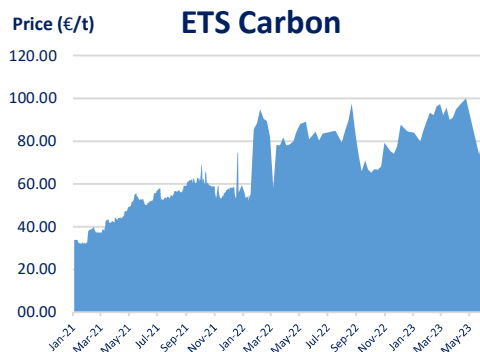
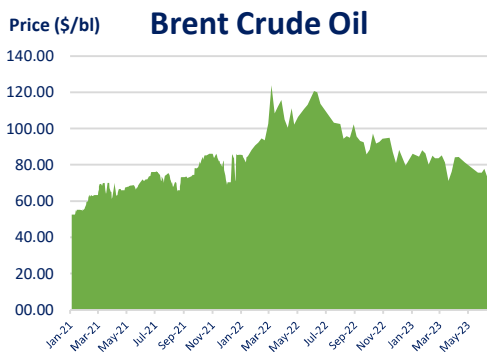
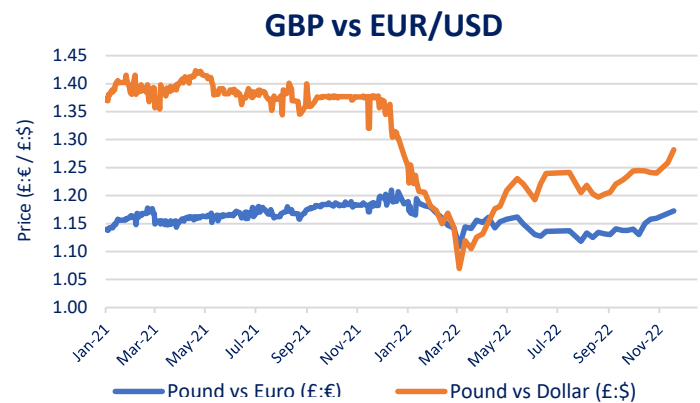


The bullishness seen in the early portion of last week, came under considerable correction on Friday, as prices retraced many of the gains seen. The upside risk had been driven by bullish global LNG prices, an extension of summer maintenance and some technical trading (as traders were encouraged to trade in the uplift after a long-term period of consistent downward trending prices. At the time of writing, this morning's session has persisted in bearish fashion, with prices ticking downwards across the curve. This sentiment has been encouraged by an increase in Norwegian pipeline flows to the UK, and a reduction in flows exiting the UK for mainland Europe. Furthermore, temperatures are expected to sit above seasonal normal levels for the foreseeable, and wind speeds are also expected to increase – ensuring a softening demand and supply picture in the immediate. There are only two LNG deliveries scheduled to arrive in the UK over the next ten days, but a number of vessels are arriving in North West Europe during this window, improving the overall picture. The commodity mix was bullish for most of last week. EUA Carbon prices traded close to two-month highs as higher gas prices supported the wider complex, as well as a flurry of trading from investors on short/near-term positions. Coal prices were also buoyed by bullish gas news prevalent in the middle of last week, while Brent Crude also traded bullishly. Indeed, Oil prices took upside direction from an upgrading of the IEA's demand forecast by an additional 2.4million barrels/day, boosting investor sentiment in the commodity. The price movement was also encouraged by OPEC+ supply cuts and increased Chinese demand for the economy, in spite of forecasted weakness in the global economy and the expectation of further interest rate hikes. Currency-wise, the Pound-Euro exchange rate has reached a yearly high recently, but remains highly sensitive to the UK's ability to deal with current inflation levels and the Bank of England's difficult decision as to whether to raise base interest rates further. Overall, a volatile situation could be unfolding. Economists are presently concerned with an almost record increase in average wage growth levels in April, and that a dreaded 'wage-price-spiral' could be unfolding, whereby wages and consumers prices increase in tandem, which would curtail the ability for inflation to slow to more appropriate, manageable levels.

## Currency & Commodities

<b>Pound vs Dollar (£:\$)</b>	1.281
<b>Pound vs Euro (£:€)</b>	1.173
<b>Brent Crude Oil (\$/bl)</b>	76.45
<b>EU ETS Carbon (€/t)</b>	97.39
<b>API2 Coal (\$/t)</b>	109.69



# Weekly Energy Market Report

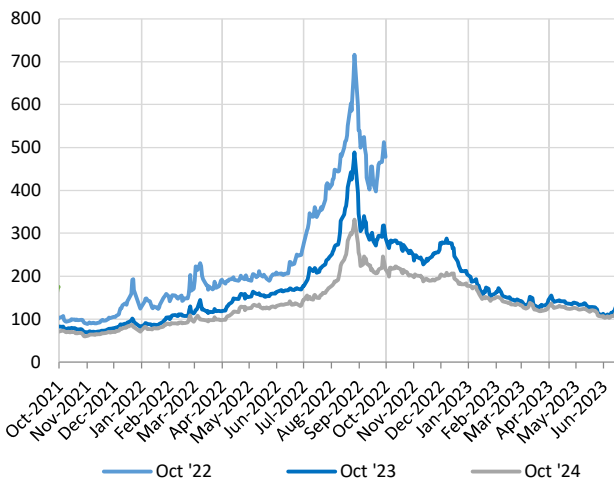
## Power Analysis

Power £/MWh	19/06/2023	Previous Day		Last Week		Last Month	
		16/06/2023	Change	12/06/2023	Change	19/05/2023	Change
Day Ahead	98	108	-8.60%	85	16.27%	74	33.67%
Jul-23	109	96	13.56%	88	22.97%	87	24.79%
Aug-23	105	92	13.47%	86	21.17%	86	21.02%
Q3 23	102	97	5.20%	90	13.16%	91	12.48%
Q4 23	135	132	1.94%	124	9.08%	136	-0.75%
Winter 23	134	134	-0.05%	125	6.75%	141	-5.28%
Summer 24	112	112	-0.02%	104	8.46%	114	-1.54%
Winter 24	130	134	-2.65%	125	3.97%	141	-7.74%
Summer 25	100	100	0.00%	97	3.66%	106	-5.61%

## Gas Analysis

Gas p/th	19/06/2023	Previous Day		Last Week		Last Month	
		16/06/2023	Change	12/06/2023	Change	19/05/2023	Change
Day Ahead	82	84	-1.46%	75	9.55%	66	25.39%
Jul-23	82	87	-6.36%	76	7.96%	68	20.73%
Aug-23	81	88	-7.51%	80	1.57%	75	8.90%
Q3 23	84	89	-5.96%	80	4.93%	75	12.65%
Q4 23	117	124	-5.38%	114	2.72%	113	3.81%
Winter 23	125	132	-5.00%	121	3.18%	125	0.07%
Summer 24	121	123	-1.56%	113	6.72%	122	-0.63%
Winter 24	134	132	1.84%	121	10.61%	125	7.27%
Summer 25	99	102	-3.06%	103	-4.05%	107	-7.37%

### UK Power - Annual Prices (£/MWh)



### UK Gas - Annual Prices (p/th)

