

Weekly Energy Market Report

Commentary

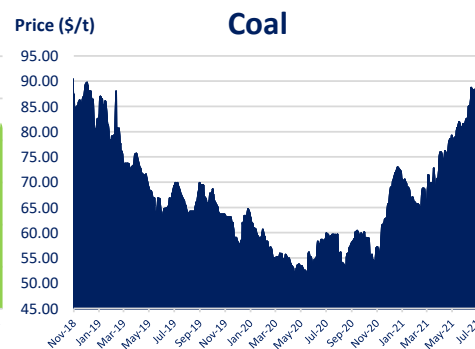
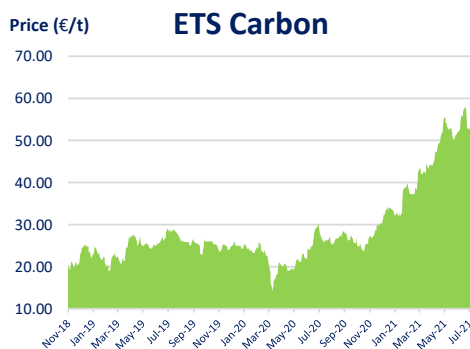
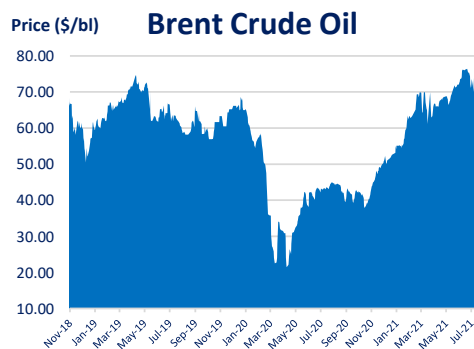
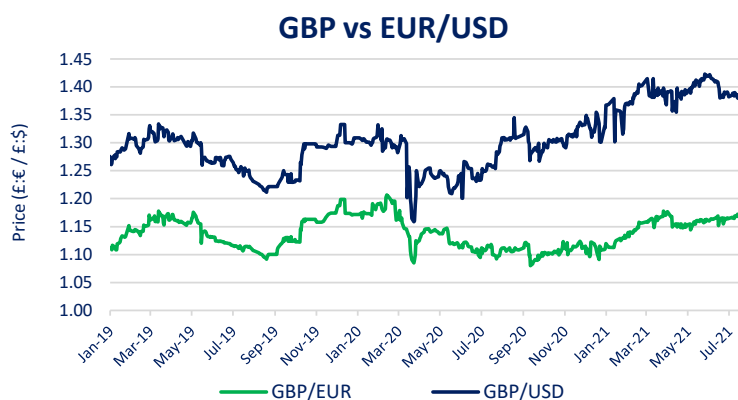
27/07/2021

This morning's session has seen an upward tick in price, a continuation of those movements seen during the previous day's session. Unplanned maintenance at a number of key Norwegian gas pipelines and processing facilities – which are expected to persist for a week or so – have restricted immediate supply levels and bolstered the price in the short term. Furthermore, this has precipitated an increase in LNG storage sent out into the system to meet demand, further exacerbating the storage outlook ahead of Winter 21. Prices were also influenced by another tick upwards in Japanese-Korean gas prices (JKM), as prices seemingly sought to close the spread between the two markets and compete for LNG cargo deliveries.

Brent Crude Oil has climbed overnight and this morning to trade above \$74/bbl, with these gains being driven largely by expectations that increasing vaccinations across the globe and a tightness in supply will offset any fears around demand reduction off the back of increasing coronavirus cases – with the delta and beta variants prevalent. EUA Carbon prices staged a sharp rally on Monday, wiping out the losses incurred in the second half of last week as optimism crept back into the market and gas prices jumped higher. The British Pound's outlook appears to be improving as signs that the third wave of Covid-19 infections in the UK is gradually ending. On Monday, figures were reporting a sizeable 38% drop in week-on-week Covid-19 cases in the UK, news that came alongside a rally in the Pound against almost all key G10 currencies. Indeed, 24,950 new positive cases were reported today on Monday, down on the 39,950 reported last Monday. It would appear that FOREX investors are eyeing the case figures keenly, and seeing both cases and deaths ease off allows a greater level of trust that the vaccination barrier can comfortably stave off the virus and allow restrictions to remain lowered.

Currency & Commodities

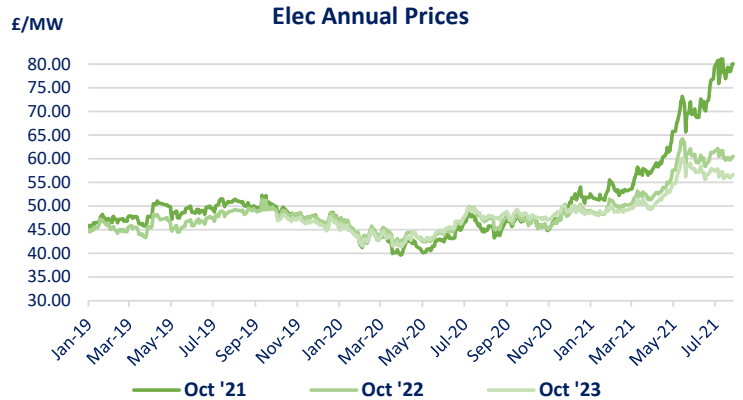
Pound vs Dollar (£:\$)	1.382
Pound vs Euro (£:€)	1.170
Brent Crude Oil (\$/bbl)	74.60
EU ETS Carbon (€/t)	52.89
API2 Coal (\$/t)	94.43



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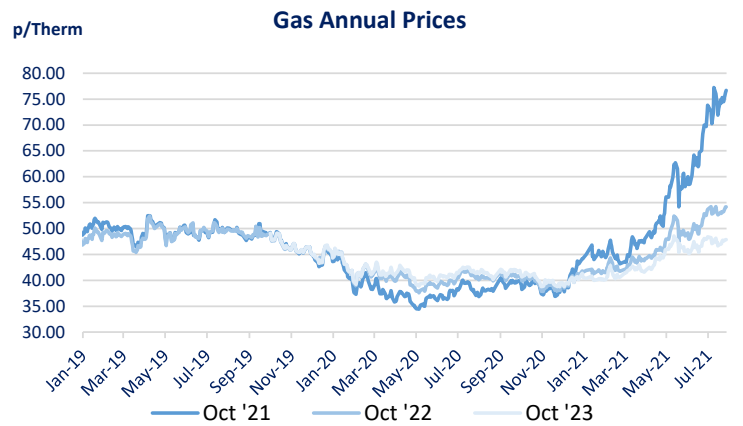
Electricity Analysis

Elec Futures	Price	Weekly Change	
Aug-21	91.38	0.73	0.81%
Sep-21	93.15	0.75	0.81%
Oct-21	93.75	0.75	0.81%
Q4 21	95.80	0.80	0.84%
Q1 22	97.60	0.60	0.62%
W 21	96.74	0.74	0.77%
S 22	63.39	-1.61	-2.48%
W 22	70.89	-2.11	-2.89%
Oct 21 Annual	80.07	-0.44	-0.85%

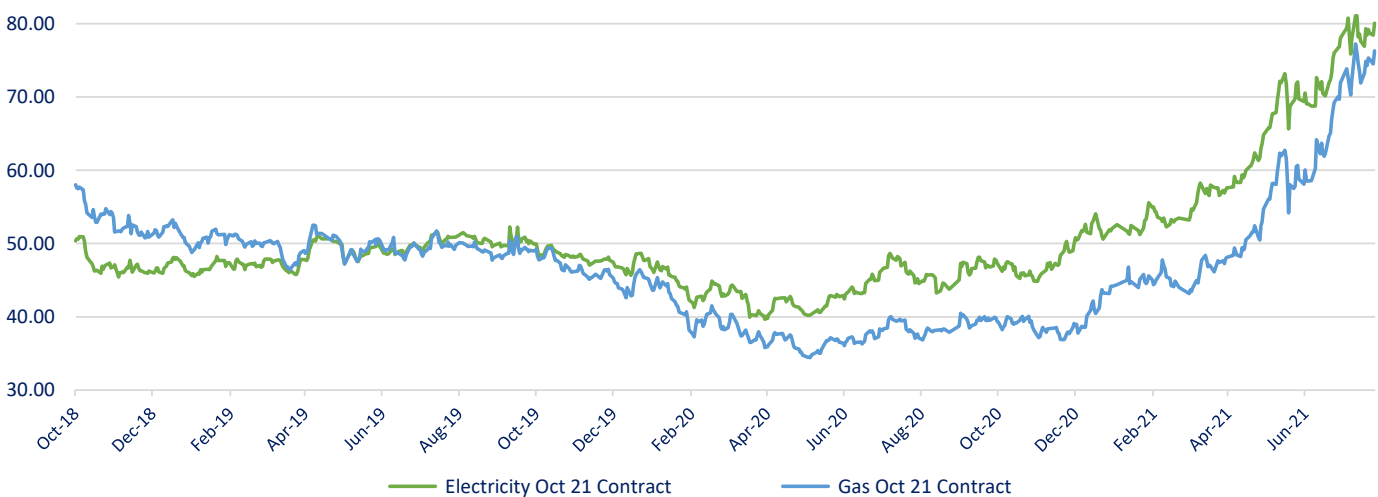


Gas Analysis

Gas Futures	Price	Weekly Change	
Aug-21	95.73	5.24	5.79%
Sep-21	96.45	4.86	5.31%
Oct-21	97.00	4.00	4.30%
Q4 21	96.50	2.50	2.66%
Q1 22	98.36	2.36	2.46%
W 21	97.41	2.41	2.54%
S 22	57.15	0.65	1.15%
W 22	62.34	0.08	0.13%
Oct 21 Annual	77.28	1.53	2.02%



Elec / Gas October 2021 Annual Prices



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