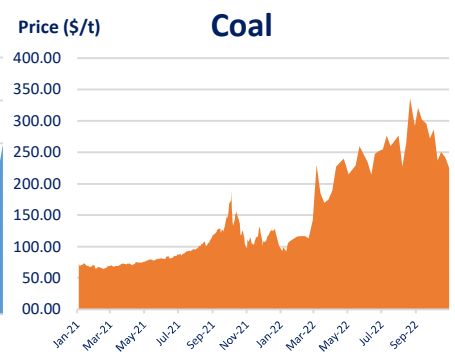
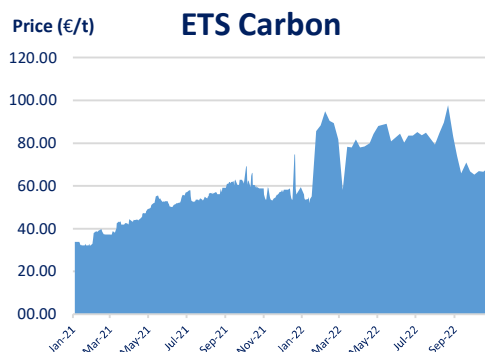
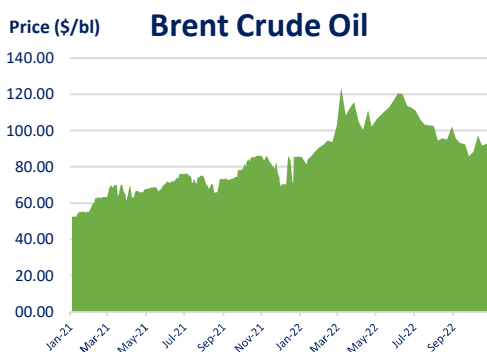
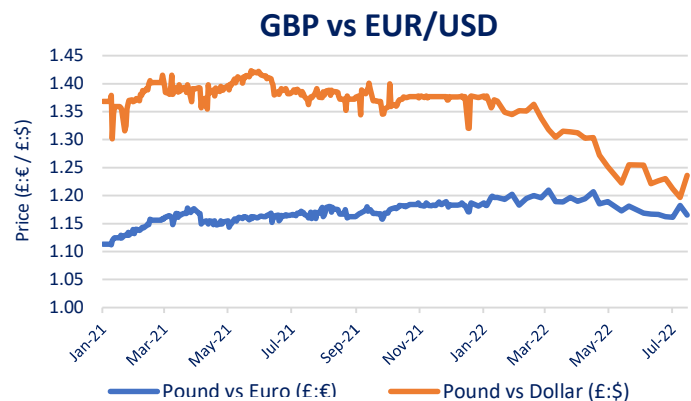


A significant softening was seen in short-term pricing contracts on Monday morning, despite the fact that the UK gas system is marginally undersupplied at the time of reporting. Indeed market direction was influenced largely by a healthy supply of wind-sourced power generation contributing levels (32% of the national grid's stack) close to those being derived from gas-fired means (37%). Wind and solar generation is forecasted to remain at considerable levels for the next fortnight or so. Additionally, a positive picture on the LNG front – with 12 cargo deliveries expected over the next 3 weeks – and record levels of gas output from the North Sea's Troll gas field contributed effectively to overcome the absence of Russian flows.

As well as their obvious impact on UK gas prices, the milder temperatures that are expected to continue across Europe throughout much of November, are also softening wider commodity prices. Furthermore, Brent Crude Oil remains suppressed by weak Chinese demand forecasts, a response to the draconian zero-Covid policy. There is a general disconnect being witnessed between gas and oil prices at present but it remains a fair harbinger of economic sentiment and the general direction of wider commodity prices. Sterling has extended its recovery against the Euro from September's lows and has now reached two-month highs. That being said, the currency remains very susceptible to profit-taking and a subsequent drop off in value due to a continued pessimistic economic outlook for the UK and uncertainty surrounding Thursday's Bank of England Monetary Policy Committee meeting, and the risk of the body raising Bank Rate to a lesser extent than markets expect. There is a general expectation that the Bank will raise the base rate by three quarters of a percentage point to 3%, which would be the BoE's largest interest rate rise to date if delivered. A rise of 50bp is also deemed fairly likely, however.

Currency & Commodities

Pound vs Dollar (£:\$)	1.153
Pound vs Euro (£:€)	1.161
Brent Crude Oil (\$/bl)	94.67
EU ETS Carbon (€/t)	79.32
API2 Coal (\$/t)	224.92



Weekly Energy Market Report

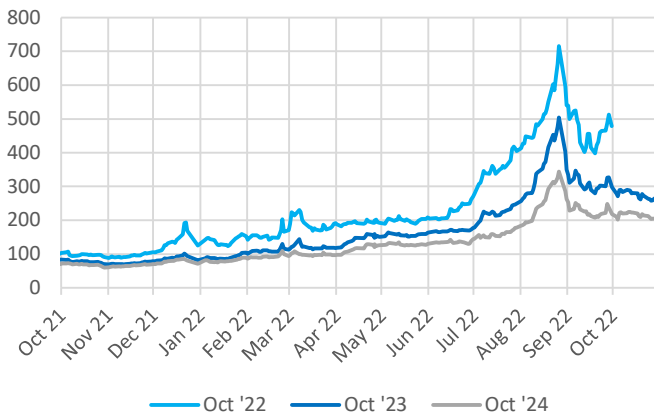
Power Analysis

Power £/MWh	31/10/2022	Previous Day		Last Week		Last Month	
		28/10/2022	Change	24/10/2022	Change	30/09/2022	Change
Day Ahead	95	85	12.43%	82	16.56%	125	-24.00%
Dec-22	320	365	-12.36%	361	-11.30%	697	-54.12%
Jan-23	715	728	-1.75%	756	-5.38%	676	5.80%
Feb-23	694	690	0.66%	735	-5.54%	644	7.75%
Q1 - 23	518	575	-10.01%	615	-15.89%	653	-20.81%
Q2 23	195	295	-33.85%	293	-33.50%	353	-44.68%
Summer 23	281	281	-0.02%	276	1.77%	335	-16.18%
Winter 23	314	314	0.01%	304	3.26%	357	-12.01%
Summer 24	205	205	0.00%	217	-5.87%	223	-8.22%
Winter 24	232	314	-25.99%	304	-23.59%	357	-34.89%

Gas Analysis

Gas p/th	31/10/2022	Previous Day		Last Week		Last Month	
		28/10/2022	Change	24/10/2022	Change	30/09/2022	Change
Day Ahead	71	79	-10.76%	46	53.26%	170	-58.53%
Dec-22	318	338	-5.82%	340	-6.33%	498	-36.08%
Jan-23	350	367	-4.70%	371	-5.69%	523	-33.05%
Feb-23	359	376	-4.61%	387	-7.36%	533	-32.64%
Q1 - 23	352	370	-4.84%	377	-6.61%	523	-32.65%
Q2 23	321	321	-0.02%	336	-4.43%	435	-26.06%
Summer 23	300	313	-4.23%	330	-9.11%	427	-29.67%
Winter 23	322	340	-5.25%	350	-8.06%	444	-27.50%
Summer 24	250	251	-0.31%	251	-0.56%	269	-7.18%
Winter 24	260	340	-23.49%	350	-25.76%	444	-41.46%

UK Power - Annual Prices (£/MW)



UK Gas - Annual Prices (p/therm)

