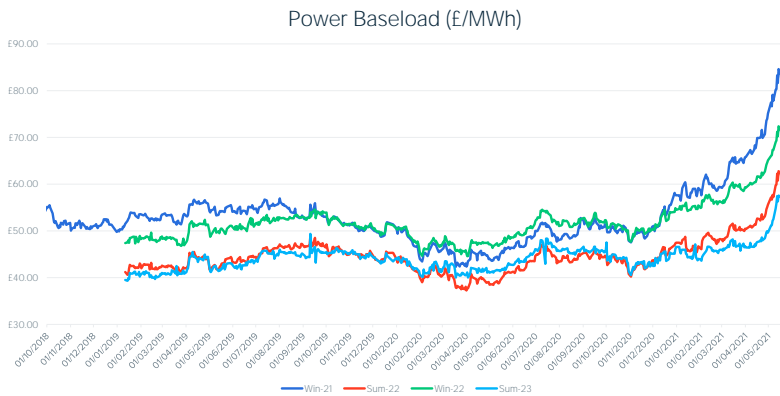


Weekly Energy Report

31 May 2021

Power

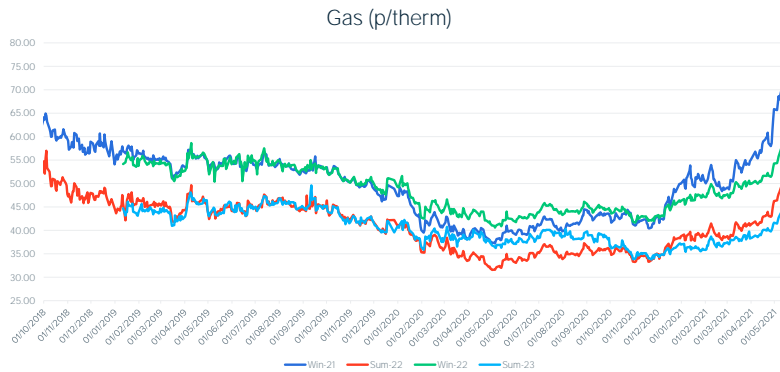


Contract	Price (£/MWh)		
	Previous Weeks Close	Last Weeks Close	
Jul-21	£ 73.75	£ 74.32	▲
Aug-21	£ 69.75	£ 72.48	▲
Sep-21	£ 75.34	£ 75.33	▼
Q3-21	£ 72.92	£ 74.03	▲
Q4-21	£ 80.01	£ 80.45	▲
Win-21	£ 81.12	£ 81.12	▬
Sum-22	£ 59.21	£ 59.05	▼
Win-22	£ 69.48	£ 68.98	▼
Sum-23	£ 54.65	£ 54.15	▼
Win-23	£ 66.06	£ 64.99	▼
Sum-24	£ 54.56	£ 54.23	▼

Summary

Continued volatility in the Power market saw some contracts increase above the previous weeks close by as much as £6/MWh by the end of Wednesday's session, as contracts tracked strength in the Carbon & Gas markets. The Dec 21 EUA closed Wednesday's sessions at €53.67/tonne, up 3.7% compared to the previous weeks close, however prices eventually posted a week-on-week loss of 1.4% closing at €51.03/tonne. This combined with gas prices softening during Thursday & Friday thanks to warmer temperatures reducing gas for heating for demand, pushed power prices lower towards the end of the week. Despite retracing most of these gains the front month & quarter still closed the week up £0.57 & £1.11/MWh at £74.32 & £74.03/MWh respectively. Further out on the curve most contracts actually closed the week below the previous weeks settlement. The Winter 2022 & Summer 2023 contracts closed the week at £68.98 & £54.15/MWh both posting a week-on-week loss of £0.50/MWh.

Gas



Contract	Price (p/therm)		
	Previous Weeks Close	Last Weeks Close	
Jul-21	60.65	60.68	▲
Aug-21	59.86	60.49	▲
Sep-21	62.50	60.97	▼
Q3-21	60.26	60.71	▲
Q4-21	66.39	67.44	▲
Win-21	68.01	68.95	▲
Sum-22	47.05	47.27	▲
Win-22	55.42	55.50	▲
Sum-23	42.05	41.61	▼
Win-23	51.31	50.66	▼
Sum-24	43.44	42.14	▼

Summary

Gas prices remained volatile during the week with prices increasing sharply Tuesday & Wednesday, but then shedding most of those gains across Thursday & Friday and in some cases closing below the previous weeks settlement. The biggest gains were seen on the near curve where by the close of Wednesday's session some contracts had increased by almost 5p/therm compared to the previous weeks closing price as supply remained tight due to higher than seasonal normal demand and supply curtailments due to planned and unplanned outages limiting Norwegian supply. Towards the end of the week prices started to soften with warmer temperatures lowering heating demand and an uptick in supply from Norway helping to push the system long. Forecasts of warmer weather for June and a slight softening in Carbon prices also weighed on prices. The front month contract eventually closed the week only 0.03p/therm above the previous weeks closing prices despite having gained 4.33p/therm by the close of Wednesday's session. The contract closed the week at 60.68p/therm. The Winter 2021 & Summer 2022 closed the week at 68.95 & 47.27p/therm respectively, posting week-on-week gains of 0.94 & 0.22p/therm.