

Both gas and electricity prices continued to drop this week with gas dropping by 15.1% and electricity by 38.1% compared to last week. Similarly to last week a drop in demand pushed prices lower as temperatures remained above average, wind generation remained strong and LNG deliveries increased. Norwegian supply issues as well as a drop in supplies from Russia stopped prices from dropping any further.

Electricity prices again followed the losses of the gas market. A stronger carbon market pushed the prices of longer dated contracts slightly higher.

Brent crude oil prices initially dropped from 79.23 USD/bbl to 77.78 USD/bbl before increasing to 81.23 USD/bbl. The initial drop in price was due to China reducing its first 2022 oil import assignment and potentially indicating a weaker demand outlook. Prices increased again as US demand grew and OPEC members were expected to continue with their current production quotas.

Coal prices initially fell from \$97.78/t to €87.64/t before increasing back to \$95.40/t this week. Carbon prices continually increased this week from €79.13/t to €86.26/t.

The Pound strengthened against both the Euro (€1.1883 to €1.1969) and the US Dollar (\$1.3453 to \$1.3547) this week.

YEAR AHEAD PRICING (ENERGY ONLY)

