

Weekly Energy Market Report
15th June 2022

Gas and electricity prices both increased sharply this week with gas increasing by 31% and electricity by 16.9% compared to last week. Gas prices were heavily affected by a fire at the Freeport LNG terminal in the US which is expected to reduce the number of LNG deliveries to Europe until September. Norwegian supply issues as well as an expected increase in demand for cooling due to increasing temperatures also pushed prices higher.

Electricity prices were also affected by the Freeport fire as they followed the movements of the gas market. A drop in wind generation also added to the increase in electricity prices.

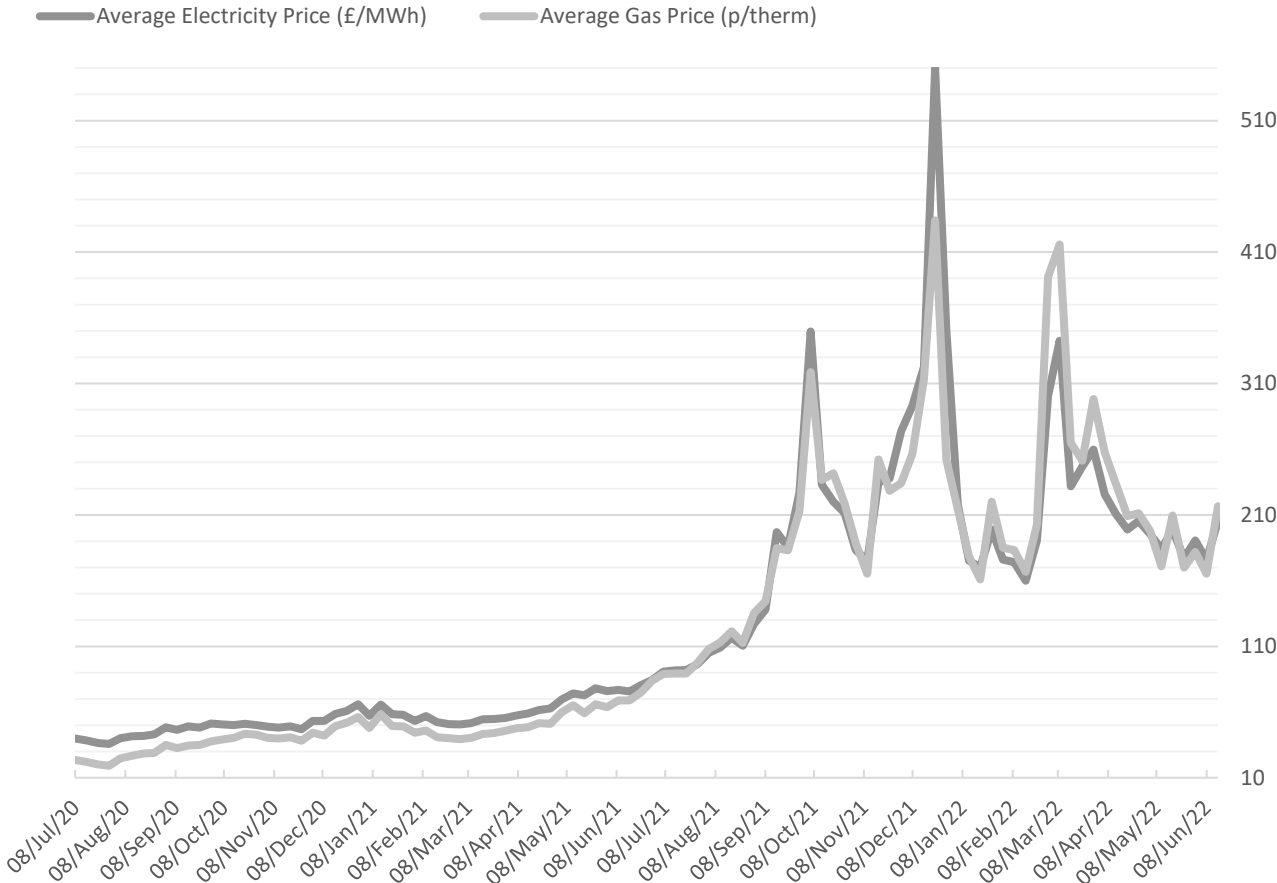
The price of Brent crude oil dropped throughout this week from \$123.58/bbl to \$118.51/bbl. Prices dropped as further coronavirus outbreaks in China were reported adding to concerns regarding a weakening global demand. A drop in Libyan oil exports due to unrest in the country prevented prices dropping any further.

Coal prices initially dropped this week from \$225.00/t to \$209.75/t before rising back to \$221.15/t. Carbon prices increased throughout this week from €80.25/t to €85.53/t.

The Pound weakened against both the Euro (€1.1721 to €1.1569) and the US Dollar (\$1.2551 to \$1.2096) this week.



YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Prompt Price	Future Price	Average Price
198.00	213.00	205.50

Gas (p/Therm)		
Prompt Price	Future Price	Average Price
211.75	221.50	216.63

