

Weekly Energy Market Report

31st May 2023

Both gas and electricity prices continued to drop this week with gas dropping by 12.2% and electricity by 11.4% compared to last week's prices. A healthy supply outlook pushed gas prices down with 7 LNG deliveries to the UK expected within the next week along with 4 more in Europe. Weaker trading within the carbon market as well as warmer temperatures forecast also pushed prices lower.

Electricity prices again followed the trend of the gas market as prices dropped throughout this week. Above average solar power production also helped to lower prices.

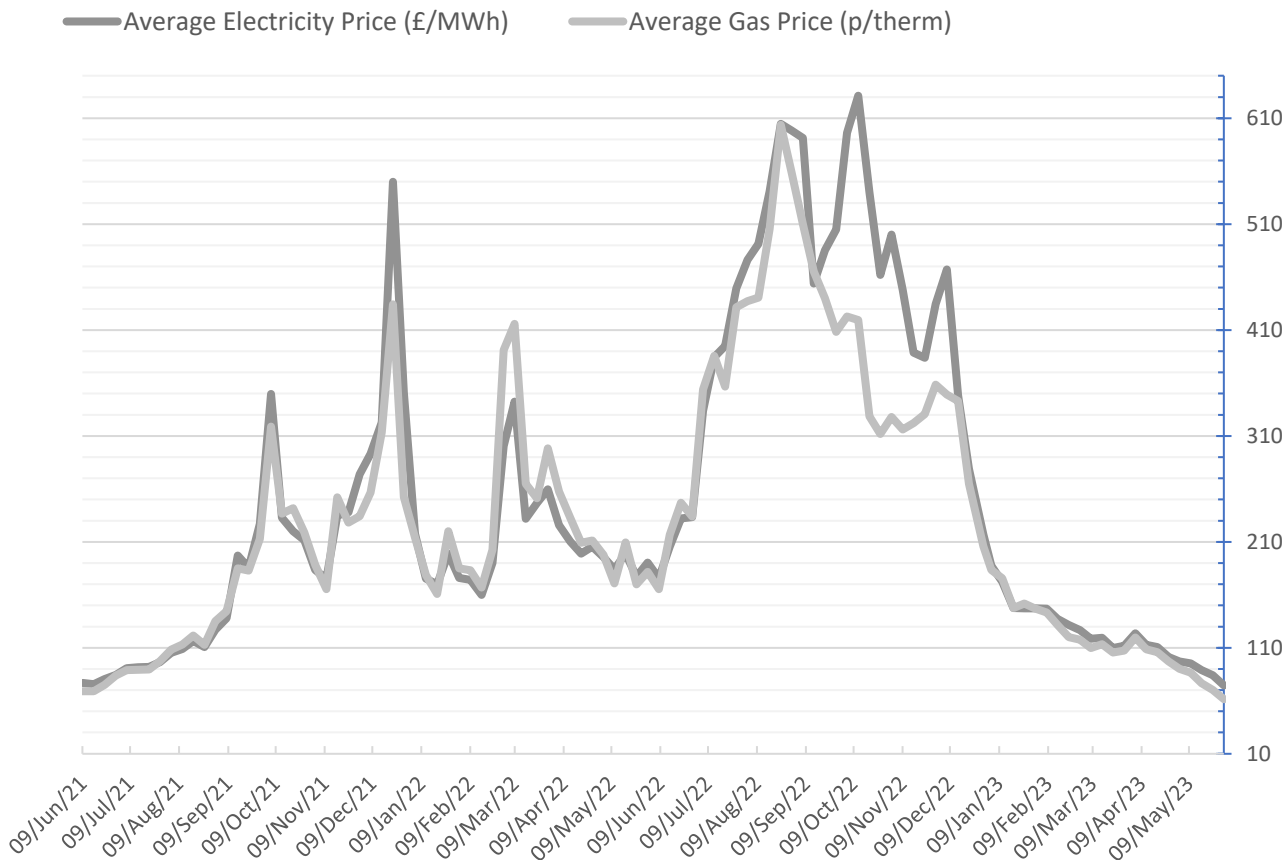
Brent crude oil initially increased from \$76.26/t to \$77.07/t before dropping to \$73.54/t later in the week. Prices increased at first due to reports of Saudi Arabia potentially cutting oil production and uncertainty over the US economy. Reports from Russia suggesting OPEC members will not be cutting oil production pushed prices lower later in the week.

Coal prices dropped throughout this week from \$118.40/t to \$93.00/t. Carbon prices also continuously dropped this week from €85.15/t to €79.54/t.

The Pound strengthened against the Euro (€1.1522 to €1.1577) and weakened against the US Dollar (\$1.2414 to \$1.2387) this week.



YEAR AHEAD PRICING (ENERGY ONLY)



Electricity (£/MWh)		
Prompt Price	Future Price	Average Price
71.22	77.65	74.43

Gas (p/Therm)		
Prompt Price	Future Price	Average Price
58.33	64.75	61.54

