

Gas

p/therm	23 Jul 21	30 Jul 21	Change
Day-Ahead	89.00	103.75	16.6%
Sep 2021	89.98	103.75	15.3%
Winter 2021/22	92.91	103.25	11.1%
Summer 2022	56.05	60.50	7.9%
12M Annual Oct 2021	74.48	81.87	9.9%

Source: ICE

The **Sept 2021 Gas** price jumped 15.3% to 103.75p/therm last week, as lower supply due to outages coincided with strong demand from gas-fired power plants amid low output from the UK's nuclear plants.

Seven of Britain's 13 operating nuclear units are currently offline reducing nuclear output by 4.2GW.

Norwegian flows are reduced due to maintenance at the Troll gas field and UK Continental Shelf production is also impacted by unplanned outages at Bacton Perenco and lower flows from Bacton SEAL terminal.

The **Oct 2021 12 Month Gas** price increased 9.9% to 81.87p/therm as concerns over winter supply continued to mount. European gas storages are still only 57% full. This continues to be the largest supply risk ahead of the colder winter period.

Meanwhile a lack of arrivals of LNG tankers also helped to boost curve contracts, with no tankers currently scheduled to arrive in Britain.

The **Oct 2021 12 Month Power** price rose 7.7% to £84.47/MWh, tracking gas prices higher with gains in oil, carbon and coal providing further support.

Prices for both gas and power continue to be supported by high levels of tender activity in the run up to the 1 Oct renewal date.

The months of July, Aug and Sept are the busiest in the industry, meaning any clients who haven't yet secured their new contracts will all be asking suppliers for prices at the same time, supporting high prices.

Power

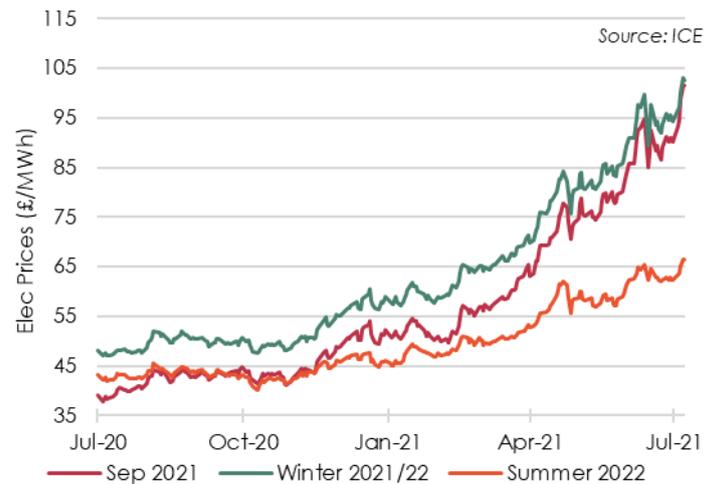
£/MWh	23 Jul 21	30 Jul 21	Change
Day-Ahead	94.99	100.67	6.0%
Sep 2021	90.20	101.55	12.6%
Winter 2021/22	94.39	102.57	8.7%
Summer 2022	62.44	66.37	6.3%
12M Annual Oct 2021	78.42	84.47	7.7%

Source: ICE

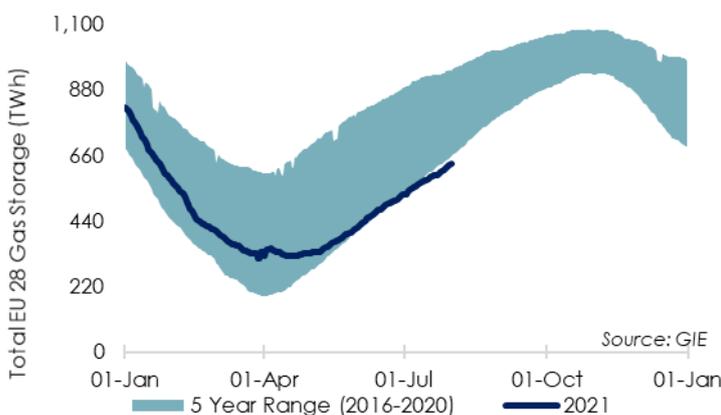
UK Gas



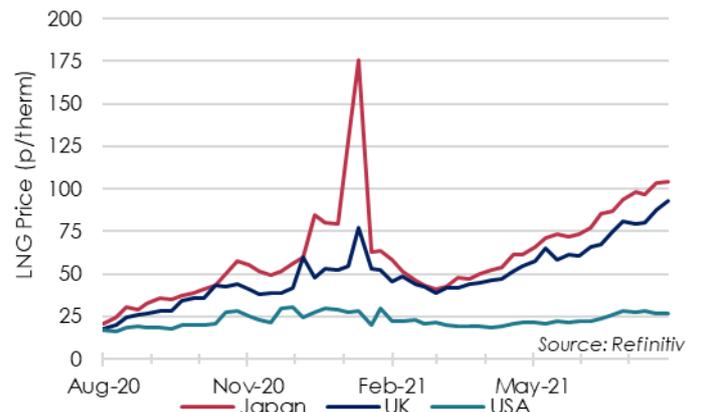
UK Power



European Gas Storage



Global LNG (Japan v UK v USA)



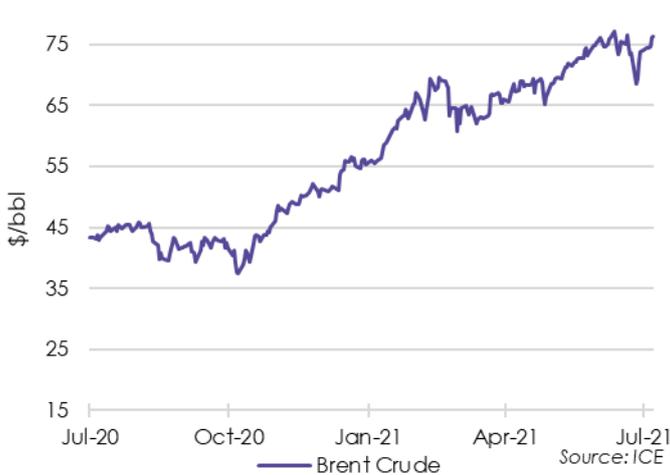
Oil

\$/bbl	23 Jul 21	30 Jul 21	Change
Brent Crude Oct 21	74.10	76.33	3.0%

Source: Reuters

Brent crude oil prices rose by a further 3.0% last week to \$76.33/bbl, back to the 12-month high.

The price rises are attributed to continued US crude oil inventory depletion. Gains are being limited by growing concerns over the global spread of the Delta Covid-19 variant and concerns over another wave of lockdowns.



Carbon

€/tCO2	23 Jul 21	30 Jul 21	Change
EUA Dec Yr	50.82	53.27	4.8%

Source: Reuters

European carbon rose by 4.8% last week to €53.27/tCO₂.

The price rise has been driven by record-breaking gas and electricity prices, as well as a surge in buying interest. The long term expectation remains that strengthening economic growth and UK/EU climate goals will see the price of carbon increase significantly in the medium-term. This confidence is conflicted in the short-term by lingering Covid concerns.



Exchange Rates & Economics

£/\$	23 Jul 21	30 Jul 21	Change
GBP/USD	1.3745	1.3901	1.1%

Source: Reuters

Pound Sterling rose by 1.1% last week following optimism over the declining trend in new Covid-19 cases in the UK. Despite reaching over 50,000 new cases in a day a couple of weeks ago the infection rate seems to be slowing providing hope for the UK economy's recovery.

Meanwhile, US economic data offered little support for the dollar. Q2 GDP figures released on Thursday were lower than expected and jobless claims were higher than forecast.



Coal

\$/tonne	23 Jul 21	30 Jul 21	Change
API2 CIF ARA Yr	93.40	95.40	2.1%

Source: Reuters

European coal prices rose 2.1% last week to \$95.40/tonne remaining at 10-year highs. Unplanned maintenance at Norwegian gas fields lead to a tighter gas system across Europe and record high Dutch gas prices. Demand for coal increased to make up the shortfall.

There is currently a high demand for electricity across a number of European countries owing to hotter weather and increased power use for cooling. This in turn has increased the demand for coal on the continent.

