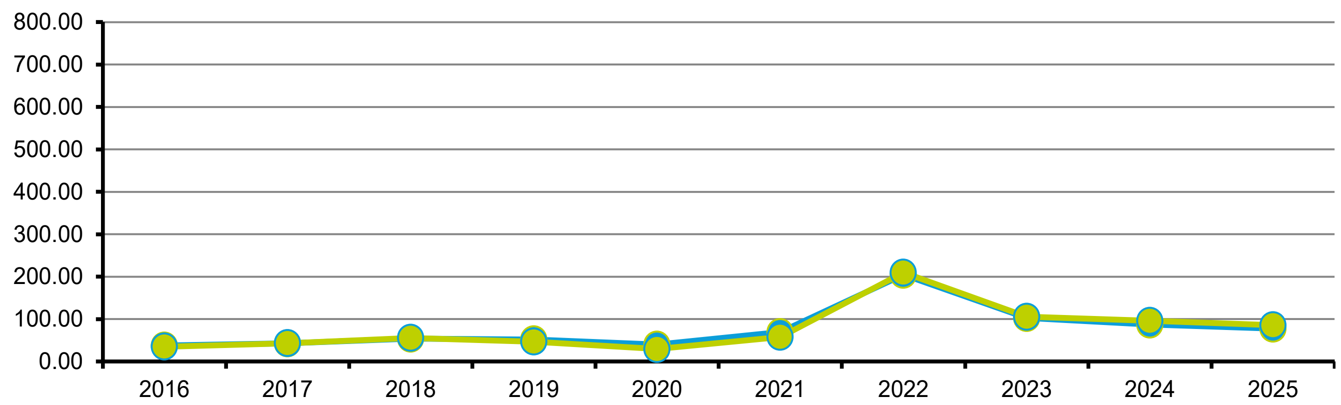
week on week

marketview

Report issued: **11th** June 2025

Net Cost of Electricity and Gas for a 1st October Contract renewal



Electricity: base load cost - excludes distribution, taxation and supplier margin and costs

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
37.54	42.93	53.97	52.03	39.73	69.45	204.35	102.48	87.00	77.51

Gas: core gas cost - excludes distribution, taxation and supplier margin and costs

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
35.12	43.08	55.68	46.95	29.47	58.09	209.69	105.49	96.06	85.68

Week commencing 2nd June 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$63.97	85.54	£79.16	$95.00
End	$66.33	89.26	£79.40	$100.50

The week followed a mainly bullish trend, market turbulence has been driven by the growing trade dispute between the US and China, which impacts energy demand, however, stronger supplies, greater production, and more pipeline gas imports have reduced demand for LNG in significant Asian countries like China, which may lessen competitiveness for the fuel globally. The lingering risk continues for the continent on the confusion surrounding storage regulations, fuel supplies experienced abnormally high withdrawals during the last heating season, and restocking them hasn't been simple.

Week commencing 26th May 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$64.75	91.95	£83.33	$99.20
End	$63.97	85.54	£79.16	$95.00

Little LNG competition and consistent storage injections eased some worries about Europe's supply balance, resulting in lower trading this week. Europe's expected increased gas demands this summer left prices vulnerable to sudden fluctuations in response to interruptions in supply or indications of demand increases in other areas. Volatility was also driven by the likelihood of any immediate return of Russian gas flows decreasing, as a result of the uncertainty surrounding US President Donald Trump's trade sanctions.

Week commencing 19th May 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$64.92	88.45	£80.42	$95.00
End	$64.75	91.95	£83.33	$99.20

Pricing was varied across the week, gas markets were mostly being driven by recent geopolitical developments, such as the trade conflicts between China and the United States and the peace talks between Russia and Ukraine. Colder weather forecasts and ongoing unscheduled disruptions in Norway also pushed prices upward early on. The end of the week saw a fall from their highs as markets priced in the return of Norwegian flows. With storage levels still being a major story in gas markets, LNG shippers are starting to see higher demand out of Asia now summer temperatures come into play and increase the overall level of cooling demand. This increase in demand could be bullish driver for European markets as they attempt to compete for LNG supply.

Week commencing 12th May 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$63.25	87.92	£79.71	$97.95
End	$64.92	88.45	£80.42	$95.00

The news of the U.S. and China agreeing to temporarily reduce tariffs on each other's goods boosted energy consumption and the prospects for the global economy, this saw markets open higher to start the week.. The new weather projections indicated warmer-than-normal temperatures across Europe for the next two weeks and this partially offset this bullish market trend. Traders kept a careful eye on the peace negotiations between Russia and Ukraine. With Putin deciding not to make his way to Turkey and in turn Trump most likely not attending the talks, hopes for any resolutions were reduced adding more pressure to prices.