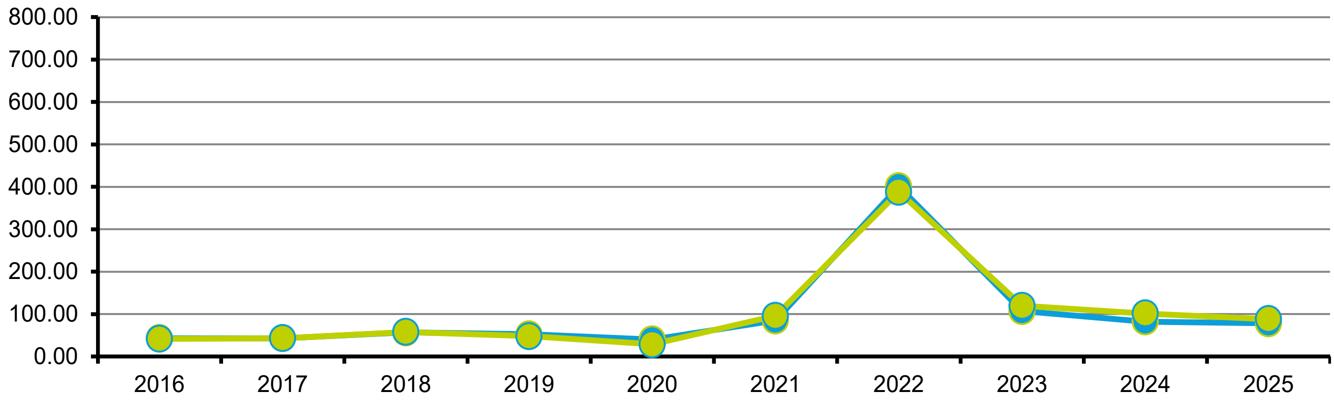
week on week

marketview

Report issued: 13th August 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
43.03	43.36	56.87	52.29	40.28	84.80	401.10	107.03	82.47	78.22

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

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
41.73	43.23	58.12	48.15	28.69	95.91	388.23	119.38	101.44	88.24

Week commencing 4th August 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$70.19	88.30	£78.85	$106.05
End	$66.18	83.82	£76.813	$102.55

Natural gas spot prices opened the week on the up due to reduced LNG regasification and an unplanned outage on the Norwegian Continental Shelf, with the Dutch TTF and UK NBP month-ahead contracts gaining 1% and 1.24%, respectively. However, prices fell through the week as supply from Norway remained stable and demand eased, with the day-ahead contracts for both hubs dropping by over 2% on 8 August. Power markets mirrored gas trends amid strong wind forecasts from Storm Floris, while French and German prices also dropped sharply due to expected wind surges. By contrast, French week-ahead baseload prices rose to EUR64.20/MWh on 8th August, up 71% from late July, as nuclear output faced restrictions from high river temperatures. Gas storage across the EU stood at nearly 70% full by 4th August, with injections slowing, and Germany lagging slightly behind. Meanwhile, geopolitical tensions added uncertainty, with the US imposing new tariffs on Indian goods in response to its Russian oil imports, and ongoing US-Russia talks on Ukraine drawing market attention.

Week commencing 28th July 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$68.60	86.14	£78.48	$104.00
End	$70.19	88.30	£78.85	$106.05

Last week, the UK energy markets showed modest but contrasting movements in gas and electricity prices. Wholesale gas prices rose slightly, driven mainly by ongoing supply constraints, particularly due to continued outages at Norwegian gas facilities. This limited supply, combined with persistently low UK gas storage levels, currently well below the levels seen this time last year, added upward pressure on gas prices. Despite a steady flow of LNG imports into Europe, these structural supply issues kept market sentiment cautious. In contrast, electricity prices in the UK fell slightly over the week. This was partly due to a small dip in demand towards the end of the month and the temporary impact of increased renewable generation early in the week. However, a midweek drop in wind output briefly increased power generation costs before the market softened again. The overall effect was a marginal decline in wholesale electricity prices.

Week commencing 21st July 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$70.45	87.62	£78.81	$102.00
End	$68.60	86.14	£78.48	$104.00

Gas prices saw losses across the week as LNG cargoes began arriving in greater volumes easing near term supply constraints and helped temper price rises despite the underlying tightness. Gas storage across Europe was reported to be 10% within seasonal averages reducing fears of a summer shortfall. Power prices however did remain bullish as wind output significantly droped increasing reliance on gas fired power. High temperatures across Europe boosted cooling demand straining cross boarder electricity flows.

Week commencing 14th July 2025

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$70.19	91.72	£80.86	$110.60
End	$70.45	87.62	£78.81	$102.00

The week opened firm with gas prices close to a two-week high. In Asia, where intense heat was increasing the need for cooling, traders were keeping an eye on demand. Additionally, Europe's stockpiles remained low for the season with subterranean storage facilities only 62% full. Norwegian imports increased flows and improved reforecast for renewables helped soften the market together with reported remarks made by President Trump and his 50-day deadline for Russia, the market originally expected immediate sanctions. However, the market still awaited what further tariffs will be imposed by America on 1 August.

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