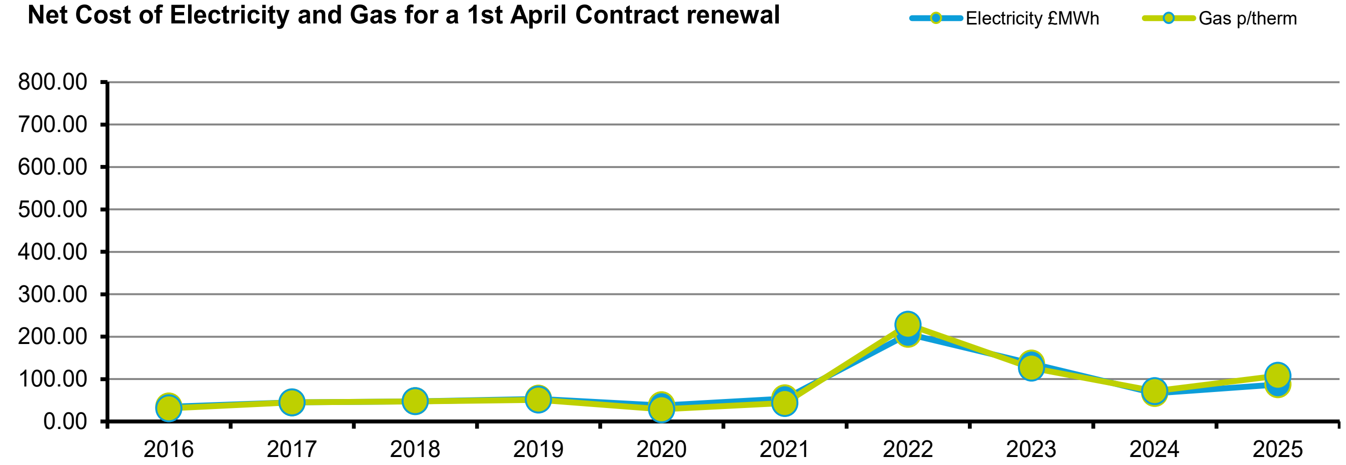
week on week

marketview

Report issued: 4th March 2026

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



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

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
44.87	47.48	53.45	38.04	54.38	206.38	136.69	66.90	87.44	72.86

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

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
45.17	47.65	51.25	28.84	43.53	227.85	126.55	71.72	107.91	78.39

Week commencing 2nd March 2026

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$72.65	78.09	£73.45	$106.60
End	$90.88	121.61	£97.76	$129.50

Across the week, UK NBP gas and baseload power prices moved sharply higher, with particularly strong gains early in the period as escalating conflict in the Middle East drove significant volatility across both the spot market and the front of the curve. Initial price surges were fuelled by reports of expanding military strikes across the region, including attacks affecting Lebanon, Kuwait and key energy infrastructure, alongside announcements that LNG production had been halted at QatarEnergy's Ras Laffan terminal and that Saudi Arabia had shut its largest domestic refinery following nearby strikes. The closure of the Strait of Hormuz further intensified market concern by blocking shipments through the crucial export route, pushing global oil prices sharply higher and lifting European gas benchmarks to multi-year highs. As the week progressed, UK gas prices remained elevated but increasingly volatile, with market sentiment continuing to be dominated by geopolitical developments, including ongoing strikes involving Iran and threats to vessels attempting to transit the Strait of Hormuz, while the US signalled potential protection for tankers moving through the chokepoint. Fundamental factors provided some counterbalance, with the UK gas system generally opening long on most days, steady Norwegian supply flows and periods of stronger LNG send-out, while weather forecasts indicated temperatures above seasonal norms for much of the near term. By the end of the week, UK spot and curve prices remained firm but below earlier peaks, while oil prices eased modestly after several consecutive days of gains, though crude was still set for a substantial weekly increase amid the continued geopolitical risk premium.

Week commencing 23rd February 2026

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$71.23	76.39	£72.41	$114.00
End	$72.65	78.09	£73.45	$106.60

Across the week, UK gas and power markets traded in mixed and relatively illiquid conditions, with front-end gas prices generally softening while further-out contracts showed periods of firmness, and baseload power following a similar pattern. The UK gas system consistently opened balanced or slightly long, while weather forecasts trended milder overall, with temperatures expected to remain above seasonal norms into mid-to-late March despite a brief cold dip and some variability between runs. Wind generation stayed largely above normal. Norwegian supply remained a key driver, with exit nominations gradually declining through the week amid ongoing and newly announced maintenance at fields including Åsgard, Ormen Lange, Oseberg, Aasta Hansteen and Dvalin, with flows to the UK adjusting accordingly, particularly via Langeled. UK LNG send-out fluctuated over the period, while storage withdrawals and interconnector exports also varied. Geopolitical developments remained a prominent source of volatility, as shifting rhetoric and ongoing diplomatic engagement between the US and Iran, including talks in Geneva and plans to reconvene in Vienna, influenced oil prices, which softened early in the week before firming again toward Friday.

Week commencing 16th February 2026

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$67.71	74.19	£70.47	$107.90
End	$71.23	76.39	£72.41	$114.00

UK's NBP prices began the week falling across the front and mid curve, with more pronounced weakness at the front, while UK baseload power also softened initially before remaining broadly flat. System length fluctuated through the week as supply and demand dynamics shifted, with varying wind forecasts driving changes in gas-for-power demand. Norwegian flows were broadly steady overall but impacted by ongoing unplanned outages at Ormen Lange and later Oseberg, while other pipeline flows such as Langeled, Vesterled and FLAGS saw adjustments through the week. UK LNG send-out moved up and down across different days due to changing terminal nominations, and interconnector exports to the continent also varied. Weather forecasts indicated a near-term warmer spell across Northwest Europe, followed by a shift to below seasonal norms into March, with some later runs showing a slightly warmer bias. By the end of the week, NBP prices were mixed, with softness at the front and firmer conditions further out the curve, while UK baseload power edged higher. In oil markets, prices were initially steady amid cautious sentiment around renewed US–Iran nuclear discussions, later strengthening on reports of progress, and ultimately climbing further as geopolitical tensions in the region escalated.

Week commencing 9th February 2026

	Oil (bbl)	Gas (ppt)	Power (MWh)	Coal (MT)
Start	$68.17	77.20	£76.72	$103.50
End	$67.71	74.19	£70.47	$107.90

UK gas and power markets traded with mixed price action, with NBP initially softer before strengthening midweek and easing again at the front end, while power prices were generally subdued to mixed along the curve. The UK system consistently opened long, as colder temperature forecasts and fluctuating wind output drove shifts in gas-for-power demand, briefly lifting day-ahead requirements when wind speeds were expected below seasonal norms. LNG send-out remained robust throughout, supported by steady terminal flows and incoming cargoes, while Norwegian supplies fluctuated amid lower Langeled nominations, planned and unplanned outages, and revised maintenance schedules, keeping total exit flows broadly steady overall. Interconnector exports were muted. In oil markets, prices were influenced by ongoing US–Iran negotiations, rising Middle East tensions, and expectations from the International Energy Agency that global supply could outpace demand next year.