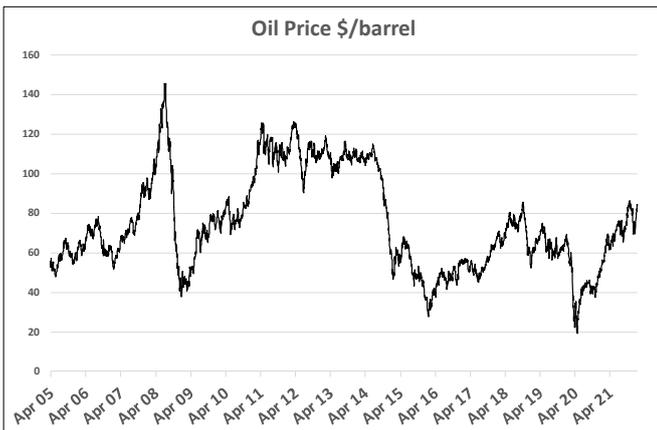


# Energy Market Snapshot

14th January 2022

## Oil:



Front month Brent eased on Monday and closed \$0.36/barrel lower day on day. Prices were under downward pressure as tension in Kazakhstan eased which alleviated production concerns.

The market rose on Tuesday as participants expected a higher draw on stocks in the coming inventory report.

On Wednesday, the weekly inventory report showed a 4.6M barrel draw on stocks and the EIA reduced its global oil supply forecast. Front month Brent gained nearly \$2/barrel as a result.

There was little movement throughout Thursday's session and Brent closed down marginally.

Last night, Brent closed at \$84.25/barrel - up just over \$2.5/barrel on last Friday.

## Gas:



On Monday, contracts out to April 23 eased with a healthy LNG supply picture taking shape whilst further out, contracts were supported by rising carbon.

Contracts made notable losses again on Tuesday with front month Feb 22 losing nearly 16ppt. Strong LNG flows pushed prices lower and with 14 cargoes due to arrive in the UK by the end of the month the supply outlook was healthy.

Another bearish day on Wednesday with all contracts shedding value, the biggest losers were Summer 22 and Winter 23.

Contracts opened on Thursday lower than Wednesday's close, however the system moved into a short position which lifted prices.

Last night, contracts out to April 24 closed lower than last Friday whilst contracts further out rose. Winter 22 closed at 163.21ppt, down nearly 36ppt compared to last Friday.

## Electricity:



All Power contracts fell on Monday taking direction from Gas, although curve contracts shrugged off the gains in Carbon.

In line with Gas, prices fell on Tuesday and indeed Wednesday.

Most contracts rose on Thursday taking direction from Gas as well as lower Wind generation forecasts for the coming days.

Last night, all contracts closed lower than last Friday. Winter 22 closed at £157.1/MWh, down £34/MWh compared to last Friday.