June 2026

Energy overview

Your monthly report featuring market updates and weather review

Monthly Report – June 2026

Market Update: Power

Price Movement

Early June: Prices eased as heatwave conditions gave way to near normal temperatures.

Mid June: Sparks turned negative as wind output returned to seasonal normal levels.

Late June: Return of heatwave conditions saw spark prices as high as £51/MWh.

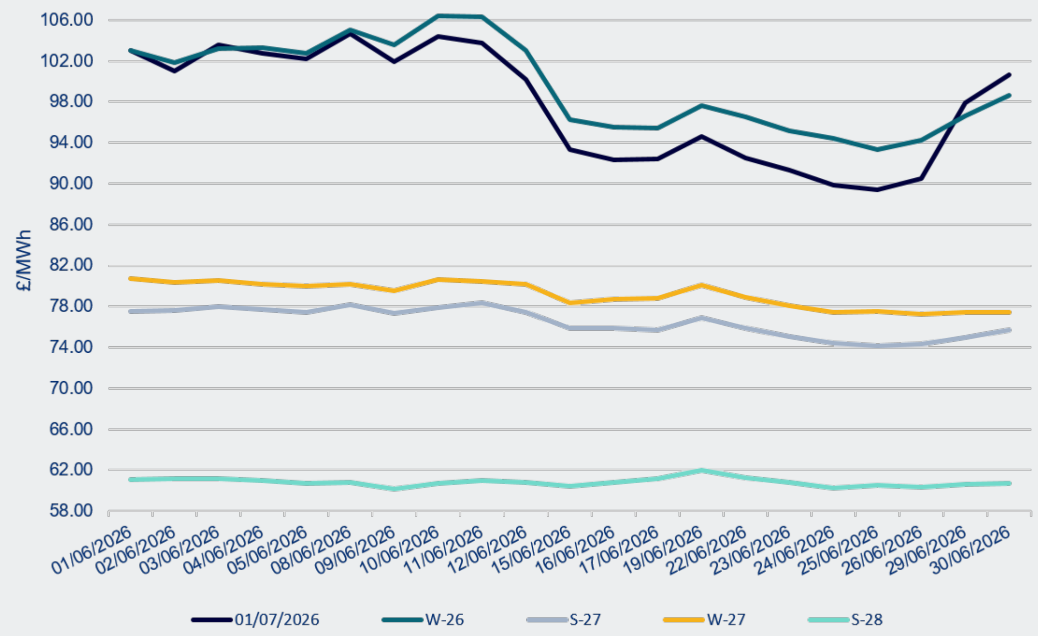
Drivers

Supply: Heatwave conditions saw output restrictions at several French nuclear stations due to high river temperatures.

Renewables 46%, gas fired generation 26%, nuclear 10% and 16% via interconnectors were the principal sources of power production.

Demand: Despite generally comfortable fundamentals, NESO issued several Electricity Margin Notices as a precautionary measure.

Baseload Power



Power Bld (£/MWh)	1-Jun-26	30-Jun-26	Change	% Change
Jul-26	103.06	100.64	-2.41	-2%
Winter 26	103.03	98.68	-4.35	-4%
Summer 27	77.56	75.67	-1.89	-3%
Winter 27	80.70	77.41	-3.29	-4%
Summer 28	61.08	60.67	-0.40	-1%

High	Low	Average
104.71	89.38	97.74
106.45	93.35	99.64
78.34	74.15	76.48
80.70	77.21	79.18
61.95	60.11	60.81

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Market Update: Gas

Price Movement

Early June: Ongoing Strait of Hormuz disruption, day-ahead gas prices 105-110p/th.

Mid June: Prices retreated sharply on news of ceasefire. Front month below 100p/th for the first time in two months.

Late June: Prices continued to ease as uneasy Middle East peace developed.

Drivers

Supply: Generally comfortable near term, LNG supplies flowing from Canada and US.

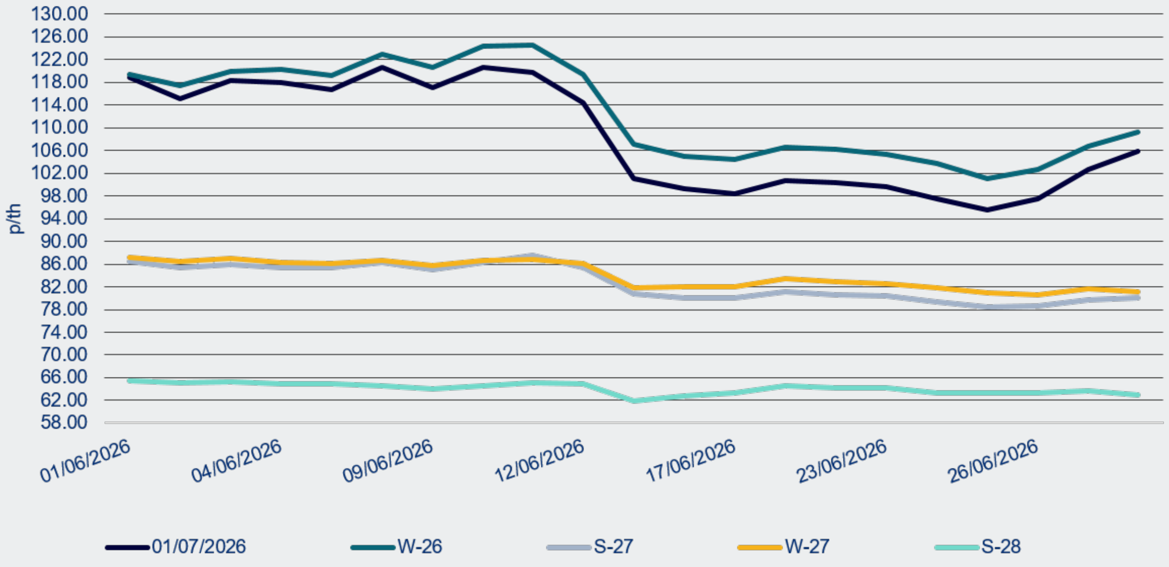
Demand: Heatwaves driving gas for power demand.

Storage: Continues to be key market focus, with storage refill driving winter price.

Flows: Strong Norwegian flows provide counterbalance to Middle East constraints.

Geopolitics: Despite de-escalation in tensions, unease remains with risk of targeted airstrikes.

NBP Gas



Gas NBP (p/th)	1-Jun-26	30-Jun-26	Change	% Change
Jul-26	118.94	105.91	-13.03	-12%
Winter 26	119.40	109.20	-10.20	-9%
Summer 27	86.40	80.10	-6.30	-8%
Winter 27	87.10	81.10	-6.00	-7%
Summer 28	65.40	62.90	-2.50	-4%

High	Low	Average
120.60	95.57	108.48
124.49	101.15	112.67
87.49	78.40	82.77
87.10	80.60	84.09
65.40	61.90	64.11

Monthly Report – June 2026

Market Update: Oil

Price Movement

Early June: Firm mid-90s as Strait of Hormuz disruption risk keeps premium elevated.

Mid June: Sharp retracement as ceasefire/reopening headlines unwind risk premium. Month ahead falls to low 80s.

Late June: Further downside as demand concerns build and supply route fears ease, brief bounces remain headline-driven.

Early July: Settles $72-73/bl, down materially from early June highs.

Drivers

Supply: Middle East disruption risk still relevant, but supply premium sold off with reopening of Strait of Hormuz.

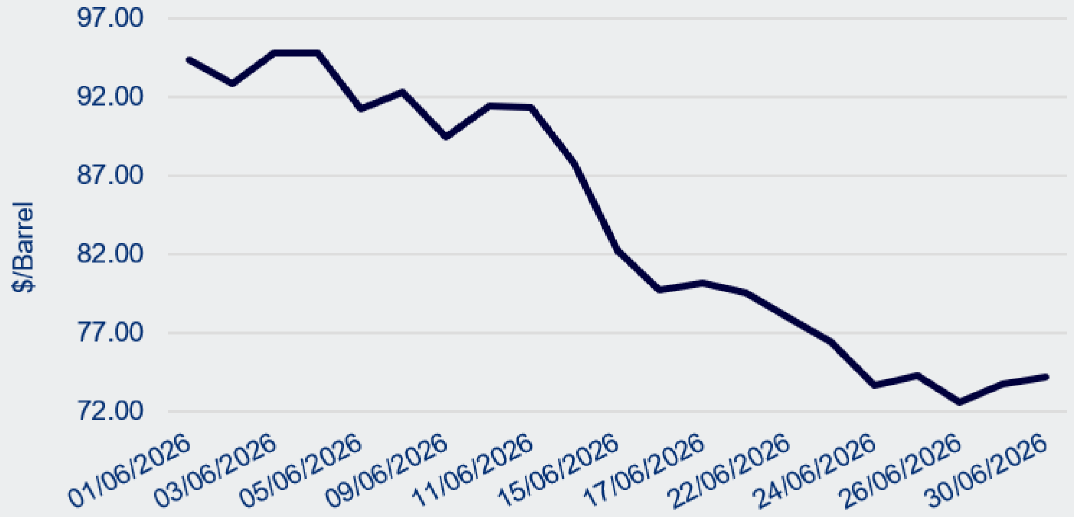
Demand: Softness increasingly visible, reinforced by IEA downgrade.

Policy: OPEC+ support less dominant.

Macroeconomy: Higher rates / weaker demand expectations cap rallies, increasingly important.

Geopolitics: Escalation risk > de-escalation risk.

Front Month Brent



Brent ($/Barrel)	1-Jun-26	30-Jun-26	Change	% Change
Front Month	94.38	74.20	-20.18	-27%

High	Low	Average
94.80	72.56	84.02

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Market Update: Carbon

Price Movement

Early June: Slow drift downwards as US/Iran tensions eased.

Mid June: Bullish lift as steps toward EU/UKA linkage gathered pace.

Late June: Slight easing in price with fundamentals suggesting slight oversupply.

July: UKA price remains in mid £50/te range.

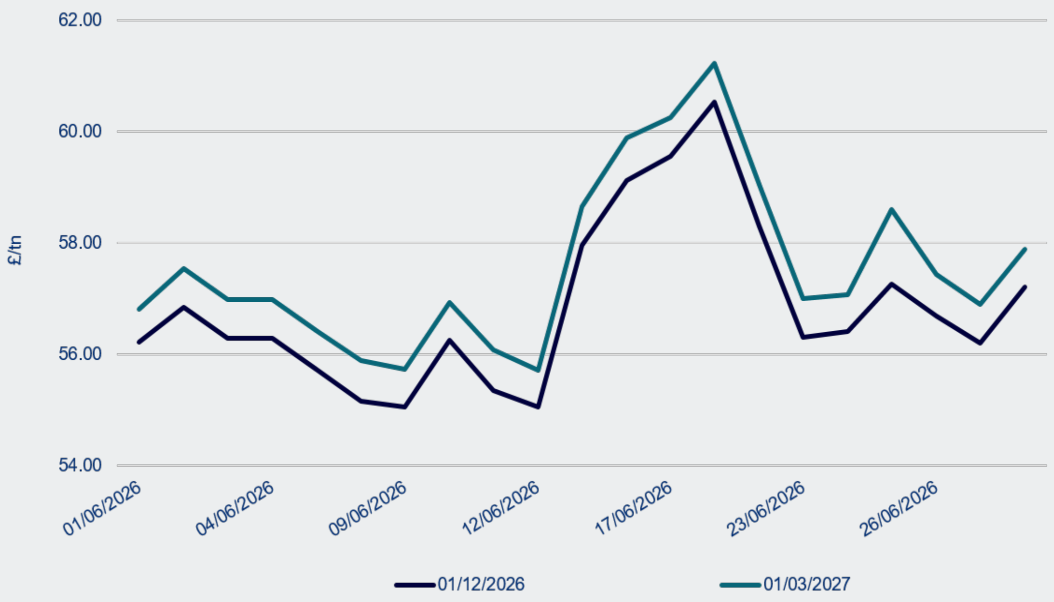
Drivers

Fundamentals: Prices supported by expectation of tighter future regulation and policy reform.

Supply: Structural surplus of allowances remains.

Regulatory: UK/EU summit 22 July with an agreement on merger of UK and EU ETS (Emissions Trading Scheme/System) expected by conclusion.

Carbon UKA



Carbon (£/ton)	1-Jun-26	30-Jun-26	Change	% Change
Dec-26	56.21	57.21	1.00	2%

High	Low	Average
60.52	55.05	56.84

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Weather Review and Outlook

June Review

An interesting weather month with a lot of unsettled conditions early on, but the main story was an extreme heatwave in late June. Looking at the monthly anomalies, June was a wet and windy month in the British Isles – drier and calmer for the continent.

All of Europe was hot in June, especially France, Spain, and Germany – this is mainly due to the extreme heat event from 22-30 June. Western Europe shattered their heat records for June, including the UK, which saw maximum temperatures approach 40C. Very high overnight minimums during the heatwave gave cause for a rare red warning for heat from the Met Office.

High solar generation was coupled with the heatwave later in the month while wind and rainfall levels decreased sharply.

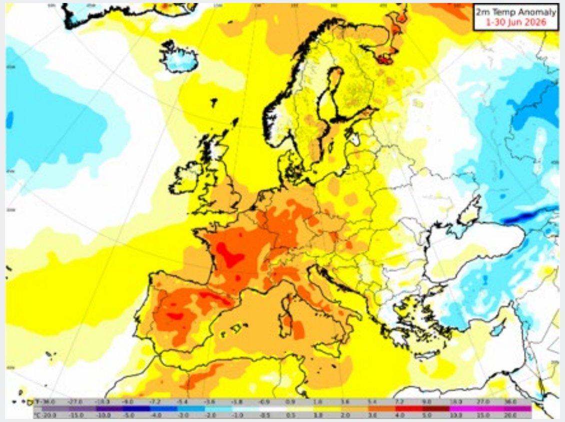
July Outlook

After an initially cooler spell in early July, heatwaves returned to western Europe, reaching the UK, Spain, and France first.

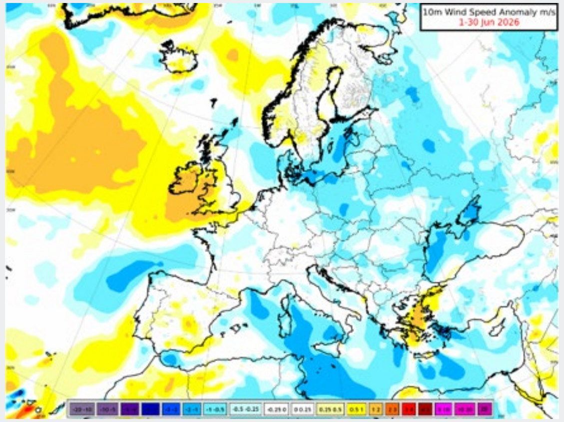
Heat spread into Germany mid-month, where after extended periods of dry weather, the Rhine River levels were very low. Heatwaves conditions persist for much of Europe in mid-July, but some stronger breezes developed in the UK and France.

For the back half of July, temperatures are very likely to remain above average across Europe thanks to warm sea temperatures. However, the heatwave risk may ease a little, especially in the UK and Germany, but Spain and France (and Italy) may stay hot. This comes with a potential increase in winds and rain, but July is likely to come in below average for both either way.

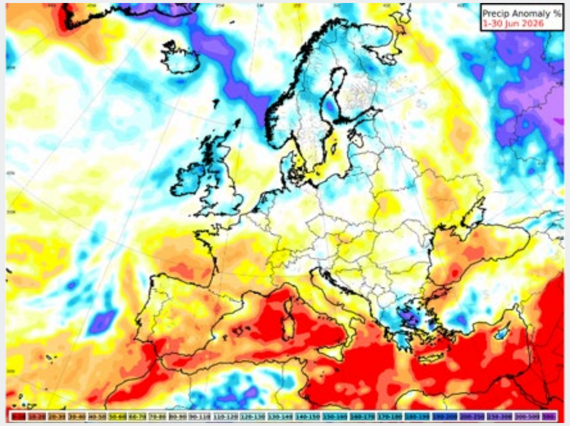
Confidence is somewhat low for the final third of the month, with a 40% chance of continued heatwave conditions in the UK.



Temperature anomaly



Wind Speed anomaly



Precipitation anomaly

Monthly Report – June 2026

EU Gas Storage Watch

Storage Levels

European gas storage inventory now 52bcm, 10bcm behind last year.

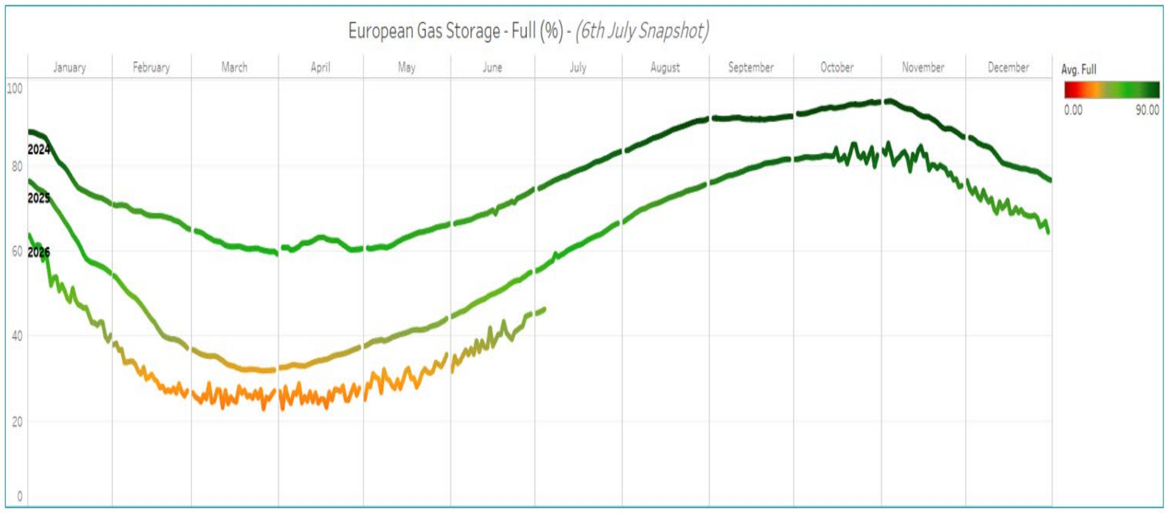
Key Headlines

Total EU storage injections stable at 1.85bcm last week.

LNG send out falls to c325mcm/d (c600mcm/d in March). Chinese LNG stable at c2.50mcm/d in June up from a low of 150mcm/d in April.

Overall

Gap remains crucial for winter balances and risk premium.



30 June – EU Gas Storage 49%

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