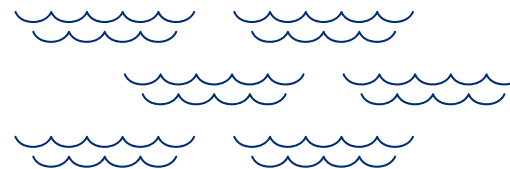
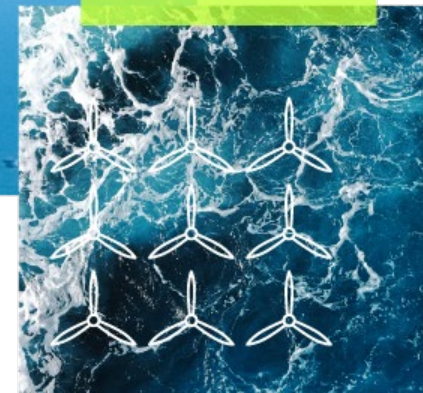


March 2026

Energy overview

Your monthly report featuring market updates
and weather review





Market Update: Power

Price Movement

Early March: prompt and curve power prices tracked gas upwards as the Middle East conflict intensified.

Mid March: prices remained volatile, with sparks significantly depressed by a combination of high gas prices and abundant renewable output.

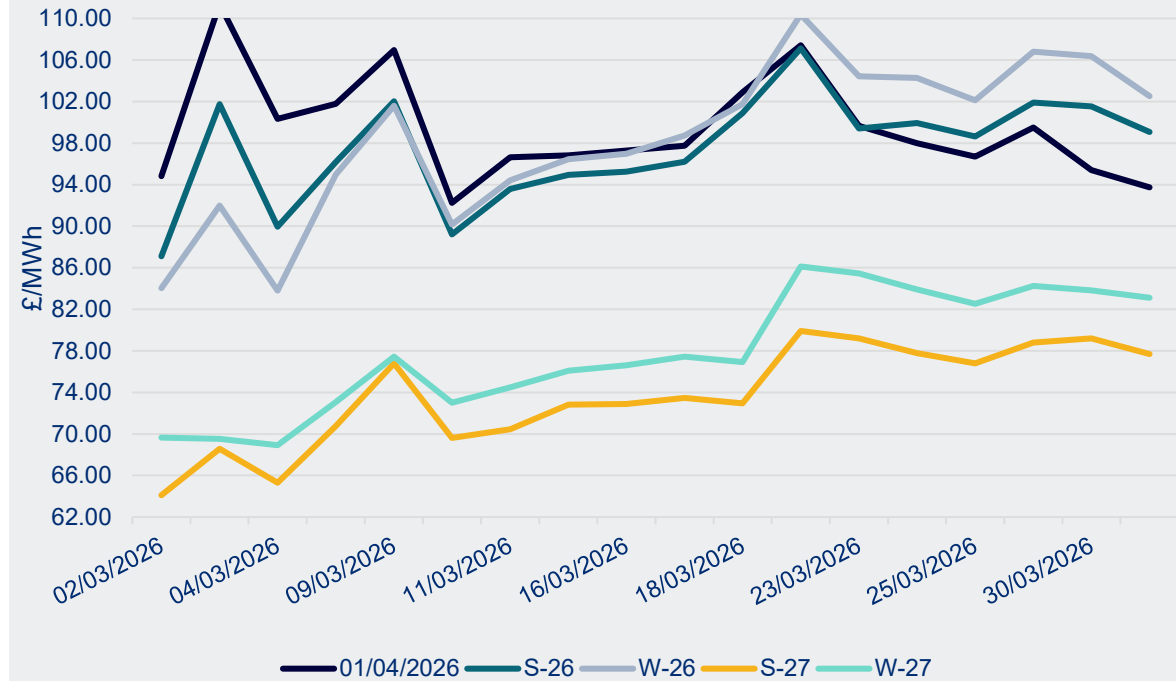
Late March: More of the same. A high fuel complex means spark spreads face more deeply negative outturns, with renewable generation price setting during periods of oversupply.

Drivers

Supply: Renewables 49%, primarily offshore wind; 22% gas-fired generation; 11% nuclear and 16% interconnector were the principle sources of UK generation during the month. (Source: NESO)

Demand: Over 32TWh supplied through the month to domestic and industrial and commercial consumers, with peak demand 44.1GW on 25 March. (Source: NESO)

Baseload Power



Power Bld (£/MWh)	1-Mar-26	31-Mar-26	Change	% Change	High	Low	Average
Apr-26	94.82	93.73	↓ -1.09	↓ -1%	111.39	92.25	99.41
Summer 26	87.11	99.08	↑ 11.97	↑ 12%	107.12	87.11	97.48
Winter 26	84.03	102.52	↑ 18.50	↑ 18%	110.37	83.80	98.43
Summer 27	64.11	77.70	↑ 13.59	↑ 17%	79.91	64.11	73.73
Winter 27	69.66	83.12	↑ 13.45	↑ 16%	86.12	68.92	77.91



Market Update: Gas

Price Movement

March saw a significant rally in prices as conflict in the Middle East escalated with Iran attacking oil and gas infrastructure across the Gulf.

This included the Ras Laffan in Qatar, the world’s largest LNG facility, covering nearly 20% of global supply. It’s estimated that over 12 million tonnes of annual LNG production would be lost for up to five years.

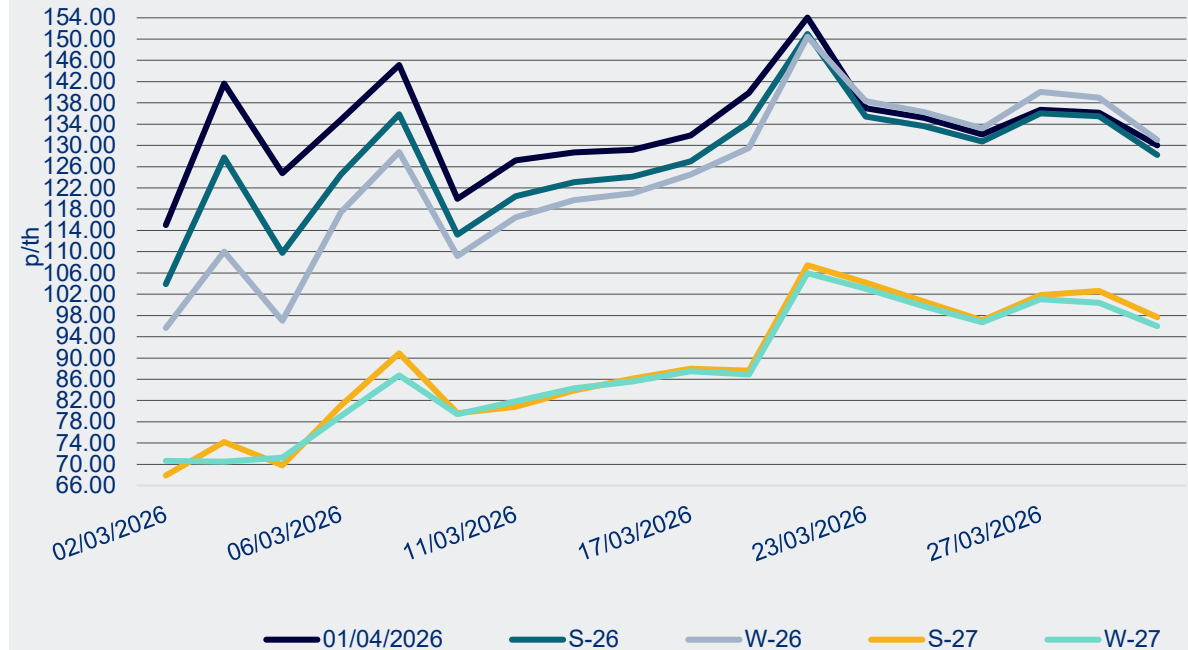
By month end the position was largely unchanged, with market volatility continuing to be driven by headlines and fears that conflict will likely impact global energy markets and the wider economy for an indefinite period.

Drivers

Supply: Strait of Hormuz shut off to all but a handful of vessels deemed “friendly” by Iran (**bullish**).

Demand: Demand fell relative to February as transition from heating season began (**neutral**).

NBP Gas



Gas NBP (p/th)	1-Mar-26	31-Mar-26	Change	% Change	High	Low	Average
Apr-26	115.01	130.00	↑ 14.99	↑ 12%	154.04	115.01	133.28
Summer 26	103.90	128.20	↑ 24.30	↑ 19%	150.95	103.90	127.47
Winter 26	95.65	131.00	↑ 35.35	↑ 27%	150.45	95.65	124.30
Summer 27	67.90	97.70	↑ 29.80	↑ 31%	107.45	67.90	88.96
Winter 27	70.65	96.00	↑ 25.35	↑ 26%	105.95	70.50	88.15



Market Update: Oil

Price Movement

Early March: Brent crude lifted sharply as the Middle East conflict began, up to **\$77/bbl**, reflecting the geopolitical risk of an escalating conflict amid the death of Ayatollah Khamenei and attack on Iranian infrastructure.

Mid March: **high-\$104/bbl**, as geopolitical fears grew as disruption to the Strait of Hormuz saw vessel flow severely limited as Iran threatened attacks on shipping.

Late March: prices **lifted above \$107/bbl**, as wider escalation of conflict in the Middle East took hold, with the US threatening critical Iranian energy infrastructure and Iran exerting a chokehold on the key Strait of Hormuz.

Drivers

Supply: Disruptions through the Strait of Hormuz (**bullish**).

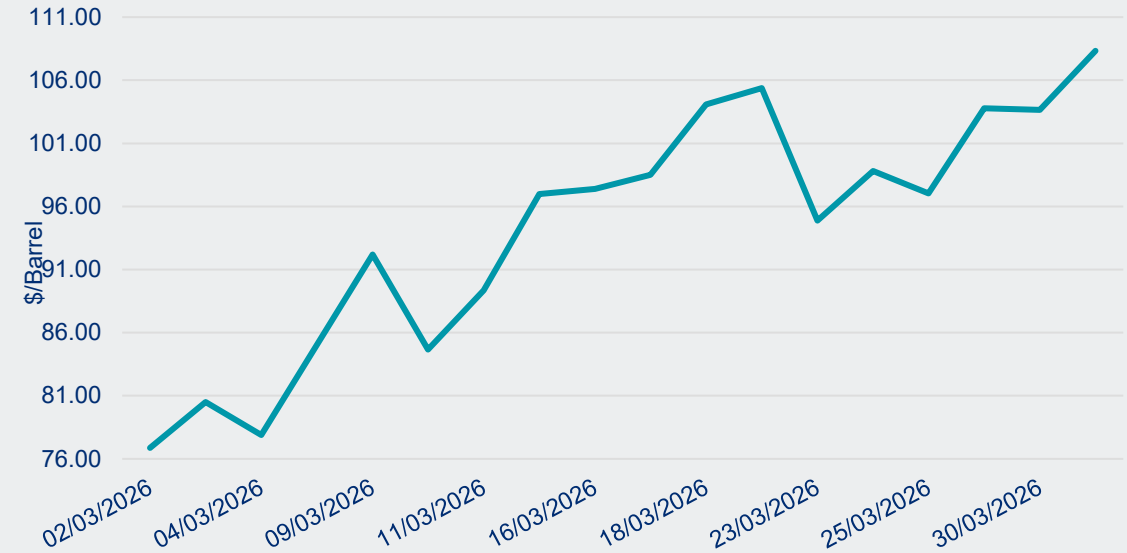
Demand: No significant change; duration of war in the Middle East and inflationary shock to the macroeconomy make up a longer dated concern (**neutral**).

Policy: G7 released its largest strategic oil reserves in history to offset some of the lost production (**bearish**).

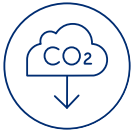
Macro Economy: No significant change; duration of war in the Middle East and inflationary shock to the macroeconomy make up a longer dated concern (**neutral**).

Geopolitics: Mixed signals from US regarding duration of the conflict (**bullish**).

Front Month Brent



Brent (\$/Barrel)	1-Mar-26	31-Mar-26	Change	% Change	High	Low	Average
Front Month	76.87	108.33	↑ 31.46	↑ 29%	108.33	76.87	94.18



Market Update: Carbon

Price Movement

Continued sell off by financial market participants across the month amid policy uncertainty.

Trading c £45/te early March, but following sell-off ended month £6/te down.

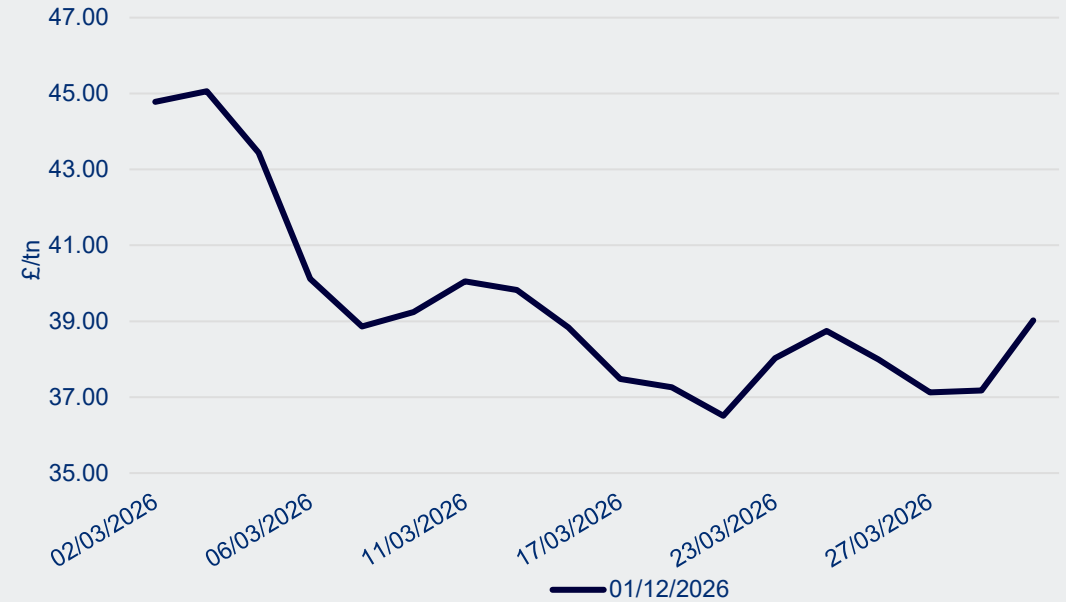
Drivers

Policy: The market remains volatile amid ongoing policy uncertainty, with the EU pledging €30 billion in Emissions Trading System (ETS) financing for decarbonisation.

Fundamentals: March saw the start of switching to coal from gas amid the Middle East crisis, but bullish fundamentals are offset by bearish potential for demand destruction if the crisis extends.

Supply: Balancing act as EU member states debate reforms to combat volatility whilst maintaining decarbonisation goals.

Carbon UKA



Carbon (£/ton)	1-Mar-26	31-Mar-26	Change	% Change	High	Low	Average
Dec-26	44.79	39.02	↓ -5.76	↓ -15%	45.06	36.51	39.42



Weather Review and Outlook

March Review

March was generally a warm but unsettled month for the UK, with a lot of winds and rain for Scotland and northern England. Further south, rain was less frequent with some better sunshine, which made for some good solar production in England.

Low pressure around the western Mediterranean brought cloudiness and rain to Spain and southern France. However, otherwise the continent tended to be warm, sunny, dry, and calm with a few unsettled spells breaking things up a bit.

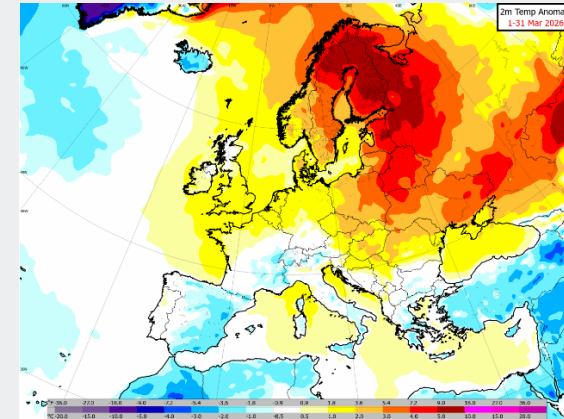
GB wind power came just above average, boosted by Scotland's windiness. So did solar, boosted by sunshine in the south.

April Outlook

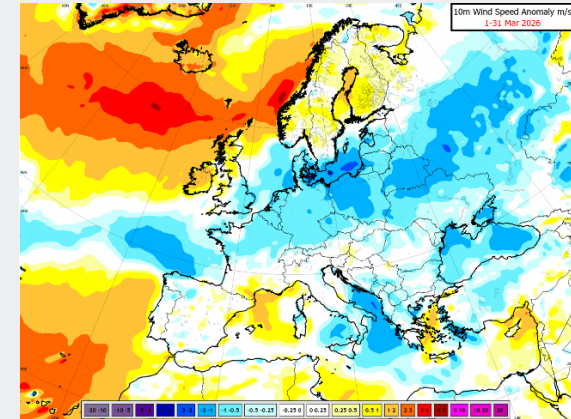
April is currently shaping up to see some stormy weather for the Easter bank holiday weekend followed by an unsettled spell. This should last around 7-10 days, but in mid-April we should see things transition into a calmer, drier, and sunnier pattern.

The back half of the month should be largely characterised by this type of weather, with high winds at a premium. April temperatures are likely to be mild, and later in the month some warm, sunny spring days are increasingly likely.

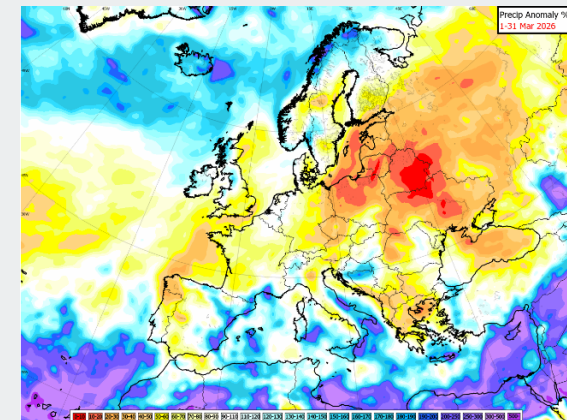
Overall, April should come in a bit above average for GB winds and rainfall in SSE hydro locations, mainly boosted by the first 10-12 days.



Temperature anomaly



Wind Speed anomaly



Precipitation anomaly



Monthly Report – March 2026

EU Gas Storage Watch

Storage Levels:

European gas storage inventory (storage + reservoir, excluding Ukraine) now sits at 29.2bcm, 5.6bcm behind this point last year. Northwest Europe inventory sits at 8.8bcm in store, 3.8bcm behind last year.

Key Headlines:

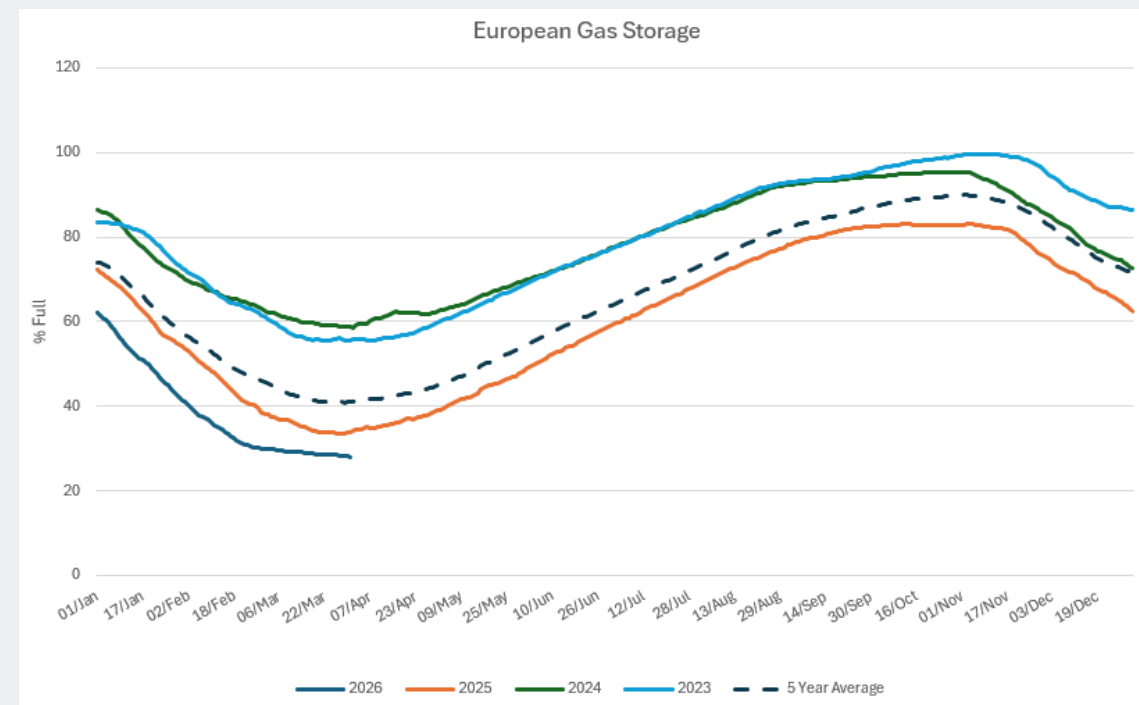
EU storage withdrawals slowed to 0.2bcm over the last week of March, as withdrawal season comes to an end.

EU LNG sendout remains high at 500 mcm/d, but is expected to fall in the coming weeks as Asian prices increase relative to European prices.

Overall:

Attention now turns to re-stocking of European storage over the summer, with the added dynamic of Middle East conflict continuing to disrupt global LNG supply.

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31 March – EU Gas Storage 28%

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