



Energy Market Update

6th October 2025

FLAME UK ENERGY MANAGEMENT - WEEKLY MARKET INSIGHT

06 October 2025



Wholesale Market Prices and Trends

Wholesale Gas Element (p/kWh)	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Apr-26 12m	2.75	↓ -7%	↓ -2%	↓ -2%
Apr-26 24m	2.67	↓ -4%	↔ -1%	↔ 1%
Apr-26 36m	2.59	↓ -3%	↔ 0%	↔ 0%
Oct-26 12m	2.66	↓ -5%	↔ -1%	↑ 1%
Oct-26 24m	2.54	↓ -2%	↑ 1%	↔ 0%

Wholesale Power Element (p/kWh)	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Apr-26 12m	7.65	↔ 0%	↑ 6%	↑ 8%
Apr-26 24m	7.48	↑ 1%	↑ 7%	↑ 8%
Apr-26 36m	7.39	↑ 3%	↑ 8%	↑ 7%
Oct-26 12m	7.48	↑ 1%	↑ 8%	↑ 8%
Oct-26 24m	7.30	↑ 2%	↑ 7%	↑ 4%

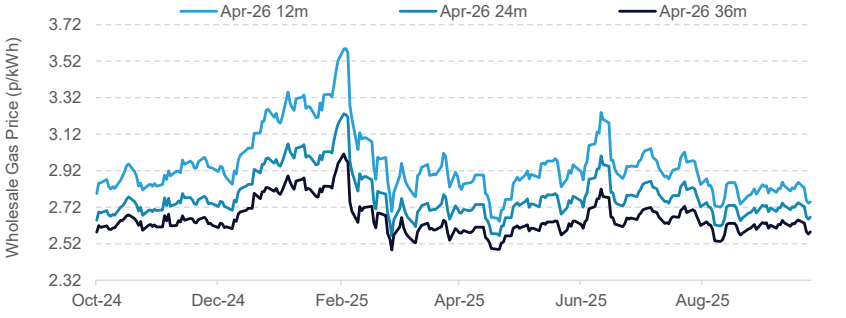
Wider Energy Complex	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Brent (\$/bbl.)	64.53	↓ -7%	↔ -1%	↓ -16%
Coal (\$/t)	100.83	↓ -4%	↓ -14%	↓ -20%
UK Carbon (£/t)	57.02	↑ 20%	↑ 4%	↑ 67%
EU Carbon (€/t)	79.16	↑ 11%	↑ 9%	↑ 10%
€/£	0.87	↓ -36%	↑ 3%	↑ 4%

UK NBP Gas

Wholesale Market Drivers

Bearish (Falling)	<p>Trump has enforced new tariffs on wood products from 14-Oct, capped at 10% for Britain and 15% for the EU, heightening trade tensions and pressuring already ailing economies.</p> <p>Asian LNG prices have fallen to their lowest level in a year amid weak demand, with reduced offtake from Egypt also improving European supply dynamics. Already, around 45% of last year's October LNG deliveries have been secured for Oct-25, less than a week into the month.</p>
Bullish (Rising)	<p>Some analysts expect Europe to end the Winter-25 season with gas storage levels around 33%, below the five-year average of 45%, indicating a tighter supply balance toward the end of the season.</p> <p>Russia continues to intensify attacks on Ukraine's energy infrastructure, with key gas facilities critically damaged as we head into winter. Meanwhile, US intelligence support for Ukraine's strikes on Russian energy targets may continue, supporting geopolitical risk along the curve.</p>

Wholesale Price Graphs

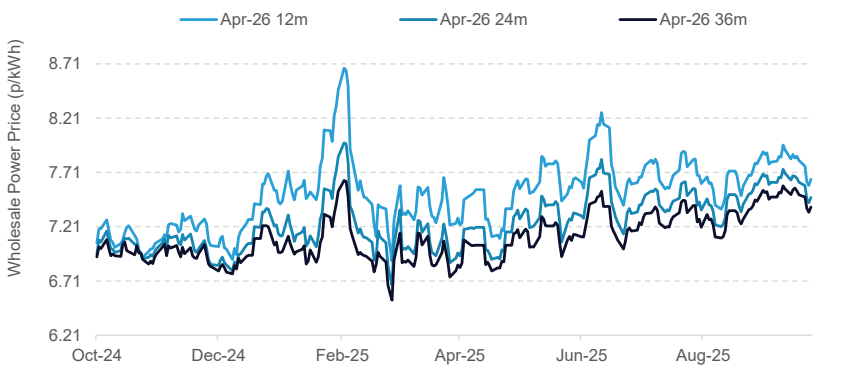


UK Baseload Power

Market Drivers

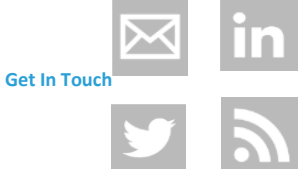
Bearish (Falling)	<p>Chinese manufacturing data shows contraction for the sixth consecutive month in the world's second-largest economy, signaling a sustained slowdown. This points to softer industrial demand, and mirrors weaker global consumption patterns.</p> <p>The Spanish solar sector has been cleared of fault for the April 2025 Iberian blackout by an EU TSO report. While challenges remain, the ruling eases concerns over continued renewable development and supports future investment.</p>
Bullish (Rising)	<p>The EU has approved simplified CBAM rules, exempting 90% of importers from compliance, which could help revive some industrial demand in the Eurozone.</p> <p>France's power market is in contango, reflecting short-term caution among traders but medium-term expectations of rising prices, which could signal more expensive power exports to the UK and Europe.</p>

Wholesale Price Graphs



Energy Market News:

Global LNG bunker demand set to double by 2030. Demand for LNG as a marine fuel is set to at least double by 2030, supported by abundant supply, emissions regulation and a growing orderbook of dual-fuel vessels. Global bunkering volumes are expected to top 4m tonnes in 2025 and rise to more than 8m by 2030, according to Rystad Energy, while TotalEnergies projects LNG and bio-LNG demand could reach 15m tonnes. Ship certifier DNV said 781 vessels are currently able to use LNG, a figure expected to rise to at least 1,417 by 2030. LNG has gained an advantage over methanol and ammonia as alternative fuels, with more mature infrastructure and a cost outlook set to improve as new export capacity in the US and Qatar creates an oversupply later this decade. Europe's FuelEU rules and potential IMO emissions fees from 2028 are likely to accelerate uptake, though LNG bunker prices remain higher than conventional marine fuel for now. Supply may keep prices under pressure in the near term, but longer-dated contracts could find support from stronger demand growth into the 2030s.



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06 October 2025

Market Prices and Trends

Gas (p/therm)	Close	Indicative Price*	% Change	3-Month Variance
Day-Ahead	72.20	81.00	↑ 12.2%	↓ -10%
Nov-25	80.58	83.23	↑ 3.3%	↓ -12%
Dec-25	83.10	85.36	↑ 2.7%	↓ -13%
Jan-26	84.81	87.00	↑ 2.6%	↓ -11%
Feb-26	84.96	87.24	↑ 2.7%	↓ -11%
Q1-26	83.85	86.05	↑ 2.6%	↓ -11%
Q2-26	76.44	78.40	↑ 2.6%	↓ -8%
Summer-26	76.26	78.02	↑ 2.3%	↓ -8%
Winter-26	84.39	86.00	↑ 1.9%	↓ -6%
Summer-27	71.40	72.50	↑ 1.5%	↓ -2%
Winter-27	80.01	80.50	↑ 0.6%	↓ 0%
Summer-28	66.88	67.00	↑ 0.2%	↓ 1%
Winter-28	75.85	76.49	↑ 0.8%	↓ 2%

Baseload (£/MWh)	Close	Indicative Price*	% Change	3-Month Variance
Day-Ahead	63.50	87.50	↑ 37.8%	↓ -98%
Nov-25	81.68	87.50	↑ 7.1%	↓ -4%
Dec-25	80.56	85.00	↑ 5.5%	↓ -8%
Jan-26	87.07	87.07	↑ 0.0%	↓ 2%
Feb-26	85.76	85.76	↑ 0.0%	↓ 0%
Q1-26	83.38	86.00	↑ 3.1%	↓ -2%
Q2-26	72.59	72.59	↑ 0.0%	↓ 1%
Summer-26	72.25	73.50	↑ 1.7%	↓ 1%
Winter-26	81.42	82.50	↑ 1.3%	↓ 1%
Summer-27	68.88	70.25	↑ 2.0%	↓ 4%
Winter-27	78.43	78.43	↑ 0.0%	↓ 4%
Summer-28	67.46	69.00	↑ 2.3%	↓ 7%
Winter-28	77.56	77.56	↑ 0.0%	↓ 5%

Wider Energy Complex	Close	Current Offer	% Change	3-Month Variance
Brent (\$/bbl)	64.11	64.85	↑ 1.2%	↓ -7%
Coal (\$/t)	100.83	100.83	↑ 0.0%	↓ -4%
UK Carbon (£/t)	56.55	57.85	↑ 2.3%	↓ 20%
EU Carbon (€/t)	77.68	79.19	↑ 1.9%	↓ 11%
€/£	0.871	0.873	↑ 0.2%	↓ 1%
€/€	1.171	1.174	↑ 0.2%	↓ 0%

Get in Touch



Current Market Drivers

An undersupplied system, increasing MRS storage injections, and unseasonably low wind generation into tomorrow, increasing gas-for-power demand, is providing bullish pressure to prompt gas and baseload prices. Several Ukrainian gas facilities have been critically damaged after Russian attacks, a trend likely to persist throughout winter, offering bullish signals for near-curve gas contracts, as Ukraine remains a net gas importer. UK energy futures are trading bullish, breaking from the recent sideways trend. Heightened Russian attacks on Ukraine, along with revised cooler temperature and weaker wind forecasts for Oct-25, have provided support. The UK currently has five LNG cargoes scheduled for Oct-25 and one for Nov-25 delivery, limiting some upside along the curve, with weaker demand from Asia and Egypt easing European and UK competition. The Brent Crude benchmark is bullish this morning, as OPEC+'s planned production hikes for Nov-25 are more modest than expected. However, a continued muted demand outlook has limited further gains.

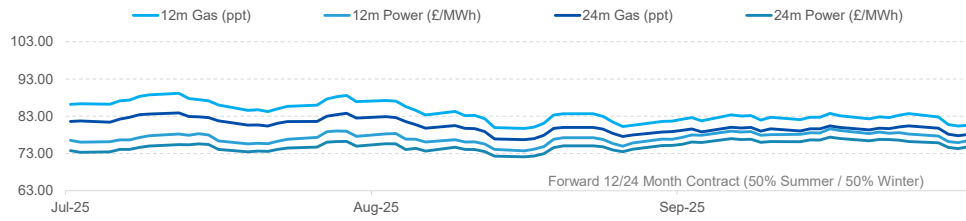
Market Focus

Russian strikes critically damage Ukrainian gas production. Massive Russian drone strikes on Friday and at the weekend, the largest of their kind on Ukrainian gas infrastructure, have inflicted critical damage on gas assets, Naftogaz, Ukraine's utility, has said. Production in the Kharkiv and Poltava regions has been affected, with Naftogaz claiming Russia aims to disrupt the heating season. The Russian Defence Ministry confirmed that these attacks, alongside those on military-industrial facilities, had occurred. Ukraine aims to bolster gas supplies ahead of winter, fearing disruptions to domestic output, with plans to stockpile 13.2 bcm of gas, 4.6 bcm of which will be imports, 95% of them already contracted. Previous Russian strikes on Ukraine's gas infrastructure cut domestic output to 40% earlier this year. Stock levels currently stand at 26.6%, with Poltava being one of the main production regions. Russia continues to step up attacks on Ukrainian energy infrastructure, a trend likely to continue throughout winter, which could increase Ukraine's reliance on neighbouring imports if domestic supply is endangered.

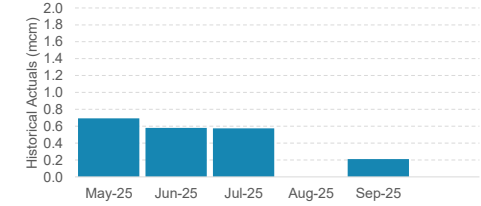
Global LNG bunker demand set to double by 2030. Demand for LNG as a marine fuel is set to at least double by 2030, supported by abundant supply, emissions regulation and a growing orderbook of dual-fuel vessels. Global bunkering volumes are expected to top 4m tonnes in 2025 and rise to more than 8m by 2030, according to Rystad Energy, while TotalEnergies projects LNG and bio-LNG demand could reach 15m tonnes. Ship certifier DNV said 781 vessels are currently able to use LNG, a figure expected to rise to at least 1,417 by 2030. LNG has gained an advantage over methanol and ammonia as alternative fuels, with more mature infrastructure and a cost outlook set to improve as new export capacity in the US and Qatar creates an oversupply later this decade. Europe's FuelEU rules and potential IMO emissions fees from 2028 are likely to accelerate uptake, though LNG bunker prices remain higher than conventional marine fuel for now. Supply may keep prices under pressure in the near term, but longer-dated contracts could find support from stronger demand growth into the 2030s.

Russia targets 56 mtpa LNG by 2027 despite 2024 decline. Russia plans to boost LNG output to 56m tonnes annually by 2027 under its national energy programme, despite a 6% fall in production in the first eight months of 2024. Volumes are forecast at 40m tonnes in 2025 and 44m tonnes in 2026, according to Rosstat data, but export projections have been revised lower, with 2025 shipments seen at 35.7m tonnes versus an earlier 40m. By 2027, exports are expected at 46.9m tonnes, below the previous 58.4m target, before climbing to 58.4m in 2028, still short of the 73.6m once planned. The strategy highlights Asia-Pacific as the key outlet, with its share of Russian energy exports projected to rise to 69% by 2027, reflecting Moscow's deeper pivot east as Western sanctions persist. The prospect of additional Russian supply feeding Asian markets could reduce competition for cargoes between Asia and Europe, placing downward pressure on prices in the medium-term, although logistical and sanction-related risks still limit visibility on how much of the planned capacity will materialise.

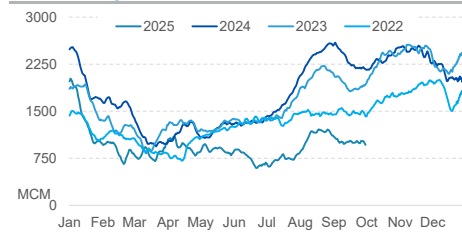
Forward Curve Price Action



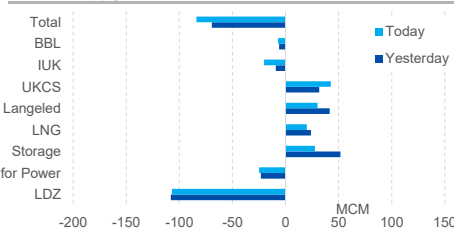
Historical Monthly LNG Supply



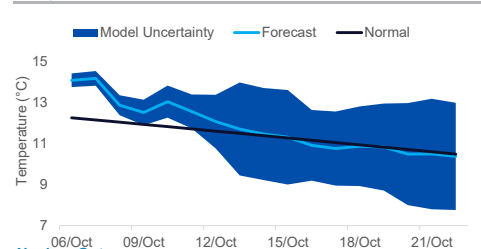
UK Gas Storage Level



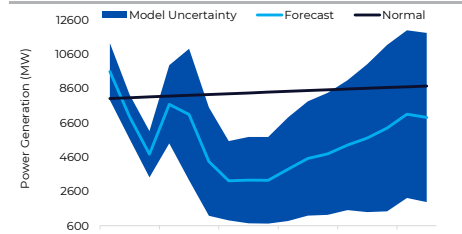
UK Gas Supply/Demand Sources



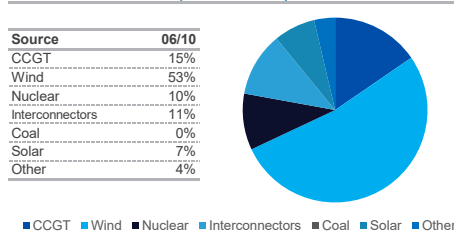
Temperature Forecast



Wind Power Generation Forecast



Power Generation Mix (Last 24 Hours)

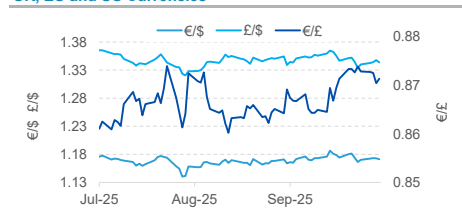


Nuclear Outages

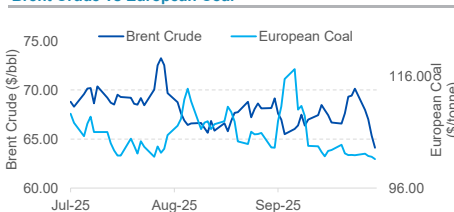
Facility	Capacity (MW)	Start Date	End Date
Hartlepool 1	595	28/04/25	07/10/25
Hartlepool 2	595	04/06/25	20/10/25
Heysham 2-7	615	07/08/25	09/10/25
Heysham 2-8	615	09/09/25	07/10/25
Heysham 1-1	580	22/09/25	14/10/25
Heysham 1-2	580	22/09/25	06/12/25

Current online capacity: 2920 MW (45%)

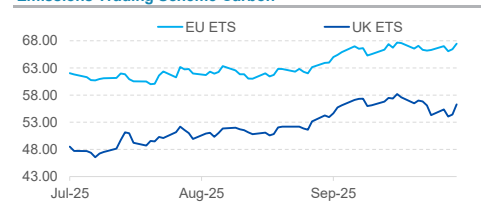
UK, EU and US Currencies



Brent Crude vs European Coal



Emissions Trading Scheme Carbon



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