



Energy Market Update

04th November 2025

FLAME UK ENERGY MANAGEMENT - WEEKLY MARKET INSIGHT

03 November 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	2.70	↓ -11%	↓ -6%	↓ -5%
Apr-26 24m	2.61	↓ -9%	↓ -5%	↓ -3%
Apr-26 36m	2.53	↓ -7%	↓ -3%	↓ -3%
Oct-26 12m	2.61	↓ -9%	↓ -5%	↓ -2%
Oct-26 24m	2.48	↓ -7%	↓ -3%	↓ -3%

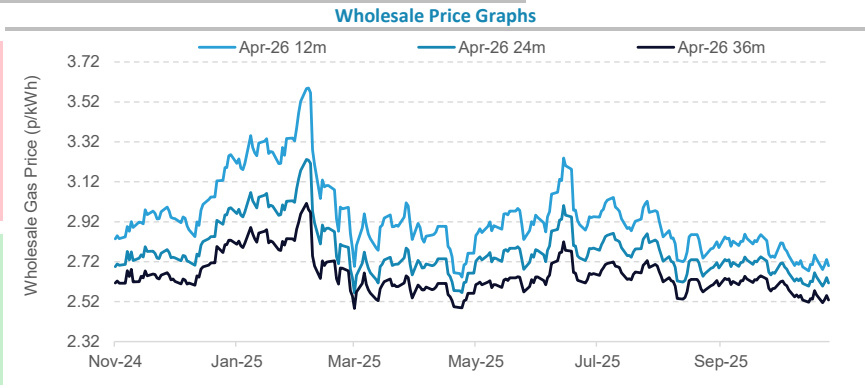
Wholesale Power Element (p/kWh)	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Apr-26 12m	7.51	↓ -5%	↓ -2%	↑ 7%
Apr-26 24m	7.34	↓ -4%	↔ 0%	↑ 6%
Apr-26 36m	7.22	↓ -3%	↗ 1%	↑ 5%
Oct-26 12m	7.32	↓ -4%	↔ 0%	↑ 6%
Oct-26 24m	7.11	↓ -3%	↗ 0%	↑ 2%

Wider Energy Complex	Indicative Price	3-Month Variance	6-Month Variance	12 Month Variance
Brent (\$/bbl.)	65.07	↓ -5%	↓ -15%	↓ -12%
Coal (\$/t)	102.48	↔ 0%	↓ -10%	↓ -11%
UK Carbon (£/t)	56.27	↑ 11%	↑ 5%	↑ 23%
EU Carbon (€/t)	78.54	↑ 11%	↑ 5%	↓ -3%
€/£	0.88	↓ -34%	↑ 3%	↑ 5%

UK NBP Gas

Wholesale Market Drivers

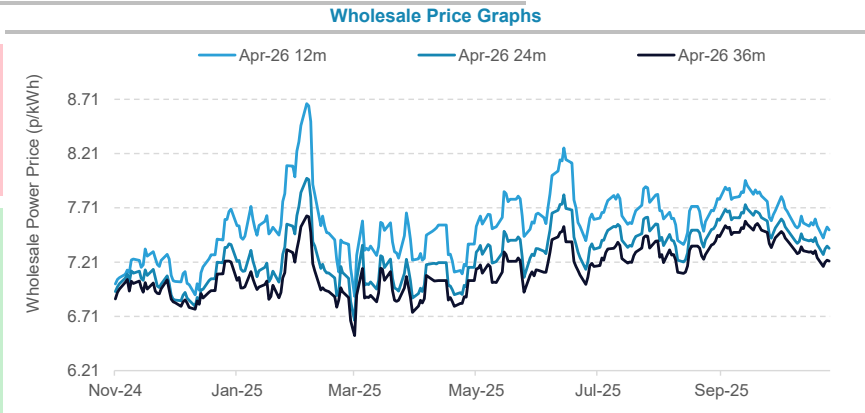
Bearish (Falling)	<p>Shipments from Russia's Arctic LNG 2 saw exports surge 21% in Oct-25, with cargoes directed to Asian markets, easing competition for Europe, while Russian LNG deliveries to Europe continue to weaken. With stable US supply, which sees EU imports set to hit a 7-month high in Nov-25, it eases upside risk, signaling improved energy security.</p> <p>Europe's rapid LNG terminal expansion to 286 bcm by mid-2026, with utilisation averaging just 52%, raises oversupply concerns and offers bearish signals to long-term gas fundamentals despite Russian import bans.</p>
Bullish (Rising)	<p>The partial rollback of US tariffs on Chinese imports to 47% from 57% following Trump's meeting with Xi eased global trade tensions, supporting short-term sentiment across wider financial markets and boosting prospects for industrial demand recovery.</p> <p>Ukraine reaffirmed its readiness for peace talks but ruled out territorial concessions, while Russia's continued territorial demands sustain doubts over a peace deal and keep geopolitical risk premiums elevated across energy markets.</p>



UK Baseload Power

Market Drivers

Bearish (Falling)	<p>Asian factory output weakened in Oct-25 as the US tariffs pressured export demand, heightening concerns over slowing industrial activity and reduced energy consumption across major manufacturing economies, including China and South Korea.</p> <p>The confirmed 1.4 GW UK-German NeuConnect interconnector, set for full launch in 2028, is deemed vital for European energy security and renewable integration, supporting long-term market stability and cross-border flows.</p>
Bullish (Rising)	<p>Equinor warned that Orsted's offshore wind model faces viability challenges amid weakening investor confidence and US policy uncertainty, with stalled renewable investment potentially increasing reliance on gas-fired-generation to meet regional energy needs.</p> <p>Analysts warn that more frequent negative power prices in Spain could slow renewable capacity growth from 2026 onwards, threatening profitability, jeopardising the country's 2030 green energy targets, and potentially signaling a wider trend across Europe.</p>



Energy Market News:

Trump cuts China tariffs after "amazing" Xi meeting. US President Donald Trump announced a partial rollback of tariffs on Chinese imports following a "12 out of 10" meeting with Chinese President Xi Jinping in Busan, marking the end of his Asia tour. Tariffs will be reduced to 47% from 57%, with fentanyl-related levies halved to 10% in exchange for Beijing pledging to curb the illicit trade and resume US soybean purchases. China also agreed to suspend its newly announced rare earth export curbs for one year, easing fears of further supply disruption. While Trump hailed the talks as a major breakthrough, markets responded cautiously, with muted moves across Asian and European indices as investors awaited concrete details. The détente offers some relief for global trade and commodity flows, but lingering friction over technology access and maritime tariffs continues to cloud the outlook, suggesting only a temporary easing in US-China tensions rather than a full reset.

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Market Prices and Trends

Gas (p/therm)	Close	Indicative Price*	% Change	3-Month Variance
Day-Ahead	73.15	73.70	0.8%	-9%
Dec-25	80.87	81.79	1.1%	-15%
Jan-26	82.53	83.43	1.1%	-15%
Feb-26	82.66	83.50	1.0%	-15%
Mar-26	79.51	80.41	1.1%	-14%
Q1-26	81.53	82.40	1.1%	-14%
Q2-26	74.71	75.41	0.9%	-11%
Summer-26	74.60	75.29	0.9%	-11%
Winter-26	82.45	83.19	0.9%	-9%
Summer-27	69.33	71.00	2.4%	-8%
Winter-27	78.01	79.50	1.9%	-5%
Summer-28	64.25	65.25	1.6%	-5%
Winter-28	73.06	74.50	2.0%	-5%

Baseload (£/MWh)	Close	Indicative Price*	% Change	3-Month Variance
Day-Ahead	53.00	60.45	14.1%	133%
Dec-25	79.97	82.00	2.5%	-9%
Jan-26	87.80	87.80	0.0%	-1%
Feb-26	86.56	86.56	0.0%	-2%
Mar-26	76.36	78.00	2.1%	-11%
Q1-26	83.47	85.25	2.1%	-5%
Q2-26	70.75	70.75	0.0%	-5%
Summer-26	70.53	71.50	1.4%	-5%
Winter-26	79.33	80.75	1.8%	-4%
Summer-27	66.66	67.50	1.3%	-3%
Winter-27	76.61	76.50	-0.1%	-1%
Summer-28	64.73	65.00	0.4%	-2%
Winter-28	75.28	75.75	0.6%	-1%

Wider Energy Complex	Close	Current Offer	% Change	3-Month Variance
Brent (\$/bbl)	64.77	64.62	-0.2%	-5%
Coal (\$/t)	102.48	102.48	0.0%	0%
UK Carbon (£/t)	56.52	57.98	2.6%	11%
EU Carbon (€/t)	78.79	80.19	1.8%	11%
€/£	0.877	0.877	0.1%	1%
€/€	1.153	1.152	-0.2%	0%

Get in Touch



Current Market Drivers

Day-ahead baseload prices are receiving support from upside seen in the UK carbon benchmark and unplanned nuclear maintenance, reducing nuclear capacity to 73%. However, firm wind forecasts for tomorrow limit upside. Revisions down to wind forecasts through much of Nov-25 and into Dec-25 offer bullish signals along the near-curve. Meanwhile, milder temperature forecasts and comfortable supply levels continue to mitigate demand-side risk. UK gas contracts are trading bullish this morning amid rising tensions over the EU's sustainability law amid US's ExxonMobil's warning of a possible European exit following Qatar's threat to halt LNG supplies over same issues. Shipments from Russia's Arctic LNG 2 saw exports surge 21% in Oct-25, though total exports fell 3.4% year-on-year for Jan-Oct-25, with LNG deliveries to Europe continuing to weaken and Asian countries taking up the shortfall. The Brent crude benchmark has opened neutral-bullish amid OPEC+'s decision to pause output hikes beyond December-25, signalling efforts to prevent oversupply and stabilise market prices into 2026.

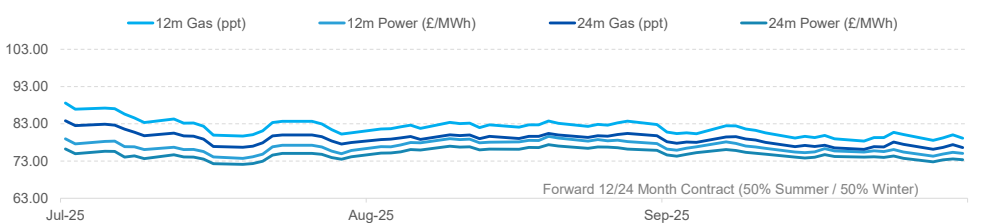
Market Focus

Asia's factory output weakens as US tariffs weigh on demand. Asia's manufacturing slowed in October as weak US demand and renewed trade tensions under Trump weighed on exports. Business surveys showed slowing factory growth in China and contraction in South Korea, with weaker export sales and PMI data signalling reduced momentum across manufacturing and construction. Although Trump and Chinese President agreed last week to delay some reciprocal tariffs, economists warned the truce offered limited relief and failed to address deeper structural disputes. Meanwhile, India's manufacturing sector proved a bright spot, with stronger domestic demand helping to offset weaker exports. Activity also eased in Malaysia and Taiwan, though Vietnam and Indonesia saw modest improvements. The data highlights growing uncertainty for Asian exporters amid faltering global trade and persistent geopolitical headwinds, raising concerns about weaker industrial energy demand across the region.

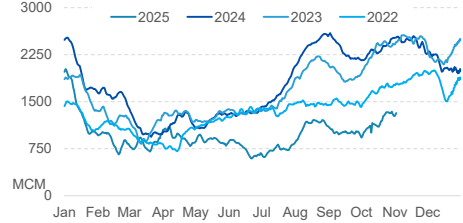
Xi fills Trump's void at APEC with pro-trade message. As US President Donald Trump departed South Korea following his meeting with Xi Jinping, the Chinese leader moved on to the APEC summit in Gyeongju, using the platform to position China as the new champion of global trade. Xi urged member states to strengthen multilateralism under the WTO framework. This contrasts with Trump's protectionist "America First" policies and heavy use of tariffs that have unsettled Asian economies. While Beijing's message of openness won applause in parts of the region, it also drew caution from neighbours wary of China's dominance and its readiness to weaponise exports, including rare earths. Xi's presence underscored China's growing diplomatic reach across Asia as it signed new trade pacts with ASEAN and deepened regional influence amid slowing domestic growth. Analysts said Beijing's strategy seeks to bind Asian markets closer through trade and infrastructure links, while Washington's absence from major summits leaves space for China to shape the economic order in its favour.

Trump cuts China tariffs after "amazing" Xi meeting. US President Donald Trump announced a partial rollback of tariffs on Chinese imports following a "12 out of 10" meeting with Chinese President Xi Jinping in Busan, marking the end of his Asia tour. Tariffs will be reduced to 47% from 57%, with fentanyl-related levies halved to 10% in exchange for Beijing pledging to curb the illicit trade and resume US soybean purchases. China also agreed to suspend its newly announced rare earth export curbs for one year, easing fears of further supply disruption. While Trump hailed the talks as a major breakthrough, markets responded cautiously, with muted moves across Asian and European indices as investors awaited concrete details. The détente offers some relief for global trade and commodity flows, but lingering friction over technology access and maritime tariffs continues to cloud the outlook, suggesting only a temporary easing in US-China tensions rather than a full reset.

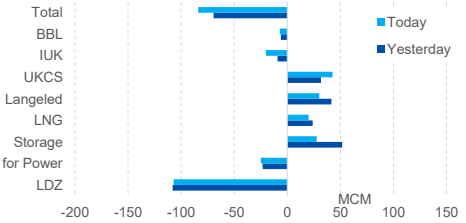
Forward Curve Price Action



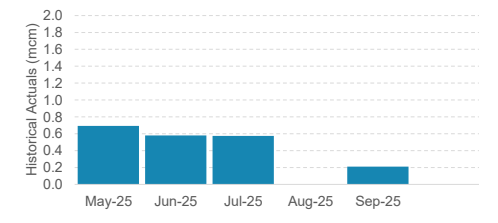
UK Gas Storage Level



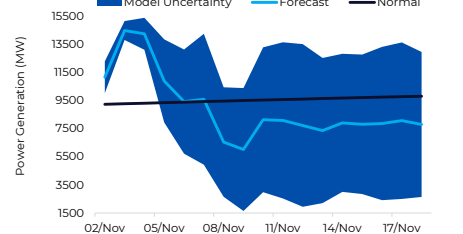
UK Gas Supply/Demand Sources



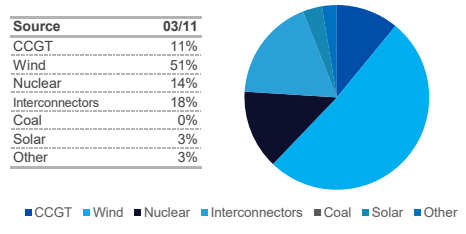
Historical Monthly LNG Supply



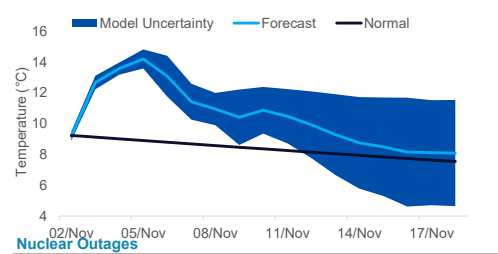
Wind Power Generation Forecast



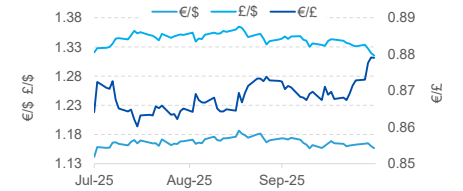
Power Generation Mix (Last 24 Hours)



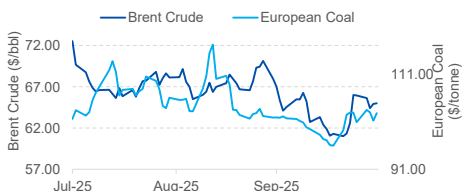
Temperature Forecast



UK, EU and US Currencies



Brent Crude vs European Coal

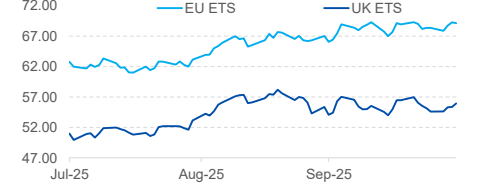


Nuclear Outages

Facility	Capacity (MW)	Start Date	End Date
Hartlepool 2	595	04/06/25	14/11/25
Heysham 1-2	580	22/09/25	06/12/25
Hartlepool 1	595	31/10/25	05/12/25

Current online capacity: 4730 MW (73%)

Emissions Trading Scheme Carbon



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