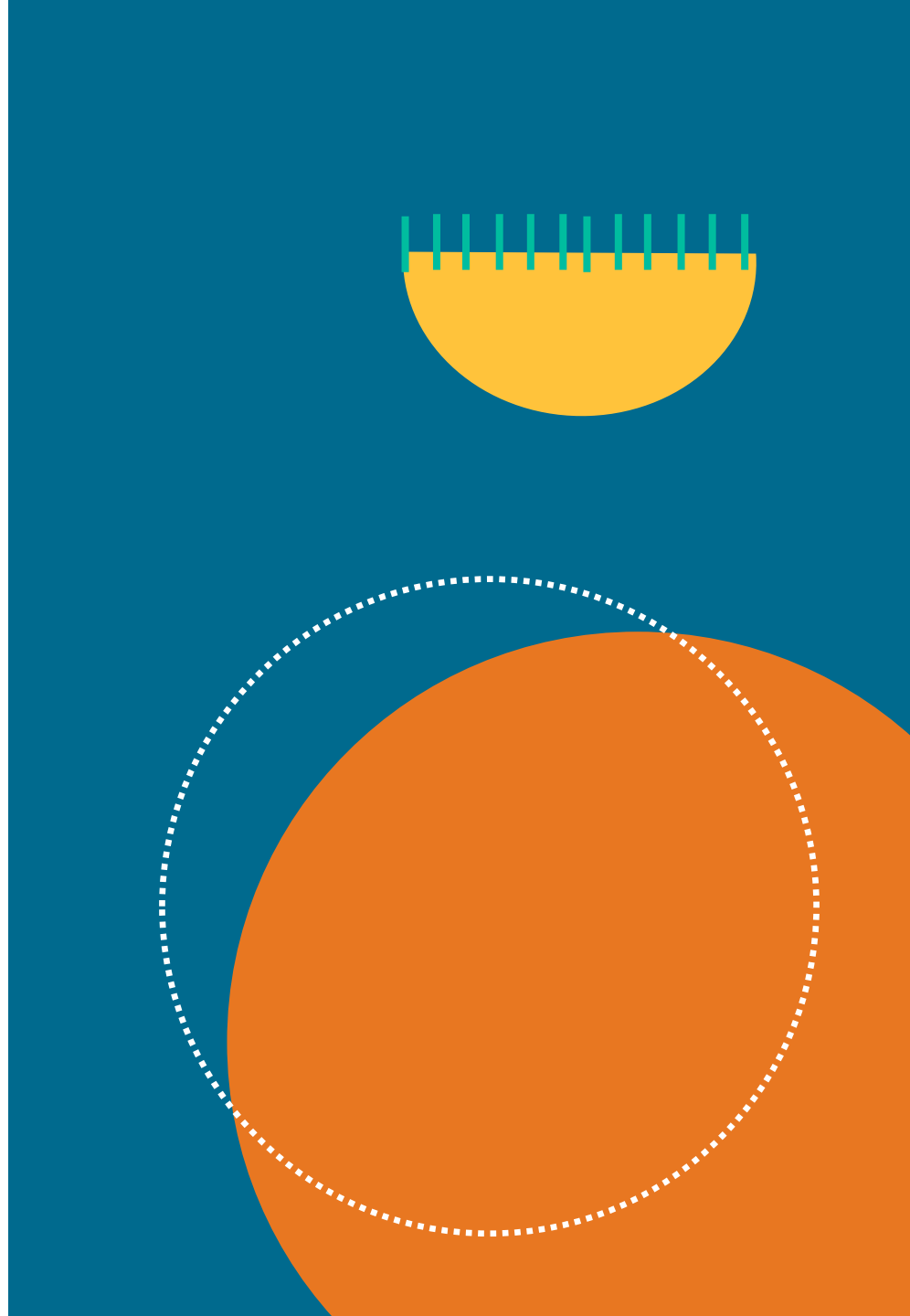
UK WHOLESALE GAS AND POWER

Energy Market Review

October 2026

2 November 2026 · Prepared by Ginger Energy



MARKET CONTEXT

Gas and power prices rose by around 30–40% in October

MONTH-ON-MONTH

+41%

Front-season gas (Summer 27), end of October vs end of September

MONTH-ON-MONTH

+32%

Front-season power (Summer 27), end of October vs end of September

KEY MARKET DRIVER

c.75%

▲ c.3.5 pts vs end of September

EU gas storage full in late October, c.15 points below the five-year average

UK front-season gas and power prices rose by around 30–40% in October. Restricted Middle Eastern LNG supplies, low European storage and colder forecasts increased concern about winter availability. Prices initially held relatively steady, then climbed through much of the month, with brief falls on diplomatic headlines. The European benchmark gas price (TTF) passed €100/MWh on 30 October, its highest level since December 2022. Stronger Norwegian supply and improving US LNG exports provided some relief, but did not remove supply concerns. Annual gas and power prices for delivery from April 2027 rose by around 30–40%.

MARKET CONTEXT

Winter supply concerns kept future prices high

Steady opening, then increases

Early October trading was comparatively steady. Prices subsequently climbed as the approaching heating season increased attention on Europe's limited protection against supply setbacks.

Shipping and production concerns

Continuing disruption around the Strait of Hormuz, the key Gulf shipping route for oil and LNG, and reported Qatari production damage increased supply concerns (see the conflict update).

Colder forecasts increased demand expectations

Cooler forecasts raised expected heating demand through the month. Asian buyers also sought replacement LNG, increasing competition for cargoes available to Europe.

Supply improvements offered some relief

Higher Norwegian production and improving US LNG exports helped Europe's supply position. Better nuclear availability and weaker industrial consumption also reduced expected gas requirements.

Storage remained below normal

By late October, EU gas storage was around 75% full, about 15 points below the five-year average. That leaves less cushion against cold weather or supply disruption.

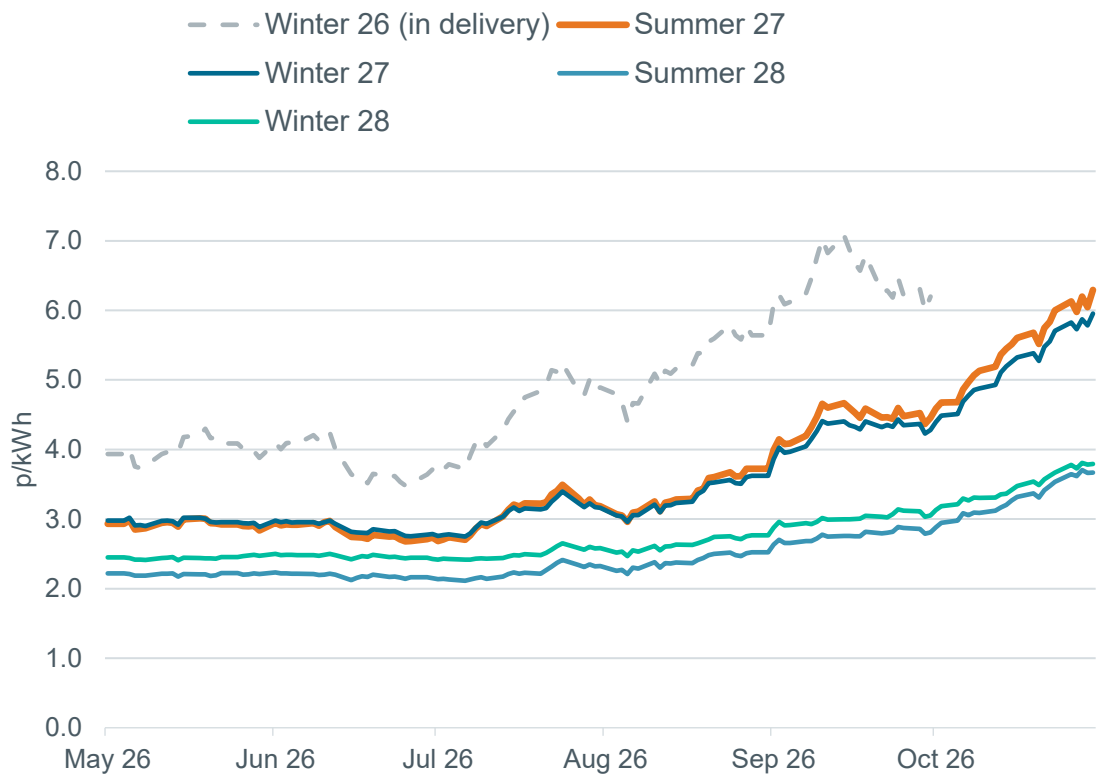
In other news

On 14 October, the European Commission proposed delaying methane monitoring and reporting requirements for imported oil and gas by one year, from January 2027 to 2028. Importers would have until 31 May 2029 to demonstrate that the previous year's imports met equivalent monitoring and reporting standards. The proposal could ease a potential compliance barrier for LNG imports, particularly from the US. It delays implementation rather than removes methane controls, and does not itself increase production.

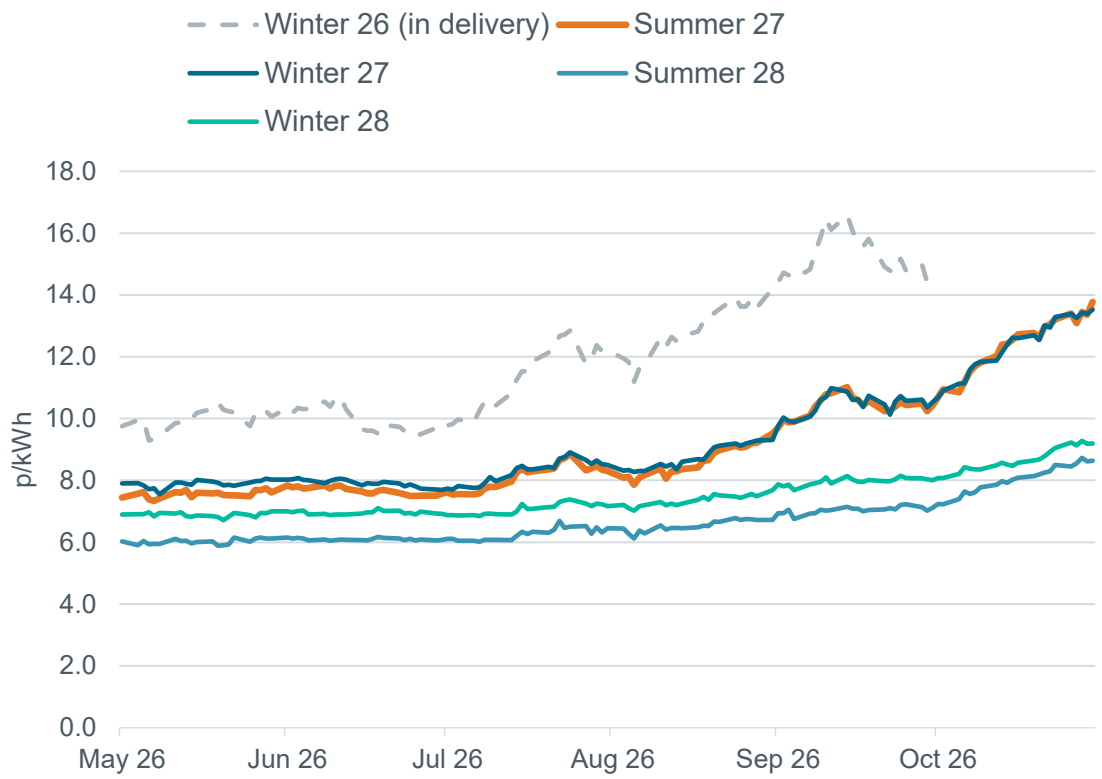
SEASONAL PRICES

Seasonal gas and power prices rose by around 20–40%

Daily seasonal UK gas price



Daily seasonal UK baseload electricity price



PRICE TABLE

Front-month gas and power rose by over 40%

Front-month gas and power prices rose by 43% and 44% respectively, showing the strongest increases among near-term products. Spot gas rose by 13%, while spot power increased by 10%. Front-season gas and power prices rose by around 30–40%, while annual prices from April 2027 rose by around 30–40%. Gas and power moved together across spot and front-month products as winter supply concerns grew.

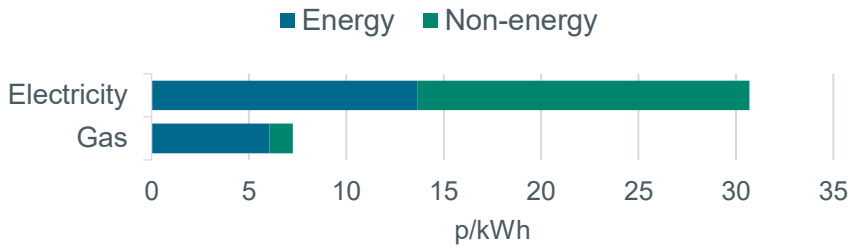
Energy-only prices

	Fuel	Oct-26 (p/kWh)	Sep-26 (p/kWh)	Month-on-month difference
Spot prices (month average)	Gas (NBP)	**7.20**	6.38	▲ 13%
	Power (UK baseload)	**14.80**	13.50	▲ 10%
Front month (month close)	Gas (NBP)	**8.69**	6.10	▲ 43%
	Power (UK baseload)	**20.38**	14.11	▲ 44%
Front season (month close)	Gas (NBP)	**6.29**	4.45†	▲ 41%
	Power (UK baseload)	**13.77**	10.42†	▲ 32%
Apr-27 annual price (month close)	Gas (NBP)	**6.06**	4.33†	▲ 40%
	Power (UK baseload)	**13.64**	10.48†	▲ 30%

Fully delivered annual energy unit rates (p/kWh)*

30.69p Electricity

7.26p Gas

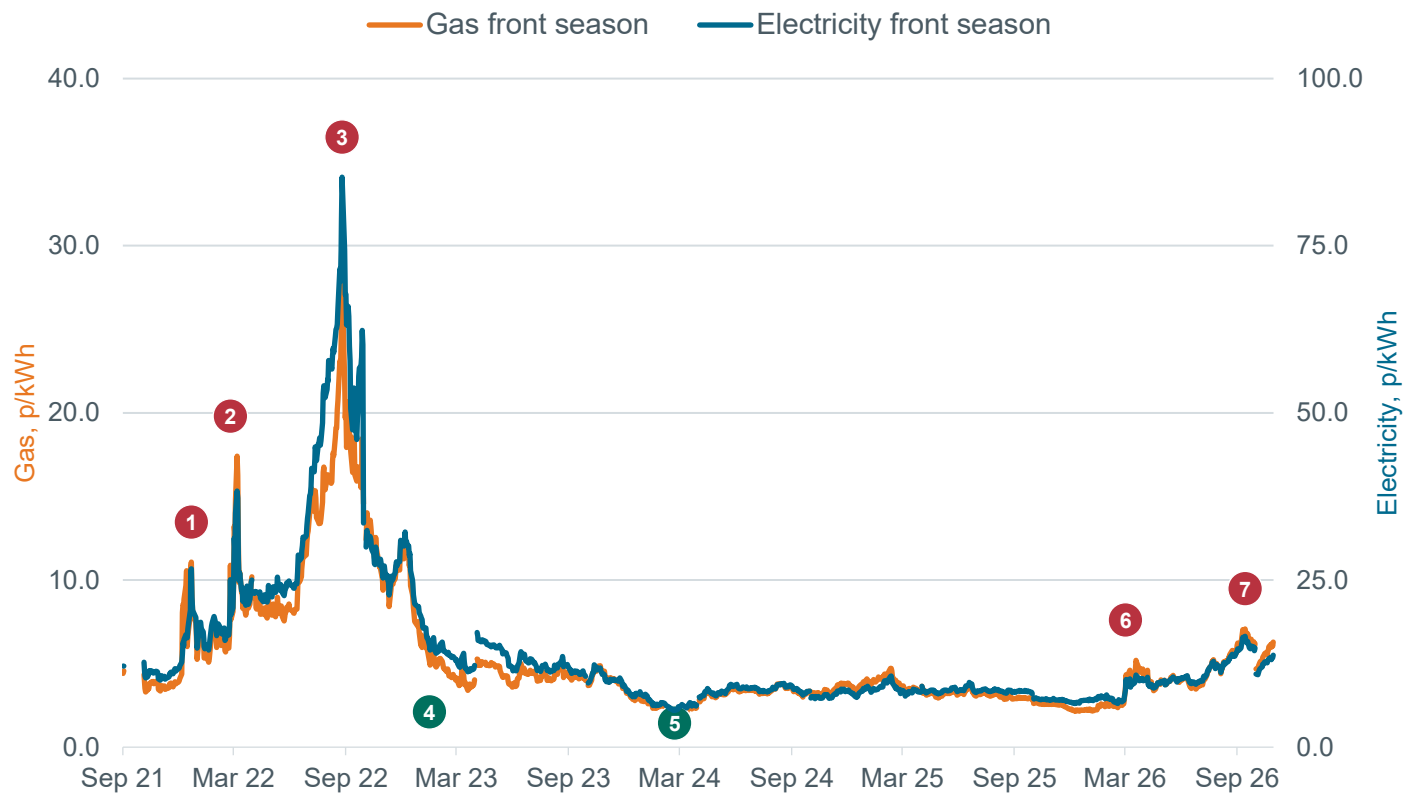


**Quoted figures are approximate average prices for 12 months from April 2027 and do not include supplier risk premiums. Actual prices vary depending on customer, meter type, size, location and contract duration.*

†Same contract as this month (Summer 27 and the April 2027 annual price), so these differ from last month's report, which showed Winter 26 and the previous annual price.

WIDER HISTORICAL CONTEXT

Prices remain far below the 2022 peak



Breaks in the lines mark the switch to the next season's contract each April and October.

Key events

● Prices moved up ● Prices moved down

1. **Late Dec 2021** High demand / low supply and storage / infrastructure issues
2. **Late Feb 2022** Russian invasion of Ukraine
3. **Late Aug 2022** Nord Stream gas pipeline offline
4. **Mid Jan 2023** High storage / mild weather / low demand
5. **Late Feb 2024** Record high storage
6. **Early Mar 2026** US attacks on Iran
7. **Mid Sep 2026** Strait of Hormuz remains effectively closed

OUTLOOK

Lasting price falls need more reliable supply

Winter temperatures, storage withdrawals and reliable LNG arrivals are likely to determine how much pressure remains on prices for future delivery. A durable diplomatic agreement and safer Gulf shipping could reduce supply concerns, but restoring damaged facilities and suspended deliveries would take longer. Norwegian production, US export availability and Asian demand are likely to shape Europe's access to replacement cargoes. Mild, windy conditions and reliable nuclear generation would preserve storage. A prolonged cold spell or major supply outage would increase winter costs and leave more gas to replace during the following summer.

Bullish signals *could push prices up*

- A prolonged cold spell would accelerate withdrawals from already low European storage.
- Renewed military action or shipping disruption would threaten LNG delivery reliability.
- Stronger Asian demand would increase competition for replacement LNG cargoes.

Bearish signals *could bring prices down*

- A credible agreement restoring safe Gulf shipping would ease concern about supply availability.
- Reliable Norwegian production and stronger US LNG exports would improve Europe's supply position.
- Mild, windy weather and dependable nuclear generation would reduce gas use and preserve storage.

CONFLICT UPDATE

ADDITIONAL UPDATE

Middle East conflict update

A closer look at the conflict and how it is affecting UK gas and power prices.

MIDDLE EAST CONFLICT UPDATE

CONFLICT UPDATE

Qatari LNG suspensions extended through December

Supply scorecard

Status at month-end, and the change since last month

Strait of Hormuz shipping	Repeated tanker attacks; some LNG ships passed, but traffic remained heavily restricted	■ No change
LNG supply	Qatari suspensions extended to December; production damage remained a concern	▲ Deteriorating
Hostilities	Saudi–Houthi fighting continued; renewed US action remained a risk	■ No change
Diplomatic talks	Mediation continued without agreement on safe passage or wider terms	■ No change

What changed this month

- Reports described damage to Ras Laffan, Qatar's main LNG export site, with repairs to some equipment expected to take several years.
- Qatari delivery suspensions extended through December for several buyers. Eighteen laden LNG vessels reportedly left the Gulf during 1–26 October.
- Iran and Oman discussed temporary safe-passage arrangements, while Qatari mediation continued. No agreement restoring normal commercial shipping was confirmed.

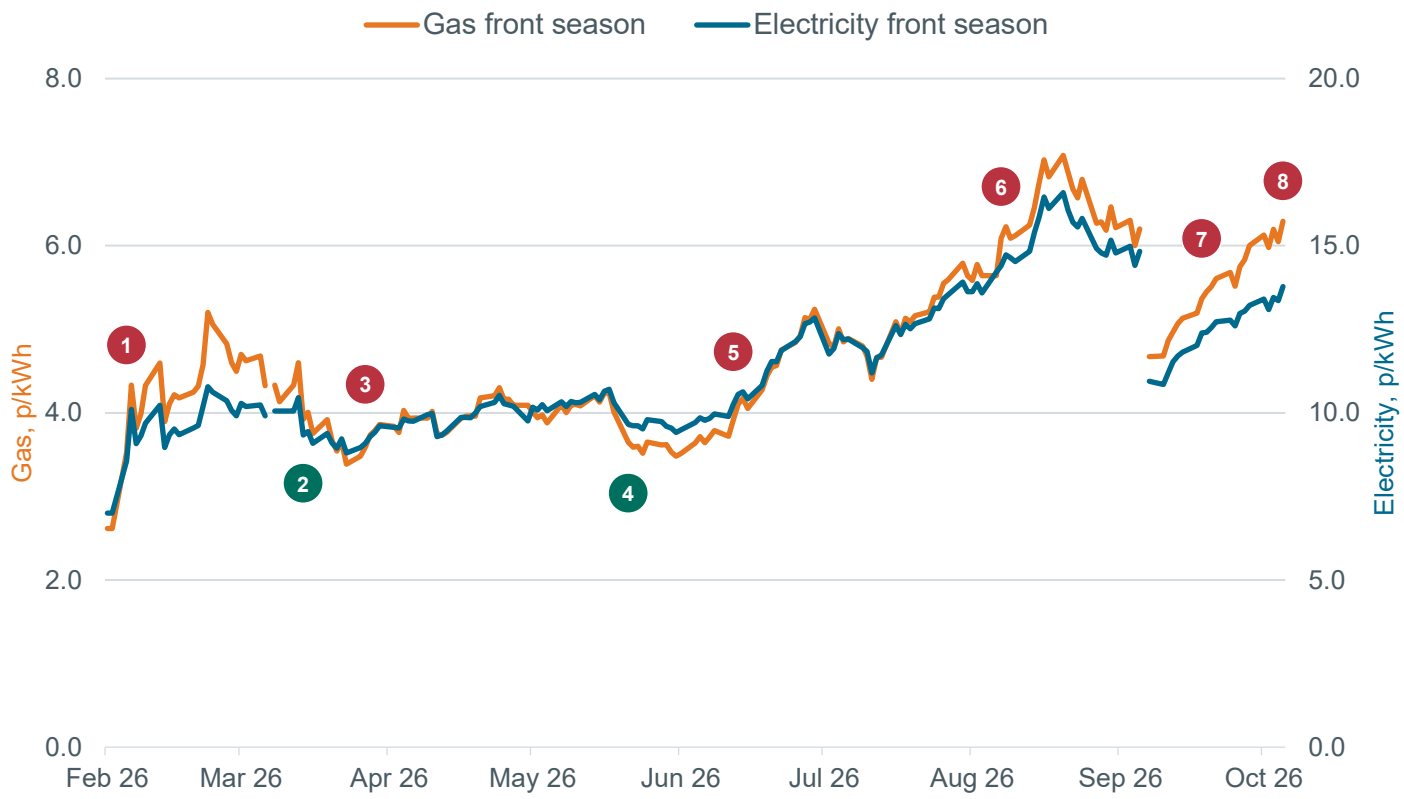
Signposts to watch

- A confirmed safe-passage agreement followed by sustained increases in commercial shipping.
- Resumed Qatari deliveries and a verified timetable for repairs to damaged production equipment.
- Whether US–Iran diplomacy advances or military action resumes after November's US midterm elections.

PRICE MOVEMENT SINCE THE WAR BEGAN

CONFLICT UPDATE

Front-season prices have tracked each turn in the conflict



Breaks in the lines mark the switch to the next season's contract each April and October.

Key events

● Prices moved up ● Prices moved down

1. **Early Mar 2026** US attacks on Iran; Strait of Hormuz effectively closed and energy infrastructure targeted
2. **Early Apr 2026** US approaches war goals and initiates peace proposal
3. **Late Apr 2026** Peace talks end without agreement and US begins blockade on Iranian ports and wider coastline
4. **Mid Jun 2026** US and Iran agree to a conditional two-week ceasefire brokered by Pakistan after severe threats from the US President
5. **Early Jul 2026** Ceasefire ends and return to hostilities
6. **Early Sep 2026** Continued effective closure of Strait of Hormuz and diplomatic impasse despite some positive signs
7. **Mid Oct 2026** Reports of damage to Qatar's Ras Laffan LNG export complex
8. **Late Oct 2026** Renewed tanker attack lifts future prices

Focusing our energy on yours

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