



IndigoSwan  
energy enthusiasts

# Mini Energy Report

*16th of January 2024*



▶ *Written by Lee Hart, Head of Knowhow*

# Energy Overview

## Headlines:

- ✓ Gas and Electricity Wholesale prices are lower than last week.
- ✓ EU Gas Storage levels are a high 79% full.
- ✓ Global events may create further price volatility.

Gas and Electricity Wholesale costs are lower than last week.

After a period of falling prices, we saw a little volatility towards the end of last week due to the attacks by the UK and US on Houthi rebel targets within Yemen, in response to the threat to international shipping in the Red Sea. There were also revised forecasts of lower temperatures. Despite these pressures, the start of the week has once again seen prices fall.

EU Gas Storage levels are now 79% full, down from 84% last week, which is lower than 2023, but still a positive position and far higher than the 49% in 2022. This gives confidence that there are unlikely to be Gas supply issues for the remainder of the winter and be a good starting position for when Gas starts being diverted to Storage for use during winter 2024/2025. Although there are concerns for ships using the Suez Canal, Europe continues to receive large numbers of LNG deliveries, an important replacement for the lower Russian Gas flows.

Over the last week, Gas has provided a very high 50% of Electricity generation due to the lower Wind contribution at just 23%, compared to 32% in January 2023. The new Viking Link Interconnector with Denmark has been active, but there have been days when we Exported more Electricity to Europe than we received.

With the potential for the conflict in Gaza to result in further developments in the region, and create Gas and Oil supply restrictions, Indigo Swan are advising customers with contracts that end early 2024, to review their positions.

