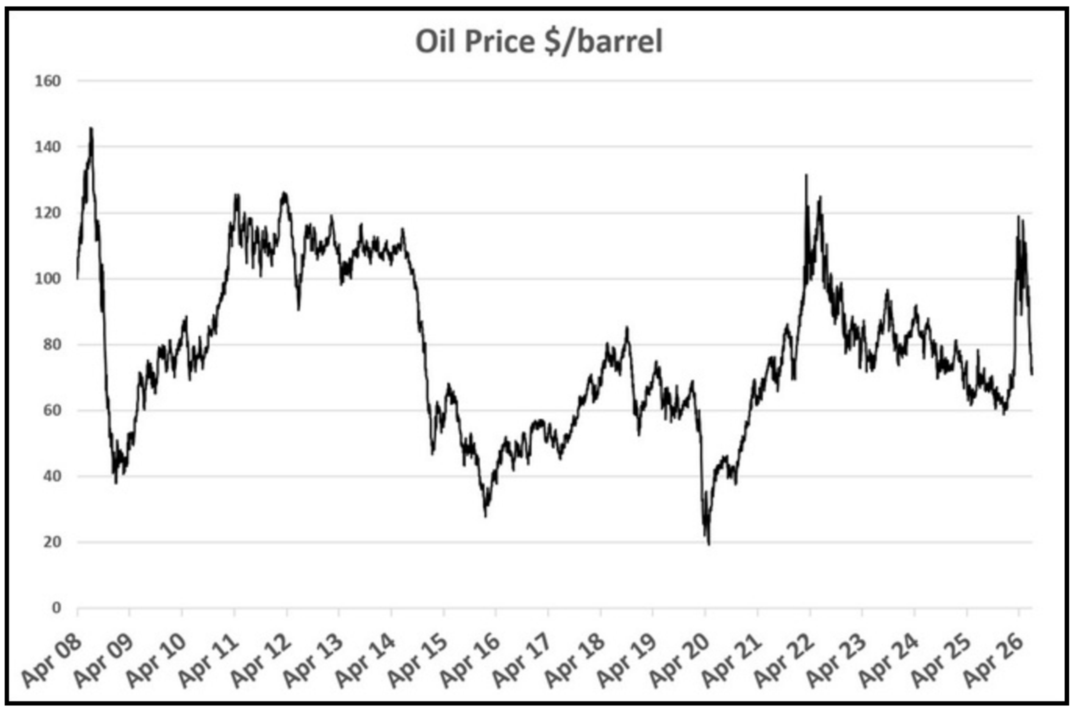
JUTTON ENERGY

ENERGY MARKET SNAPSHOT

3RD JULY 2026

OIL:



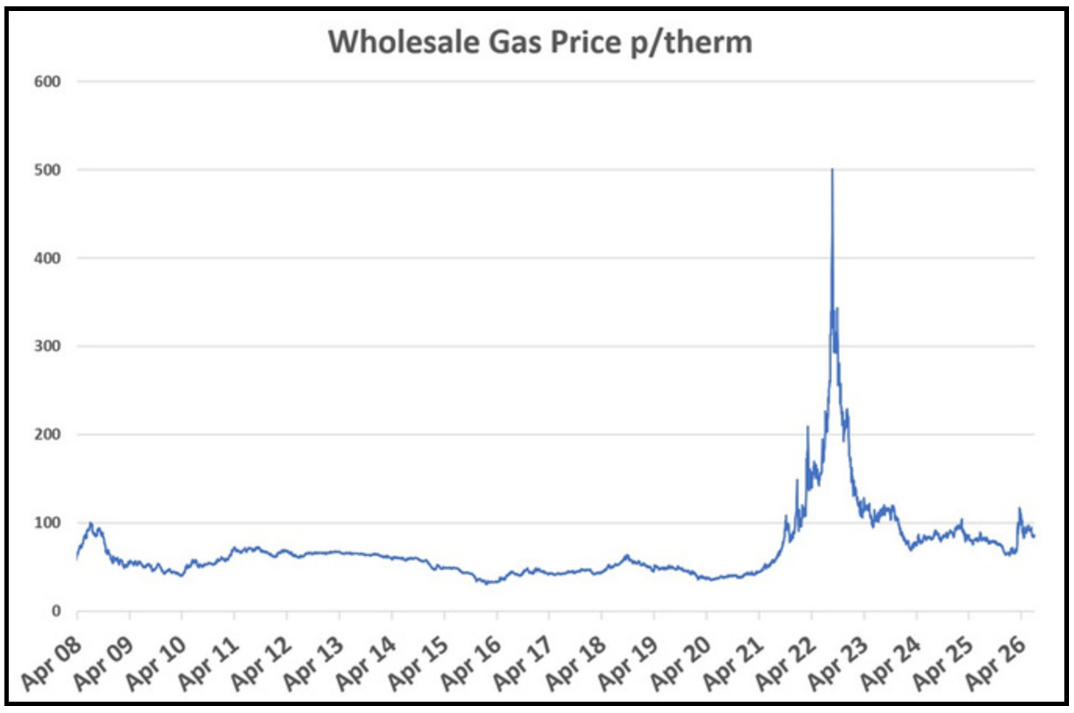
Oil prices began the week higher, rising around 1% on Monday after further strikes between the US and Iran highlighted the fragile nature of the interim peace deal. However, gains were limited as the Strait of Hormuz remained open and energy shipping continued.

By Tuesday, prices were broadly flat, with traders watching the planned US–Iran talks in Doha and the market heading towards its largest monthly and quarterly losses since early 2020.

On Wednesday, oil softened further as optimism around the talks increased, with Qatar confirming progress between both sides. US crude inventories also fell by 3.8 million barrels, although this did little to reverse the bearish tone.

By Thursday, improved shipping activity through the Strait of Hormuz helped push oil prices down towards four-month lows.
Last night, front month Brent closed at $70.81/barrel, down $1.27/barrel compared to last Friday.

GAS:



Gas prices opened the week higher, tracking the increase in geopolitical risk as strikes on vessels travelling through the Strait of Hormuz slowed LNG cargo movements and added risk premium back into the market.

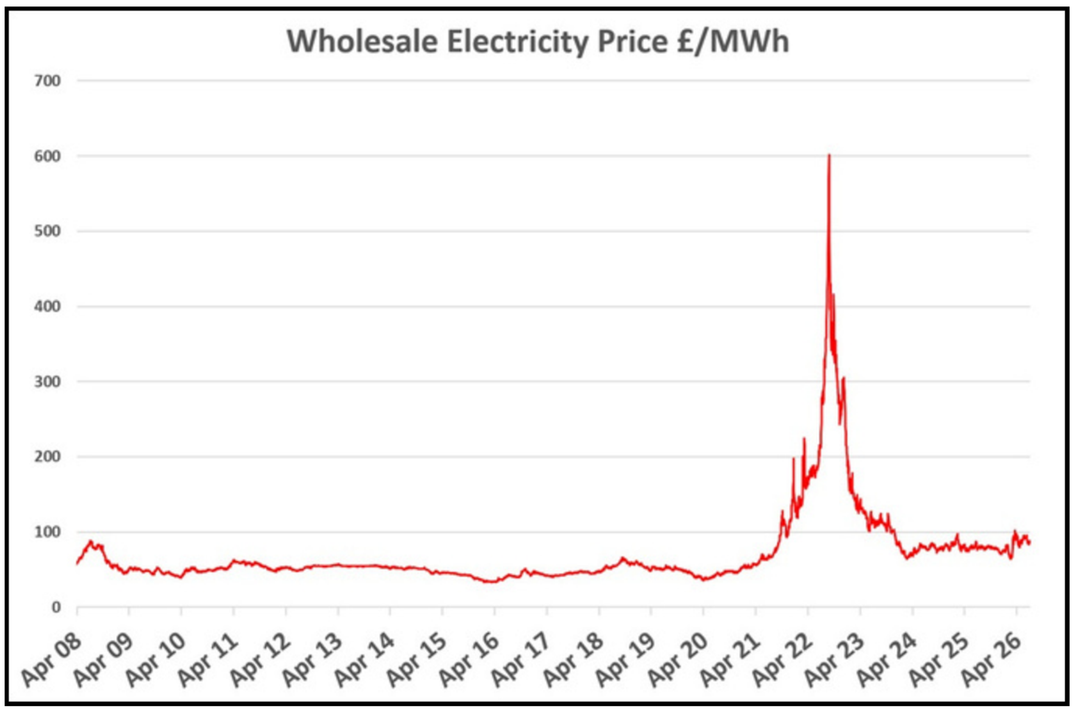
Prices gained again on Tuesday, supported by low renewable output and the curtailment of French nuclear generation due to extreme heat, which increased demand for gas-fired power. The market also remained cautious around the fragile ceasefire, particularly after Iran denied reports of a high-level US–Iran meeting.

By Wednesday, prices eased as talks between the US and Iran continued to provide bearish pressure. However, downside was limited by increased competition for LNG during high temperatures, low European storage levels, and uncertainty around wider Middle East supply risks.

On Thursday, longer-dated contracts moved lower, while near-term contracts strengthened. Gas-for-power demand is expected to remain volatile, with wind fluctuating around seasonal norms and solar output forecast to weaken over the next few days.

Last night, gas closed higher compared to last Friday. Winter 26 closed at 109.6p/therm, up 6.7p/therm, while Summer 27 closed at 79.9p/therm, up 1.45p/therm.

ELECTRICITY:



Power prices largely followed gas this week. On Monday, prices were supported by stronger gas, although falling carbon prices limited further gains. In the prompt, wind generation was forecast to average over 10GWs per day, which helped ease some near-term pressure.

On Tuesday, prices gained across most of the curve, tracking bullish moves in gas and carbon markets. Heat-related risks also continued to support the near curve, with cooling demand and French nuclear curtailment remaining key concerns.

By Wednesday, power prices moved lower in line with the wider energy complex, as oil, gas and carbon all softened. Day-ahead prices fell sharply, supported by high wind output of 13.5GWs per day and solar generation of 3.58GWs per day.

On Thursday, electricity markets closed higher overall, again broadly following gas direction and reflecting ongoing support from near-term system risks.

Curve electricity contracts closed higher than last Friday. Winter 26 closed at £98.75/MWh, up £3.55/MWh, while Summer 27 closed at £75.4/MWh, up £0.52/MWh.