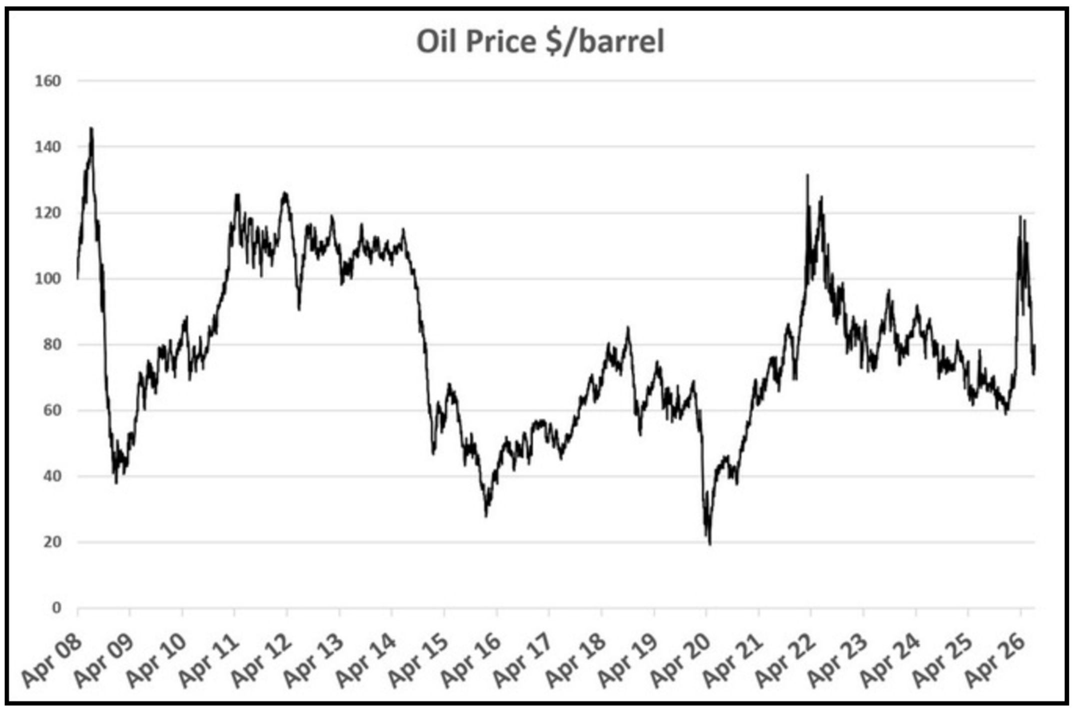
# JUTTON ENERGY

# ENERGY MARKET SNAPSHOT

**10TH JULY 2026**

## OIL:



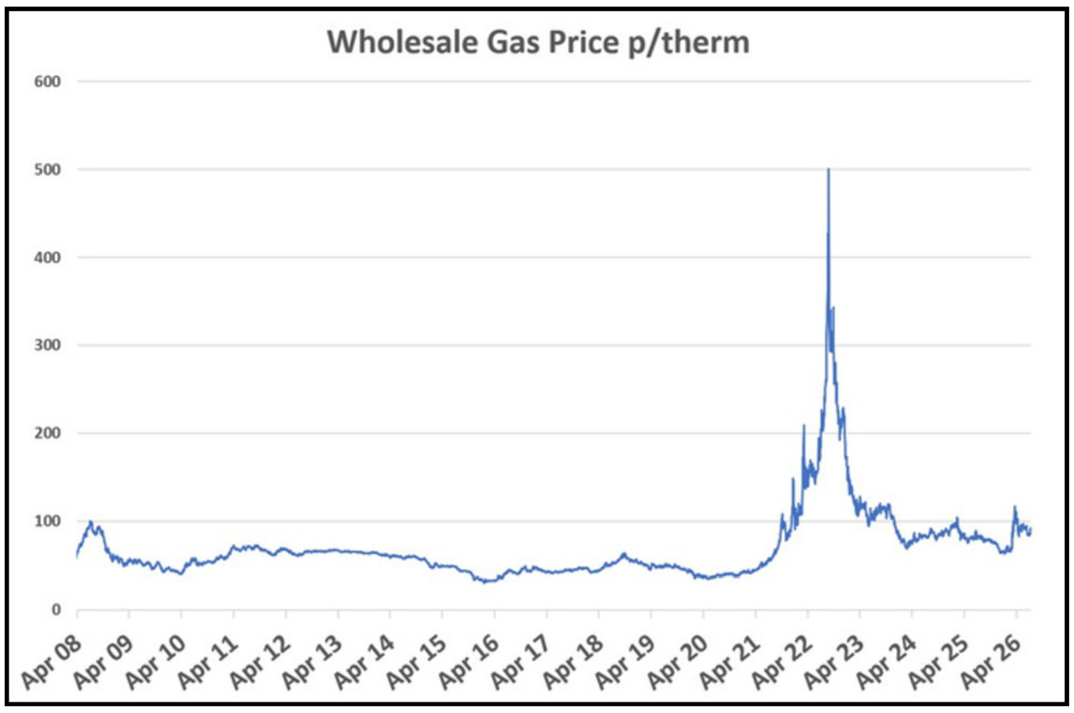

Oil prices began the week under pressure as markets moved beyond the previous Middle East conflict and returned focus to demand prospects and economic recovery. However, sentiment shifted sharply on Tuesday after reports that Iran attacked vessels in the Strait of Hormuz, while the US revoked licences permitting Iranian oil sales and announced additional strikes against Iran. These developments raised fears of supply disruption through one of the world's most important energy trade routes.

Bullish momentum accelerated on Wednesday as the US threatened further military action and launched fresh strikes against Iranian targets, driving concerns over a potential interruption to tanker traffic through the Strait of Hormuz. Prices rose by approximately 5% during the session as traders added a substantial geopolitical risk premium.

Towards the end of the week, oil prices retreated after market participants concluded that the latest exchange of hostilities was unlikely to escalate into a prolonged conflict. Expectations that Washington and Tehran could return to negotiations reduced some of the geopolitical premium, although prices remained well above levels seen at the start of the week.

Last night, Brent crude closed at $77.58/barrel, an increase of $5.58/barrel compared with last Friday.

## GAS:




European gas markets started the week on weaker footing, with prompt and forward contracts falling amid healthy UK system balances and improving storage injection rates. However, supply concerns quickly returned as geopolitical tensions escalated.

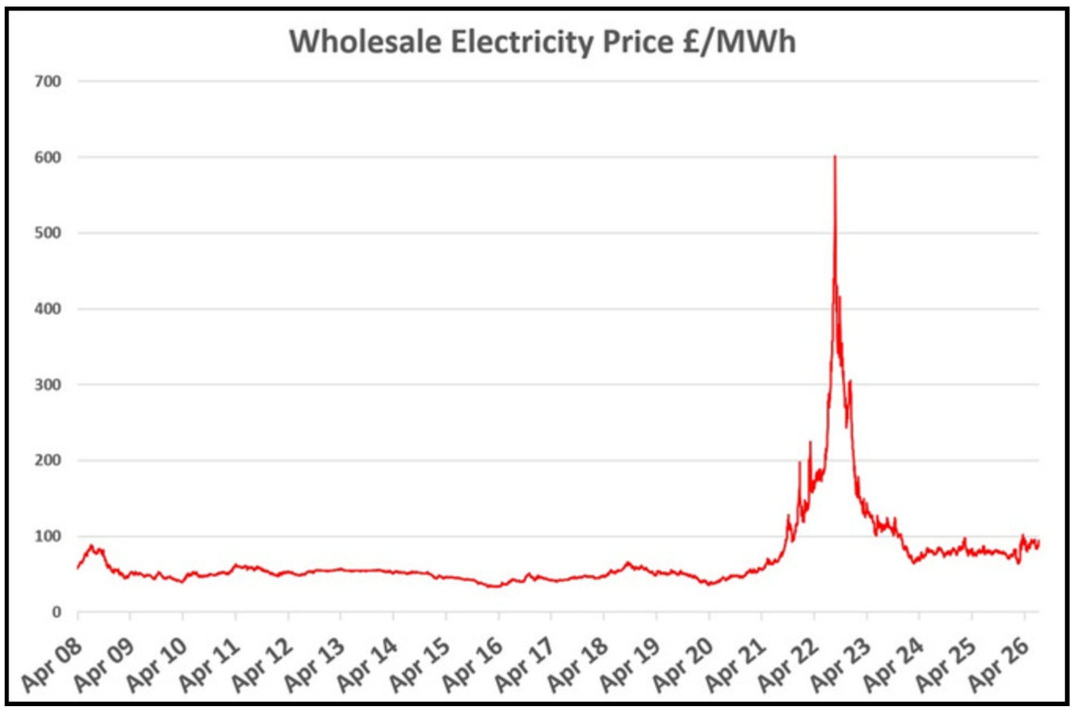
On Tuesday, gas prices surged following reports of attacks on vessels near the Strait of Hormuz, raising concerns over the security of LNG supplies from the Middle East. LNG arrivals into Europe remained subdued, while Europe's storage levels continued to trail seasonal averages, adding further support to winter contracts.

The market strengthened further on Wednesday following fresh US strikes on Iran. Risk premiums increased across the curve as traders assessed the potential impact on global LNG supply chains. At the same time, European gas storage remained around 51% full, the lowest seasonal level for several years, while Norwegian supply was reduced by unplanned outages at key fields including Ormen Lange and Oseberg. Hot weather across Europe and weaker renewable generation forecasts also increased expectations for gas-fired power demand.

By Thursday, prices remained supported despite some easing in geopolitical concerns. Traders continued to focus on Europe's relatively low storage position and the risk of tighter winter balances. Increased hedging activity and higher volatility reflected ongoing uncertainty regarding both global LNG flows and storage refill progress.

Last night, all contracts closed higher than last Friday. Winter 2026 closed at 122.5p/therm, up 11.75p/therm whilst Summer 2027 closed at 85.9p/therm, up 5.5p/therm.

## ELECTRICITY:




Power markets largely tracked movements in the gas market throughout the week.

Prices softened early in the week as lower gas prices, stronger wind forecasts and improving French nuclear availability weighed on wholesale power contracts. However, the outlook changed rapidly as geopolitical tensions drove gas prices higher.

On Tuesday and Wednesday, power contracts rallied across the curve, supported by rising gas markets and reduced renewable generation forecasts. Additional support came from developments within the French nuclear fleet, where reactor outages linked to elevated river temperatures raised concerns over generation availability during a period of hot weather across Europe.

Although carbon prices provided some moderation to gains further out on the curve, electricity prices remained firmly supported by higher gas costs and concerns regarding security of energy supply.

Last night Winter 2026 gained £7/MWh to close at £106.9/MWh, whilst Summer 2027 closed at £78.4/MWh, up £2.4/MWh week-on-week.