Monthly Market Insights

June 2026

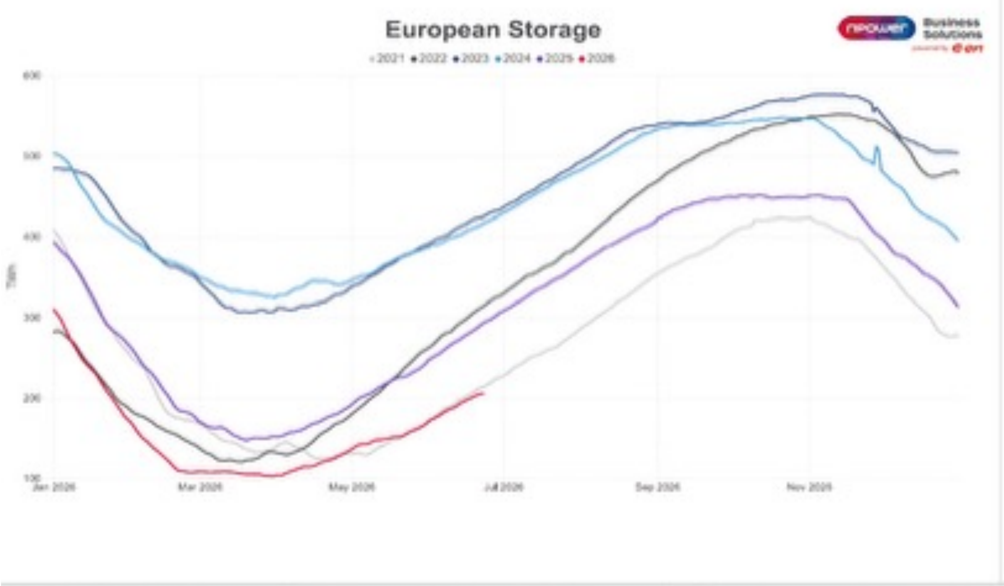
Commentary

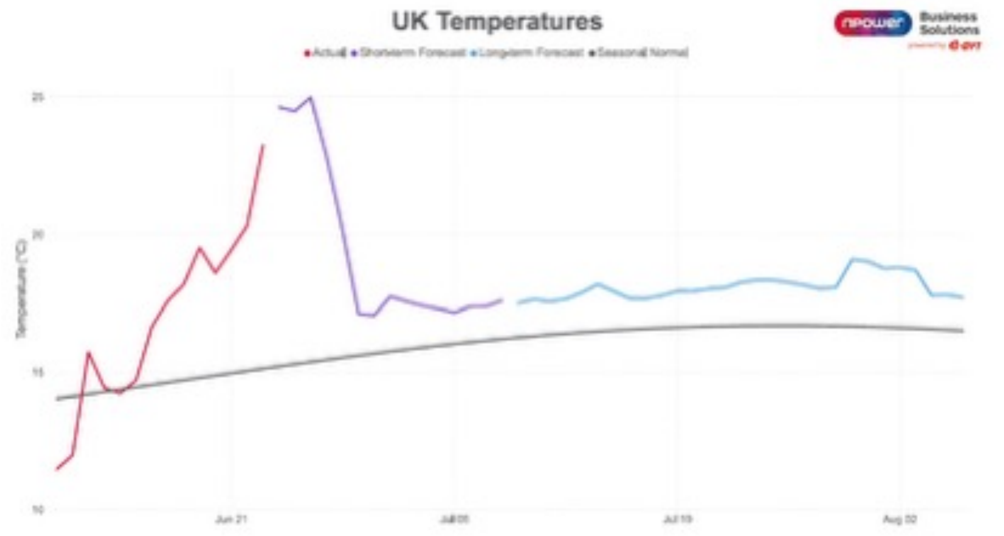
June saw the UK energy market remain highly sensitive to geopolitical headlines, however there has been increased optimism that a ceasefire agreement is getting closer to being agreed and this has been reflected with prices lowering slightly from the range they were at in May. Towards the back end of June, traffic has increased through the Strait of Hormuz which is generally positive for the market although it may still take weeks for a final agreement to be reached and for insurance companies to lower the risk of ships passing through here.
Qatar LNG have started to slowly increase production again which may come as a welcome relief for the Asian market as demand is set to increase there to cover expected warmer weather through summer. This in turn may provide relief to the UK market as competition for LNG may lower.
Storage levels remain lower at this stage than in previous years and don't look to be on track to reach the 80% target by the end of the year which may add some supply concerns to prices.

In adjacent markets, oil prices hit their lowest point since the start of the war so this does provide optimism gas and power markets may follow a similar trend with decreasing prices over summer.

Fundamental drivers

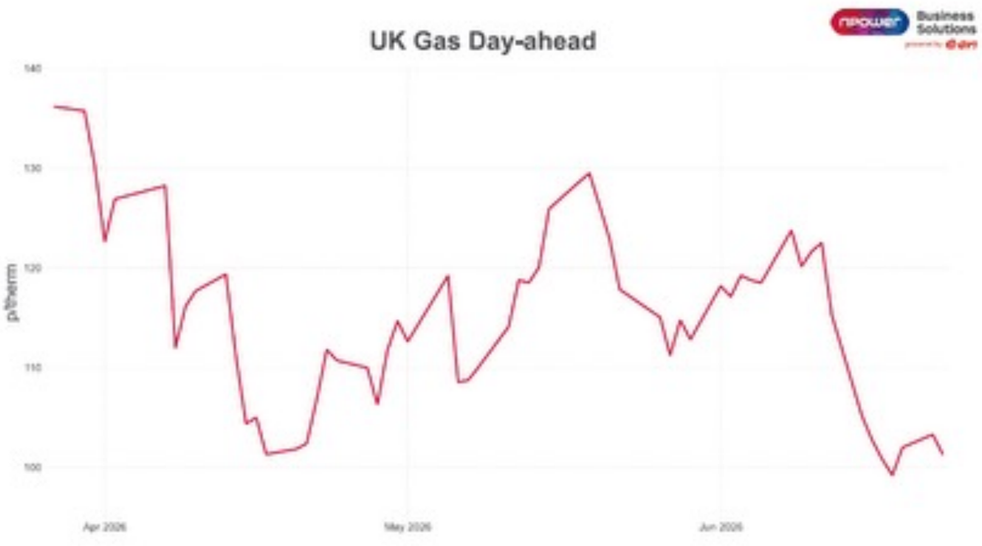
- **European storage** Still below the levels of recent years at this stage but good weather in June has helped to increase storage injections. Not currently on track for 80% target by end of the year.
- **Norwegian flows** Remained stable throughout June with minimal disruption.
- **Geopolitics** The conflict in Iran remains the main driver due to the knock on effect with production and transportation of LNG. Peace talks are still ongoing with renewed optimism of an agreement being reached shortly.
- **Temperatures** The majority of June has seen above seasonal norm weather, the back end of June being especially hotter. This will have an impact from cooling demand.



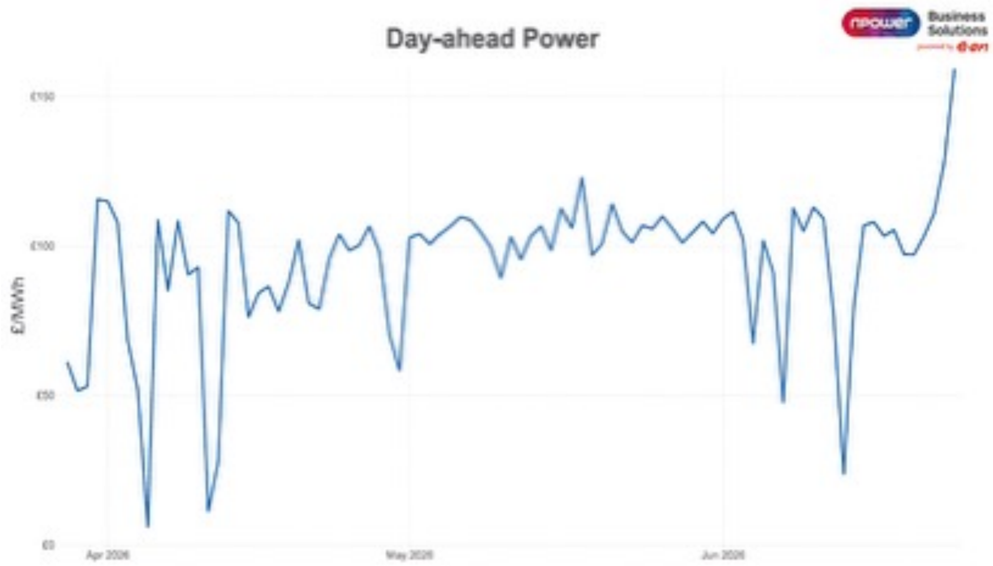


Markets – Day Ahead Price History

UK Gas



UK Power



Outlook

Looking ahead, the market is likely to remain reactive to developments in global gas supply, geopolitical tensions, and the progress of storage injections across Europe. While softer summer demand and stronger renewable generation may continue to cap near-term volatility, the broader outlook remains finely balanced. For customers, this reinforces the importance of keeping a close eye on market opportunities and maintaining a clear procurement strategy, particularly where contracts are due for renewal over the coming months.

From a commercial perspective, the market continues to present both risk and opportunity. While stronger renewable generation and softer seasonal demand may help contain short-term volatility, customers should remain alert to any movement in gas supply, storage progress or geopolitical developments that could quickly shift pricing. For organisations approaching renewal, maintaining a clear purchasing strategy and being ready to act on favourable market windows will remain key to managing budget exposure over the months ahead.