

# July Market Report

11 August 2025



Keeping you updated  
with the latest trends,  
news and forecasts in  
the UK energy market.

ENERGY MARKET WATCH



# Market analysis

July 2025

## Commentary

Energy markets remained relatively stable, with more gradual shifts, rather than sharp spikes. This differed significantly from June's volatility, driven by uncertainty surrounding the Middle East conflict, which caused market fluctuations in both directions. July's stability could be largely attributed to balanced fundamentals, with some increases being linked to heatwaves, Norwegian supply disruptions, and shifts in geopolitical policies.

## Key drivers

**European temperatures** – Numerous countries across North Western Europe experienced significant temperature shifts that deviated notably from the seasonal average. The UK, France, Norway, the Netherlands and Germany were particularly affected. Low water levels in Germany's Rhine river during early July restricted shipping activities, reducing many shipment capacities to less than 50%. In the UK, temperatures peaked at around 6° above the norm, driving up cooling demand in the first half of the month, before cooling in the latter half.

**Norwegian flows and outages** – Norwegian gas exports (nominations) experienced turbulence throughout July due to warm weather and multiple facility outages. Gas flows fluctuated from around 250mcm/d to 330mcm/d, with major disruptions at key facilities such as Kollsnes, Troll, and Nyhamna. These outages added bullish pressure to gas markets across Europe.

**US tariffs and oil** – The 90-day tariff break previously introduced by the United States came to an end during July, leading markets to anticipate more bearish price trends (the last time sweeping tariffs were introduced, we saw a large downturn on weaker Global demand expectations). The US quickly implemented new tariffs on various areas, including the EU and Asia. In relation to oil, price hikes across the OPEC+ group were firmed, with August to see an additional 411kbpd enter the market, introducing bearish pressure onto linked commodity markets.

## Commodity overview

\*Note that the profiled rate differs to the wholesale market rate, taking into account estimated consumption of Zenergi customers.

Commodity	Unit	Price – 01/07/25	Price – 31/07/25	% Change
Gas (12-Month profiled*)	p/therm	88.04	93.14	+5.79%
Power (12-Month profiled*)	£/MWh	76.59	82.64	+7.90%
Brent Oil	\$/bbl	67.61	73.24	+8.33%
Coal	\$/tonne	111.90	112.33	+0.38%
Carbon	£/tonne	46.08	51.56	+11.89%

Gas prices rose by:

5.79%

Power prices rose by:

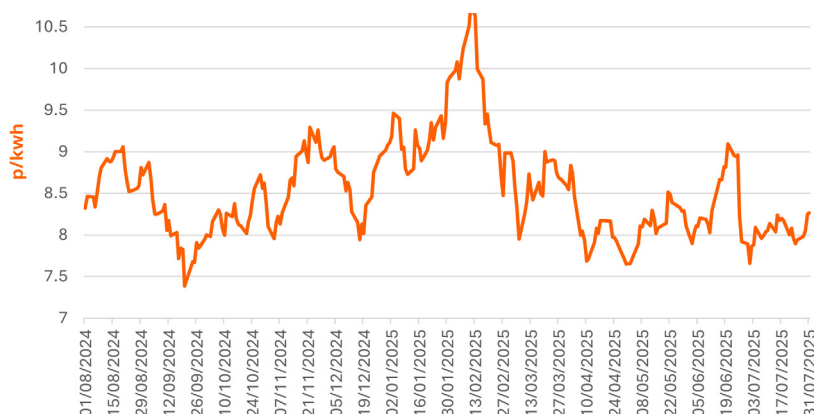
8.09%

“Markets stabilised, with volatility easing as significant price spikes were mitigated by less impactful supply and demand-side shocks. Most price movements were gradual, rather than immediate.”

# Wholesale market graphs



Graph 1 – Wholesale electricity cost (based on 12-month profiled data)



Graph 2 – Wholesale gas cost (based on 12-month profiled data)



## Recommendation

Given that we are seeing more market stability now when compared to the rest of the year, we strongly advise our customers to enter into longer term contracting in order to benefit from backwardation in the market, as most forward periods are now rated to be at 'fair' or 'favourable' levels. On a wholesale basis, August typically sees rises (70% of the time for gas and power – 12-month profiled data) but on the flip side, we have seen potential entry points in September and October, therefore having contracts in place will enable us to purchase during these market dips.

**Callum Taylor**  
Energy Market Analyst  
Zenergi

## About the Market Watch team

Whether you are looking for a fixed price contract and want to ensure you are buying at the right time, or are embarking on a more flexible arrangement, our team are here to support you.

We are energy industry experts dedicated to continuously monitoring market conditions on your behalf. We play a crucial role in delivering valuable insights and empowering you to make well-informed decisions. With a deep understanding of your needs and risk appetites, we tailor our approach to suit your requirements.



## Daily market insights straight to your inbox

For more information sign up to receive Zenergi's daily market insights [here](#).



# Powering a sustainable future

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## About Zenergi

Zenergi supports and empowers organisations' journey to net zero. With a unique range of services, we tailor sustainable solutions for our customers. What sets us apart? We drive major reductions in costs, energy consumption and carbon emissions with our market-leading procurement service; informed advice, and unrivalled engineering expertise.

Let us simplify and accelerate your journey to a more sustainable future, we're here to guide you every step of the way.

## Find out more

For more information about Zenergi's Social Value strategy, visit [www.zenergi.co.uk/social-value](http://www.zenergi.co.uk/social-value)

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