

August Market Report

3 September 2025

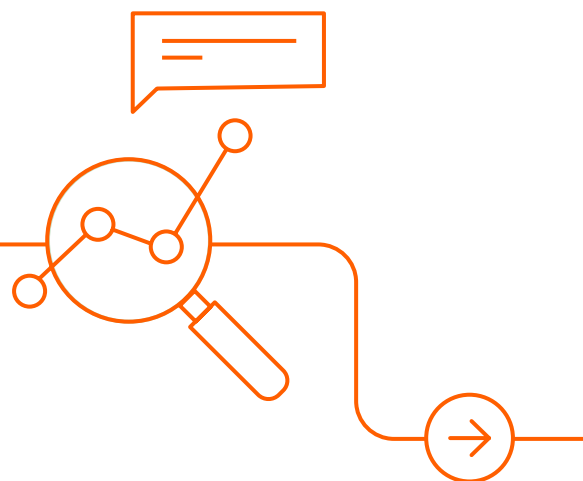


Keeping you updated
with the latest trends,
news and forecasts in
the UK energy market.

ENERGY MARKET WATCH



Market analysis



August 2025

Commentary

Over the past five years, August 12-month forward prices have consistently shown increases from the start to the end of the month. However, this year both gas and power prices declined. As a result, prices ended the month at some of the most competitive levels seen this year, below 2021-24 levels. The markets appear to be shaking off many of the bullish factors that still exist. These factors seem more deeply embedded in energy market dynamics, which continue to reflect a pattern of recurring conditions.

Key drivers

Eu Gas Storage – Injection rates into EU Gas storage facilities declined. However, this was largely offset by strong injections during the April-July period, which narrowed the gap between 2024 and 2025 levels considerably (which had been widest in March). By the end of August, EU storage sat at just below 77% of maximum capacity. While this remains short of the 90% winter preparation target, the shortfall is less critical, particularly as the targets were relaxed following EU Commission intervention.

Weather and nuclear capacity – North-West Europe experienced two major temperature spikes, putting pressure on French nuclear facilities and limiting output at key generation sites. The UK saw several nuclear facilities come back online – including Heysham 2-7 and Torness 1-1 – easing potential pressure from additional cooling demand. Domestic supply-side cushioning has been a key driver in August, considering that other European supply sources are more fragile (eg: from Norwegian maintenance commencing).

Global geopolitics – The Global political landscape remained turbulent throughout August. The US doubling tariffs on Indian imports as a result of continued purchasing of Russian oil, sparked some volatility. Also, despite positive talks at the Alaskan summit between Putin & Trump, the Russo-Ukrainian war still shows no clear path to resolution – evidenced by multiple strikes on energy facilities.

Commodity overview

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

Commodity	Unit	Price – 01/08/25	Price – 31/08/25	% Change
Gas (12-Month profiled*)	p/therm	93.47	83.23	-10.96%
Power (12-Month profiled*)	£/MWh	82.66	77.68	-6.02%
Brent Oil	\$/bbl	72.53	68.62	-5.39%
Coal	\$/tonne	112.28	104.00	-7.37%
Carbon	£/tonne	50.99	51.62	+1.24%

Gas prices fell by:

10.71%

Power prices fell by:

5.91%



Gas and power prices became very competitive within August – energy prices were appearing far more favourable for entry points than in the vast majority of the current year, with gas seeing yearly lows.”

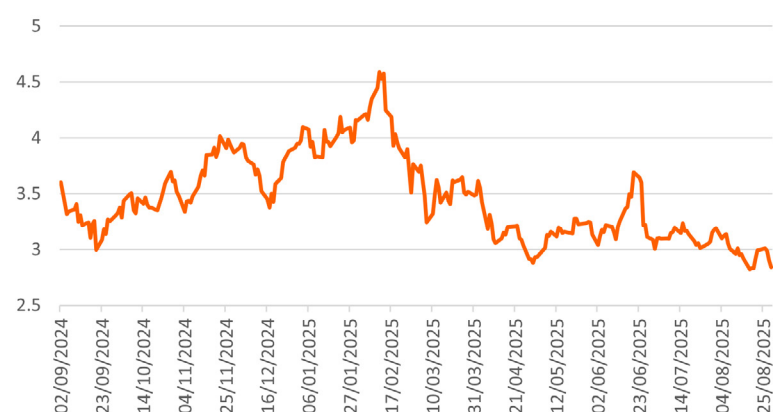
Wholesale market graphs



Electricity market prices (p/kwh)



Gas market prices (p/kwh)



Recommendation

We have seen the markets move in a fashion which is unusual for the time of year recently, with prices more attractive than previous estimates - considering the amount of uncertainty in energy markets through 2025 as a whole and current underlying fundamental pressures. We strongly advise our customers to reach out regarding any fixed or flexible contract options, as energy markets in early September are presenting both good opportunities for top-ups in certain periods, alongside good entry points for all contract lengths.

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

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