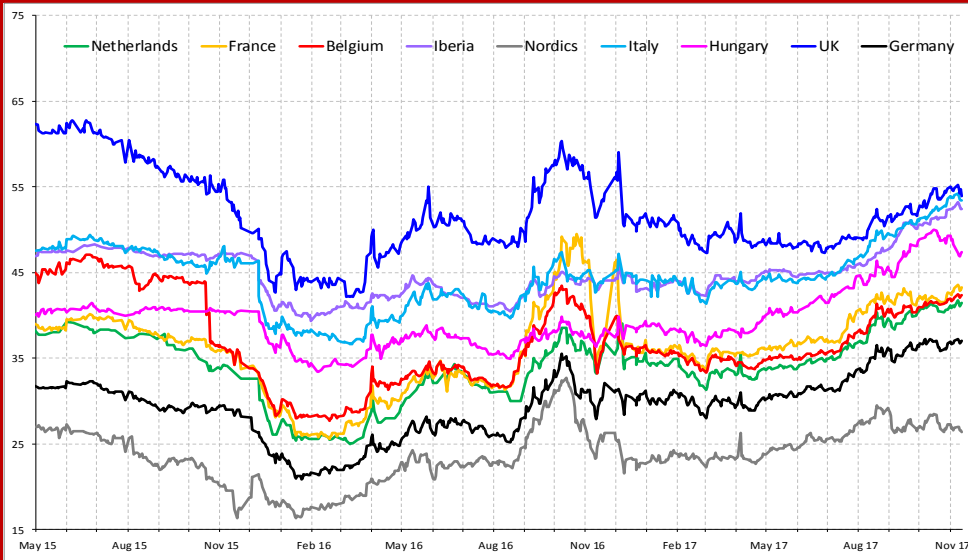
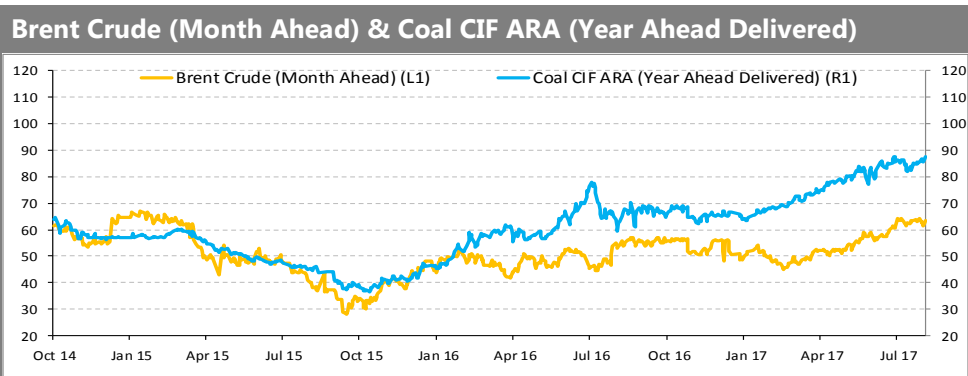
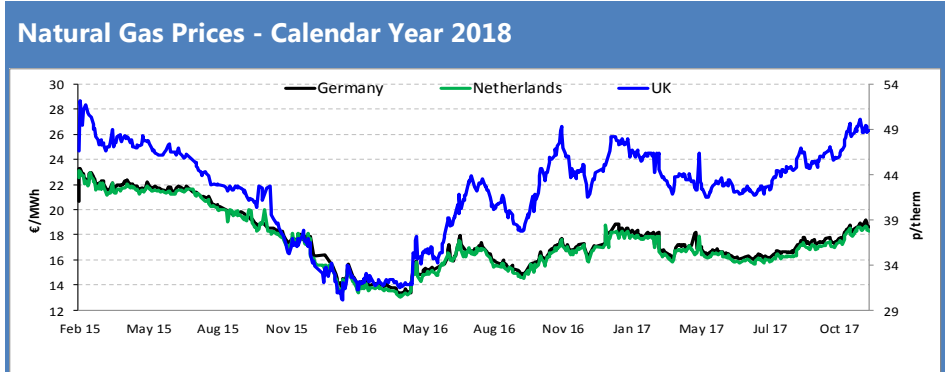


## European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)



Power	Price	Change*
Italy	53.45	-1.11% ↓
UK	51.58	-1.9% ↓
Netherlands	41.4	1.1% ↑
Belgium	42.4	0.86% ↑
France	43.3	0.23% ↑
Germany	37.05	0.14% ↑
Hungary	47.39	-1.48% ↓
Iberia	52.45	-0.29% ↓
Nordics	26.4	-1.86% ↓

Natural Gas	Price	Change*
UK (pence/therm)	48.9	0.58% ↑
UK (€/MWh)	18.99	0.69% ↑
Netherlands (€/MWh)	18.27	-1.35% ↓
Germany (€/MWh)	18.6	-1.22% ↓



Commodities	Price	Change*
Brent Crude Oil (\$/bl)	63.17	-1.62% ↓
Coal CIF ARA (\$/Ton)	87.35	2.1% ↑
CO <sub>2</sub> EUA (2017)	7.13	-7.28% ↓
CO <sub>2</sub> CER (2017)	0.17	0% →
GBP/EUR	1.1382	0.11% ↑

### Power

European spot prices remained supported last week on bullish fundamentals. The coming weeks and months appear tighter with low hydro reserves in France (falling to 50% of capacity yesterday) and Spain, and uncertainties on nuclear availability. Limited gas storages add to this tight context and Q1 2018 contracts rose by more than 2%, reflecting the bullish move on the front curve. Nuclear availability is slightly reduced, with the impact of a strike in particular, which puts the number of assets available lower than the initial plans had suggested. Nevertheless, nuclear availability is higher than last year, which should weigh down on prices. In Germany, strong winds weighed on spot prices and demand levels overall stabilized. The German annual contract advanced by 0.14% to trade at EUR 37.05/MWh whilst the French equivalent followed the same trajectory, reporting an increase of 0.14% to EUR 43.30/MWh. In the UK, wind generation hit highs of around 10GW making up between 20%-25% of the power generation stack. CCGT production reduced down to around 33%, meaning gas demand also came off as result. Supply into the gas system remained healthy throughout the week, pushing the annual 18 contract 2% lower to GBP 45.31/MWh.

### Natural Gas

European spot gas prices ended the week on a bearish note on Friday as temperature forecasts for the days ahead were revised higher for north-western European countries. A strengthening in the pound against the euro after the UK and the EU reached a Brexit deal provided additional bearish pressure on NBP prices. Overall, losses were less pronounced on the far curve as strong coal and oil prices provided support. The benchmark API 2 Cal 2018 contract jumped to USD 87.35/t at the close, just below its recent three-year high at USD 87.90/t. The German (NCG) 2018 annual contract dropped by 1.22% to EUR 18.60/MWh, whilst its Dutch equivalent TTF Cal 2018 prices softened to EUR 18.27/MWh (-1.35%). In the UK, the start of the week saw gas prices strengthen significantly; this followed a revised cooler outlook for the UK into the start of 2018, with some reports suggesting it could be the coldest winter for 20 years. The NBP 2018 contract elevated by 0.58% to trade at 48.90/therm.

### Oil & Coal

After a USD 3/b fall in the last four sessions, oil prices eventually rebounded on Friday, helped by rising Chinese crude demand and threats of a strike in Africa's largest oil exporter. Brent is back above USD 63/b while the barrel of American crude (WTI) finished at USD 57.36/b. However, there is still some bearishness in the markets due to rising U.S. production that would undermine OPEC-led supply cuts aimed at curbing a glut (the group has agreed to extend the pact to the end of 2018). China's crude oil imports rose to 9.01 million barrels per day (bpd), the second highest on record, data from the General Administration of Customs showed on Friday. The sharp reduction in Saudi Arabian crude oil shipments is not reflected in the Chinese import statistics, meaning that other suppliers such as Russia, Iraq or the U.S. are likely to have stepped into the breach. On the far curve, coal markets remain tight with Cal 18 finishing at USD 87.35/tonne (0.35%).

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