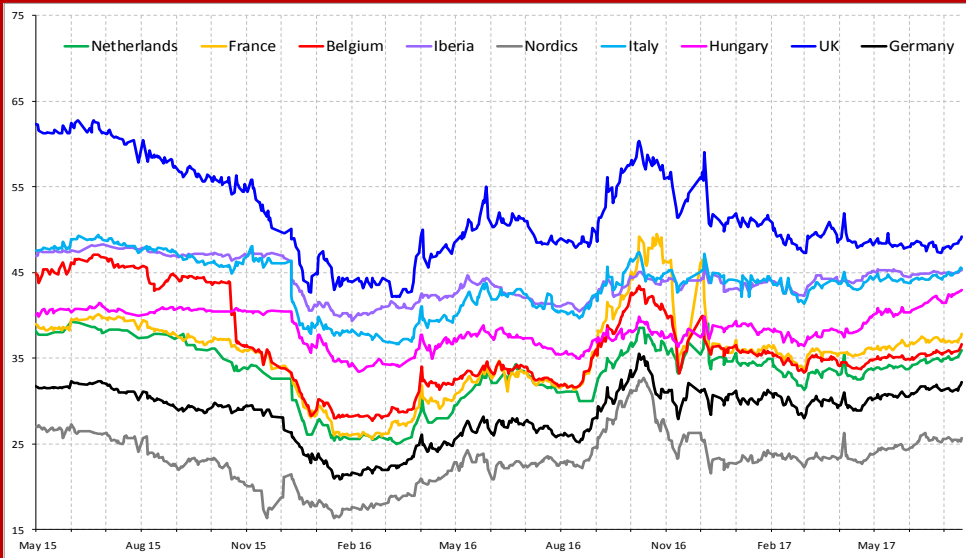
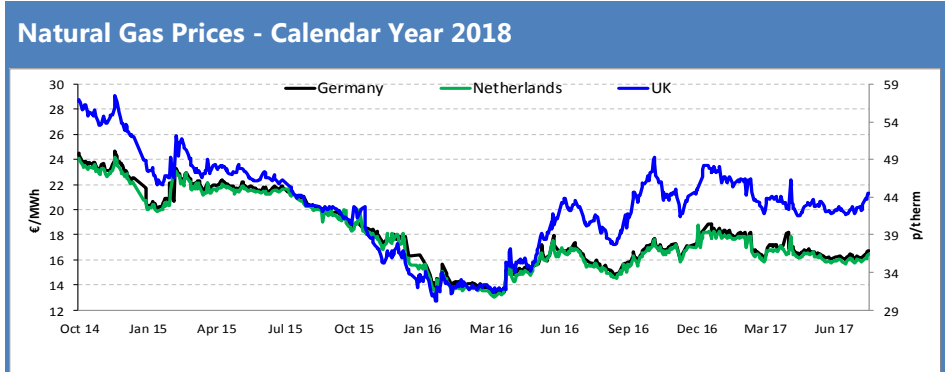


European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)

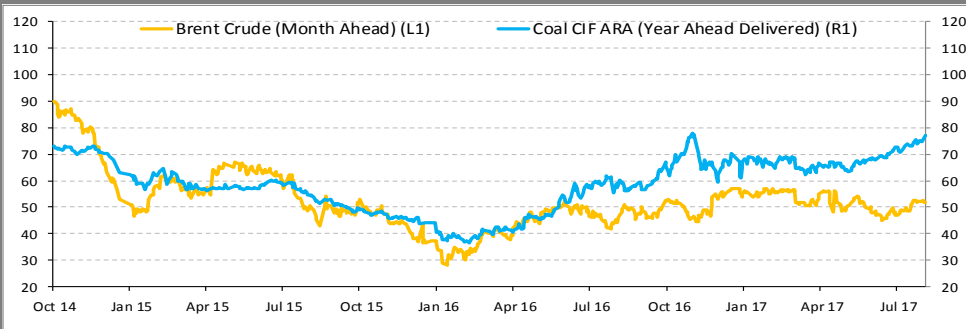


Power	Price	Change*
Italy	45.5	1.34% ↑
UK	49.15	1.84% ↑
Netherlands	35.9	2.72% ↑
Belgium	36.58	2.38% ↑
France	37.85	2.44% ↑
Germany	32.2	3.21% ↑
Hungary	43	1.53% ↑
Iberia	45.25	0.82% ↑
Nordics	25.65	0.79% ↑

Natural Gas	Price	Change*
UK (pence/therm)	44.49	3.51% ↑
UK (€/MWh)	16.7	2.7% ↑
Netherlands (€/MWh)	16.45	2.81% ↑
Germany (€/MWh)	16.73	2.45% ↑



Brent Crude (Month Ahead) & Coal CIF ARA (Year Ahead Delivered)



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	51.61	-1.41% ↓
Coal CIF ARA (\$/Ton)	77.15	2.87% ↑
CO ₂ EUA (2017)	5.41	0.93% ↑
CO ₂ CER (2017)	0.21	0% →
GBP/EUR	1.1004	-0.78% ↓

Power

Scarce wind and solar resources last week lifted spot prices in Europe. Nuclear power in France is still limited after EDF postponed the return of several reactors and Belgium suffers from an extended outage at Doel 4 nuclear plant. These tensions together with falling demand levels in France (below 50 at the peak) as temperatures fell to 3 degrees below average on Thursday, pushed prices upwards. On the far curve, forward power prices advanced significantly on the back of higher coal and gas prices. Coal contract edged up to close to USD 77.15/t while emissions were traded circa 1% higher to EUR 5.41/tonne. Oil prices were traded lower and the euro weakened which also contributed to higher clean coal costs during last week's session. The German Cal 18 was traded up above the previous year high (EUR 32.0/MWh) to close at €32.20/MWh, while the annual French prices firmed to finish at EUR 37.85/MWh. In the UK, renewables have had a reasonable week, but pricing firmed taking direction from the NBP gas curve. The annual 18 contract advanced by 2.5% to trade at GBP 44.68/MWh.

Natural Gas

European spot and near curve gas prices resumed their upward trend, supported by supply restrictions due to unplanned outages: At the UK Cynvus gas field (7 mm cm/day), and an extended one, at the Norwegian Heimdal gas field with a volume impact of 12.4 mm cm/day. A further strengthening of the euro against the pound limited gains in euro-traded contracts whereas it provided additional support to the NBP curve. Strong coal prices continued to be supportive for the gas curve as Cal 2018 prices hit a new 2017 high at USD 77.15/tonne. Regarding pricing, the German (NCG) 2018 annual contract finished at EUR 16.73/MWh (2.45%) whilst it's Dutch equivalent TTF Cal 2018 prices advanced by 2.81% to EUR 16.45/MWh. In the UK, gas pricing finished the week on a bullish note. The NBP 2018 contract advanced as much as 3.51% to trade at 44.49 p/therm.

Oil & Coal

Last Thursday, oil price was trading at its highest levels since May, with Brent crude being above USD 53.60/bbl. However, by the end of the day the price was down around 1.5% finishing the week at USD 51.61/bbl. The trigger for both the initial surge and the sharp reversal appears to be OPEC's latest monthly report. It claims that demand for the cartel's oil is rising and will average 32.4 million barrels per day next year, around 200,000 barrels more than it previously predicted. This boosted sentiment that was already high after a report showed crude oil inventories were falling in the US last week. The OPEC report also showed that OPEC's output jumped in July to 32.9 million barrels per day thanks to rising production in Nigeria and Libya. This combined with rising output from US shale oil that could take the country's overall production above ten million barrels per day next year, has persuaded analysts and traders that the issue of oversupply is still justified. In terms of coal, tight fundamentals continued to support European coal prices last week. The Coal CIF ARA contract closed at a new 2017 high at USD 77.15/t on Friday.

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