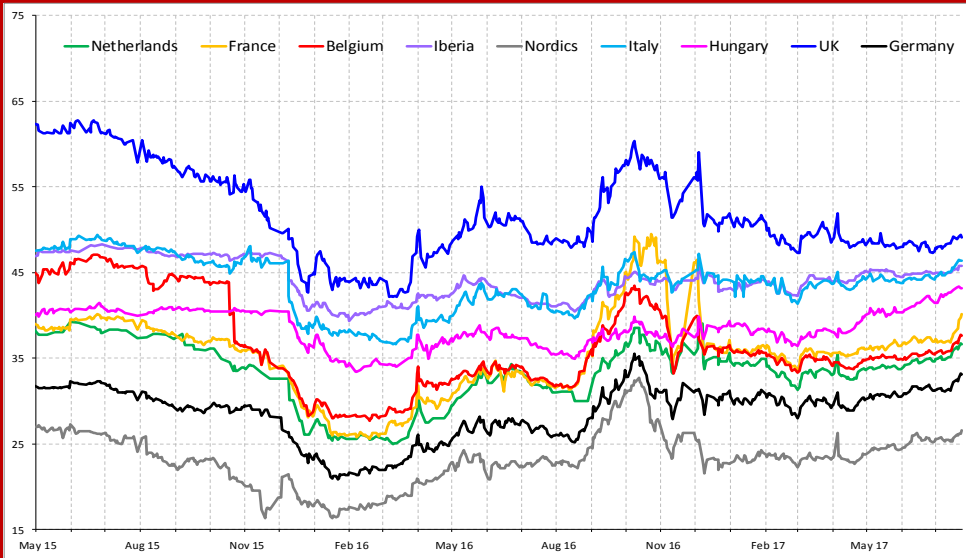
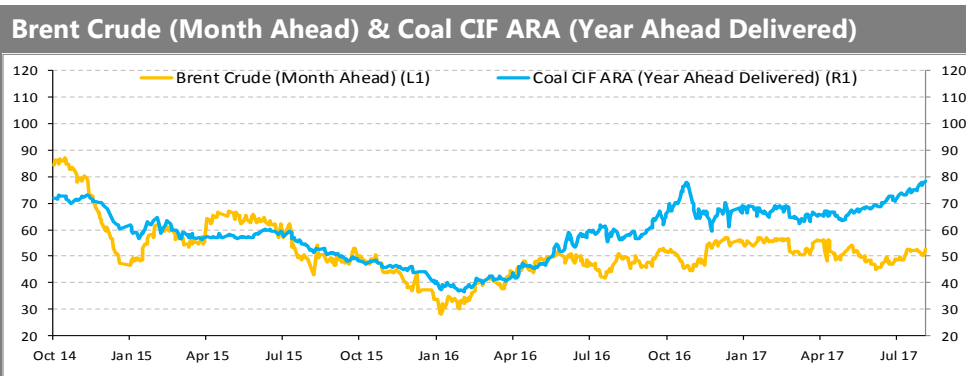
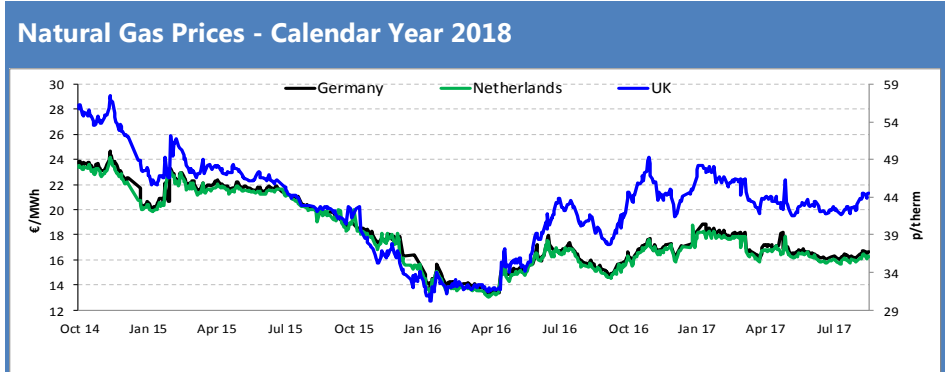


European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)



Power	Price	Change*
Italy	46.4	1.98% ↑
UK	49.13	-0.05% ↓
Netherlands	36.6	1.95% ↑
Belgium	37.58	2.73% ↑
France	40.1	5.94% ↑
Germany	33.05	2.64% ↑
Hungary	43.2	0.47% ↑
Iberia	45.75	1.1% ↑
Nordics	26.6	3.7% ↑

Natural Gas	Price	Change*
UK (pence/therm)	44.51	0.06% ↑
UK (€/MWh)	16.62	-0.51% ↓
Netherlands (€/MWh)	16.2	-1.52% ↓
Germany (€/MWh)	16.63	-0.6% ↓



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	52.72	2.15% ↑
Coal CIF ARA (\$/Ton)	78.25	1.43% ↑
CO ₂ EUA (2017)	5.77	6.65% ↑
CO ₂ CER (2017)	0.21	0% →
GBP/EUR	1.0942	-0.56% ↓

Power

Spot prices rebounded last week on the back of a fall in wind generation. Elsewhere, lignite and nuclear power generation in Germany were recording relatively strong levels compared to the past week, while nuclear power in France remained average. On the far curve, forward power prices were traded at a new year-high before correcting slightly downwards on Friday. Year-ahead coal prices increased above USD 78.00/tonne on renewed tightness in Asian markets. Chinese demand for coal remains strong and an unplanned outage was hindering exports from the port and hub of Newcastle. Moreover, carbon prices were another strong bullish factor. The EUA Dec'17 contract jumped to circa EUR 5.8/tonne on the back of a bullish auction result. The French Nuclear safety authority (ASN) amplified the bullish moves of coal and emissions prices. The body notified the power plant operator EDF to review all components of its nuclear reactors that were made by Areva's foundry Creusot Forge by the end of 2018, putting more pressure on pricing. The German Cal 18 contract closed at EUR 33.05/MWh (+5.94%) and the French Cal 18 climbed above EUR 40/MWh at EUR 40.10/MWh (+5.94%). In the UK, annual 18 contract advanced by 0.5% to trade at GBP 44.90/MWh.

Natural Gas

European near and longer curve gas prices were mixed last week, still supported by unplanned outages on supply. Corrective maintenance at the Norwegian Gullfaks field reduced gas flows by 6.7 mm cm/day Wednesday, slightly higher than the previous Tuesday forecast (reduction of 5.7 mm cm/day). Strong coal prices continued to be supportive for the gas curve as Cal 2018 prices hit a new 2017 high at USD 78.25/tonne. However, easing of French nuclear fears have mitigated some of the bullish pressure. Regarding pricing, the German (NCG) 2018 annual contract finished at EUR 16.63/MWh, down by 0.6% whilst it's Dutch equivalent TTF Cal 2018 prices dropped by 1.52% to EUR 16.20/MWh. In the UK, gas pricing finished the week on a bullish note. The NBP 2018 contract advanced marginally by 0.06% to trade at 44.51 p/therm.

Oil & Coal

Oil markets have continued to bounce around this week with a decline seen early on as output from U.S shale producers were set to reach record levels next month providing pressure to OPEC's efforts to support prices. Most of these gains in production are coming from Texas and New Mexico with both areas seeing steady gains over the past two year. However, this downside was short lived as a draw in U.S stockpiles resulted in Brent changing direction and breaking back above USD 51/bbl. The surprise came from the Bakker Hughes rig count on Friday evening. According to the oil services company, US drillers cut five oil rigs in the week to Aug. 18, bringing the total count down to 763. This negative move surprised markets and traders expect it could be the sign that American drillers are cutting spending plans in reaction to declining crude prices. Brent touched USD 53/bbl before finishing at USD 52.72/bbl. In terms of coal, RWE's financial results showed a decrease in coal burn, reflecting the German situation while southern Europe is heavily relying on coal this year to compensate low hydro levels. Coal CIF ARA contract closed at a new 2017 high at USD 78.25/t on Friday.

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