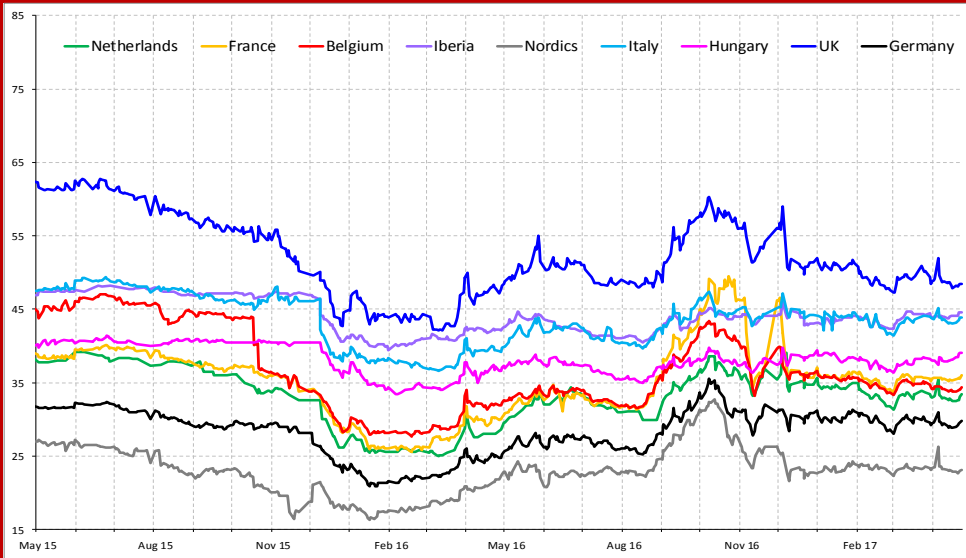
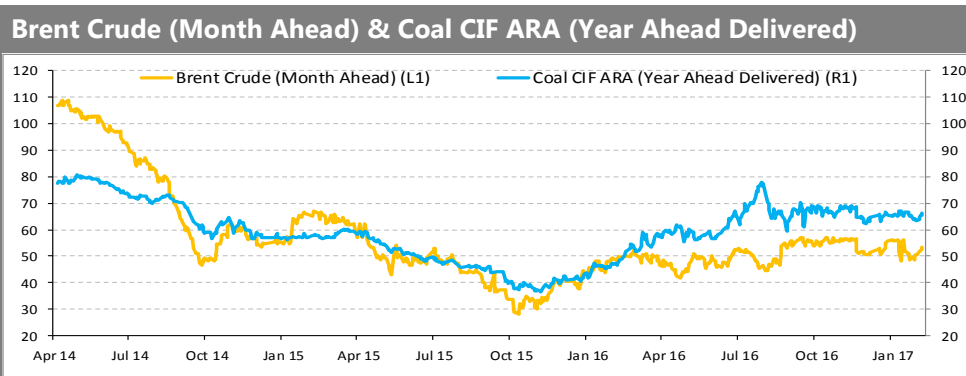
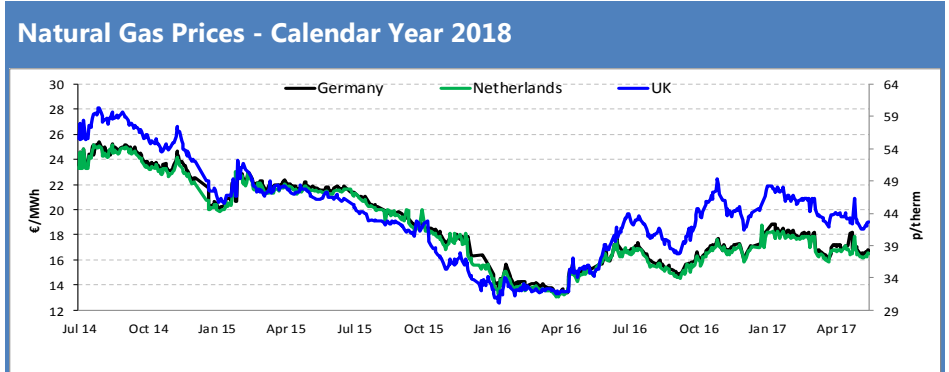


European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)



Power	Price	Change*
Italy	43.9	2.09% ↑
UK	48.46	1.22% ↑
Netherlands	33.4	2.77% ↑
Belgium	34.31	1.51% ↑
France	36	1.98% ↑
Germany	29.75	3.12% ↑
Hungary	39	2.36% ↑
Iberia	44.55	1.02% ↑
Nordics	23.05	1.1% ↑

Natural Gas	Price	Change*
UK (pence/therm)	42.68	2.88% ↑
UK (€/MWh)	16.96	1.63% ↑
Netherlands (€/MWh)	16.5	1.98% ↑
Germany (€/MWh)	16.75	1.82% ↑



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	53.57	6.06% ↑
Coal CIF ARA (\$/Ton)	66.1	4.09% ↑
CO ₂ EUA (2017)	4.91	9.84% ↑
CO ₂ CER (2017)	0.24	-4% ↓
GBP/EUR	1.1642	-1.21% ↓

Power

European electricity prices rose last week due to higher demand, declining wind power supply - especially in Germany - and nuclear outages in France. Indeed, the 1.3 GW Golfech-2 nuclear reactor in France closed for unexpected maintenance on May 18-19 while the 1.3-GW Cattenom-2 reactor, which was previously expected to return online on Friday, is now expected to come back to the grid this week. Overall, the rise in clean gas and coal costs continued to push far-curve power prices higher. Coal finished the week circa 4% up whilst carbon followed the same direction posting a week on week increase of circa 10%. Gains remain stronger for French prices which seem to get additional support from the appointment of Nicolas Hulot as minister for ecological transition. The French year-ahead firming by 1.98% at EUR 36/MWh whilst the German 2018 contract was up by 3.12% at EUR 29.75/MWh. In the UK, power prices started the week on a bullish trend and this has continued throughout the week across near and long-dated contracts. The annual 2018 UK contract increased by 2.4% to GBP 40.62/MWh.

Natural Gas

European gas prices reflected the movements seen in the oil market, finishing the week on a bullish note. At the spot level, a continuous undersupplied UK system provided support to short-term prices despite expectations of higher Norwegian supply. A ramp-up in storage injections on the continent supported prompt contracts as well. A strengthening in the pound against the euro following the release of strong UK economic data limited gains in NBP curve contracts whereas it provided some support to euro-traded contracts. A looming decision on the new production quota at Groningen could inject some further volatility in TTF prices. Nevertheless, the Dutch government is expected to confirm in the coming days what has been announced a few weeks ago, i.e. a 10% cut in Groningen output for the next gas year. Regarding pricing, the German (NCG) 2018 annual contract finished the week at EUR 16.75/MWh (+1.82%) whilst its Dutch equivalent TTF Cal 2018 prices firming by circa 2% to EUR 16.50/MWh. The NBP 2018 contract added as much as 1.2p (+2.88%) to trade at 42.68 p/therm.

Oil & Coal

Oil prices increased further last week after Saudi Arabia confirmed that producers would agree on extending the output cut deal through Q1 2018. Brent front-month finished 6.06% higher at USD 53.57/bbl. Recent statements from Saudi and Russian representatives have reinforced the conviction that OPEC and Russia are now extremely likely to agree on extending their current deal to reduce output, until the end of Q1 2018 instead of end 2017. However, uncertainty remains as well regarding how cuts will be shared inside OPEC and in particular how Iran and Iraq could take their part of the effort. The situation of Libya and Nigeria could change as well, as the Libyan output unexpectedly rebounded to 800kb/d. Regarding coal, The Coal CIF ARA contract for 2018 has extended its gains to a 3-week high on the back of higher oil prices. Cal '18 contract finished at USD 66.10/tonne (+4.09%)

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