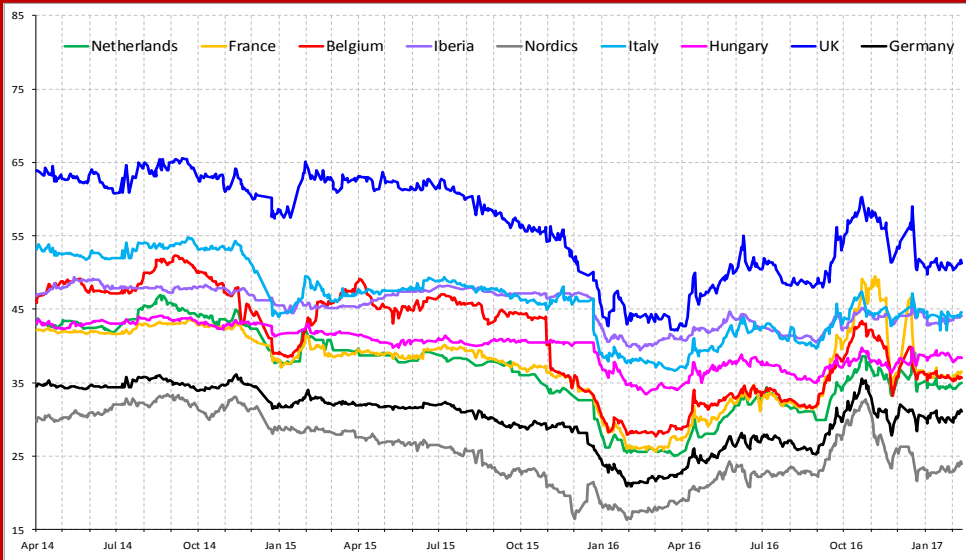
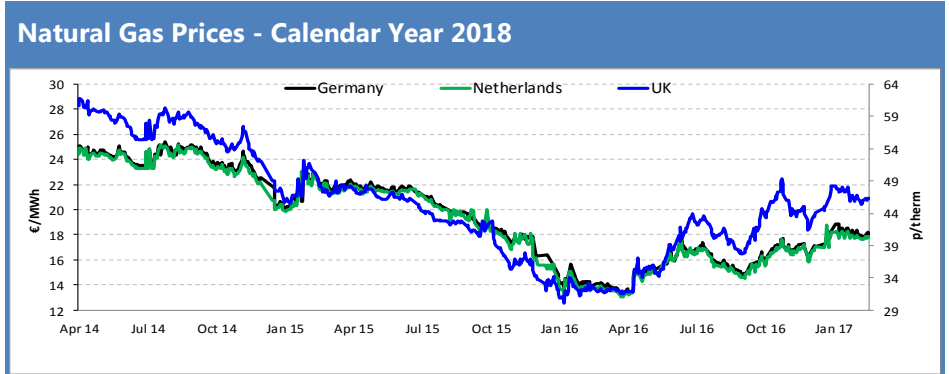


European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)

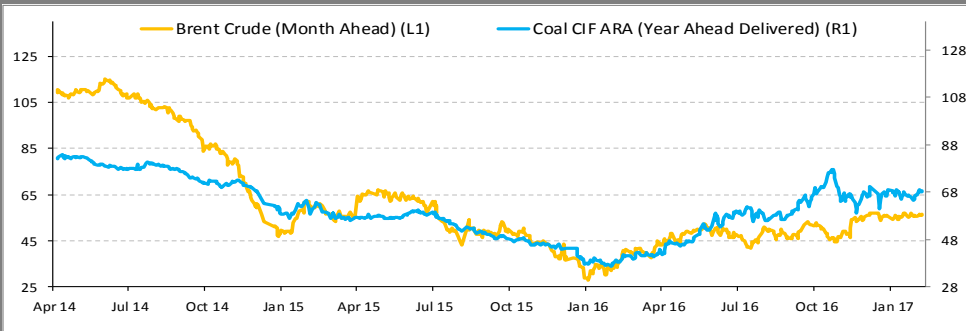


Power	Price	Change*
Italy	44.6	1.36% ↑
UK	52.92	0.86% ↑
Netherlands	34.9	2.2% ↑
Belgium	35.6	0.76% ↑
France	36.5	1.67% ↑
Germany	31.05	2.99% ↑
Hungary	38.4	1.05% ↑
Iberia	44.15	0.8% ↑
Nordics	23.95	3.32% ↑

Natural Gas	Price	Change*
UK (pence/therm)	46.38	0.94% ↑
UK (€/MWh)	18.69	1.92% ↑
Netherlands (€/MWh)	17.8	0.96% ↑
Germany (€/MWh)	18.05	1.69% ↑



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	56.08	1.08% ↑
Coal CIF ARA (\$/Ton)	68.25	2.02% ↑
CO ₂ EUA (2017)	5.34	6.8% ↑
CO ₂ CER (2017)	0.29	0% →
GBP/EUR	1.1809	0.97% ↑

Power

European power prices were decidedly bullish last week on the back of increased demand and higher oil and coal costs. Moreover, hydro and nuclear power generation remained very limited adding to the upward price movement. The German Cal 18 contract was the most impacted, rising to EUR 31.05/MWh (+2.99%). The French contract followed its German counterpart higher to EUR 36.5/MWh. This follows a circa 2% increase in Coal year-ahead prices which closed on their upper resistance. Bullish sentiment remained in the coal market ahead of a meeting between Chinese authorities and coal miners to further reduce production. An outage at Tihange 1 reactor in Belgium was extended until the end of March which added 0.76% to the year ahead Belgium pricing, finishing at EUR 35.6/MWh. On Thursday the UK was hit by storm Doris, which caused disruption across the country; adding a touch of risk premium into the prompt curve. In the lead up to the arrival of storm Doris wind power generation was looking good, often above 6 and 7GW. This took some of the pressure of coal and gas, with coal generating around 4GW all week. The annual 2018 UK contract dropped as much as 1.59% to GBP 44.81/MWh or EUR 52.92/MWh

Natural Gas

Gas prices on the near and longer curve were supported last week on higher gas demand due to lower temperatures, lower wind generation and higher crude oil pricing. Norwegian and Russian gas exports were also down adding to the bullish sentiment. A strengthening in the euro against the pound after François Bayrou, an influential French centrist politician announced his support to presidential candidate Emmanuel Macron provided extra support to the NBP curve towards the close. On the supply side, an improvement in UK LNG supply in the coming days with three deliveries scheduled this week could weigh on the NBP prompt. Regarding pricing, the German (NCG) 2018 annual contract finished the week at EUR 18.05/MWh whilst its Dutch equivalent TTF Cal 2018 prices increased by 0.96% to EUR 17.80/MWh. IN the UK, the NBP followed its European counterparts higher to 46.38p/therm or EUR 18.69/MWh.

Oil & Coal

Oil posted some gains last week but remained stick to its monthly average trading range between USD 55.50/b to USD 56.50/b for month ahead contract. The sentiment is unchanged with optimism linked to OPEC production cuts supporting the markets while fears of an American shale surge cap gains. The EIA report for week ending February 17 surprisingly showed increasing commercial crude inventories whereas API forecasted a fall. Crude stocks finally rose 600,000 b/d mitigating some of the bullish pressure. Front month Brent finished the week at USD 56.08/bbl, up by circa 1%. Regarding coal, China plans to close at least 500 outdated coal mines this year, reducing capacity by a combined 50 mt/y, according to the national energy agency. Chinese authorities foresee an increase in production year on year with new efficient mines also producing. There is also the effect of the mining working schedule, reduced to 276 days that will likely reduce production over the next month. Annual Coal CIF ARA contract for delivery in 2018 advanced 2.02% to USD 68.25/tonne.

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