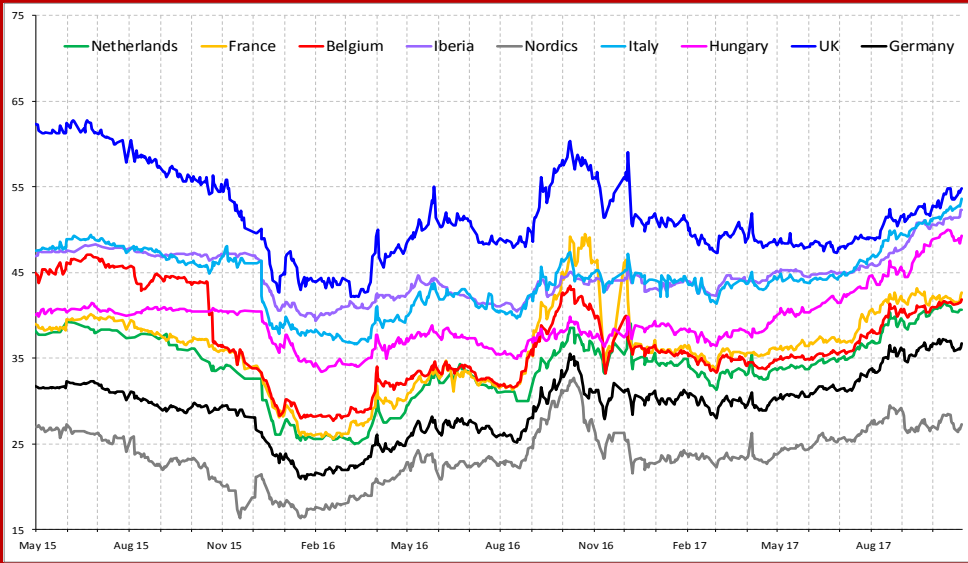


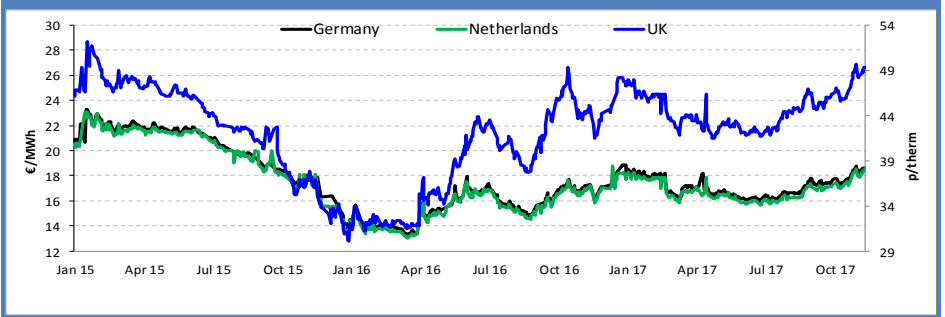
## European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)



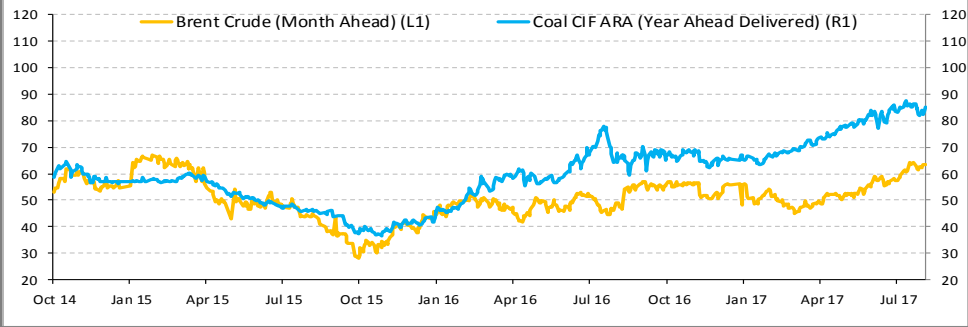
Power	Price	Change*
Italy	53.6	2.19% ↑
UK	52.49	0.84% ↑
Netherlands	40.65	0.49% ↑
Belgium	41.8	1.26% ↑
France	42.65	2.77% ↑
Germany	36.7	2.51% ↑
Hungary	49.25	1.23% ↑
Iberia	52.35	1.95% ↑
Nordics	27.25	1.68% ↑

Natural Gas	Price	Change*
UK (pence/therm)	49.39	1.89% ↑
UK (€/MWh)	18.84	1.64% ↑
Netherlands (€/MWh)	18.6	4.2% ↑
Germany (€/MWh)	18.58	1.14% ↑

## Natural Gas Prices - Calendar Year 2018



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	63.53	1.73% ↑
Coal CIF ARA (\$/Ton)	85.25	4.09% ↑
CO <sub>2</sub> EUA (2017)	7.77	3.6% ↑
CO <sub>2</sub> CER (2017)	0.17	0% →
GBP/EUR	1.1181	-0.25% ↓

### Power

European spot power prices rose sharply last week as falling temperatures in the region drove up demand, while wind power production collapsed in Germany. In France, nuclear availability did not improve as planned and new availability forecasts disappoint. Indeed, EDF lengthened the outage at the Dampierre 3 reactor (900 MW) by four days, having already reported a handful of outage delays earlier in the week. Meanwhile, power consumption in France increased by roughly 10 GW, adding to the bullish sentiment. On the far curve, all the power contracts rebounded on the back of higher coal, gas and emissions prices, with an influence from short-term fundamentals and weather forecasts. Coal prices in particular rebounded just above their 20 day moving average at the close at USD 85.25/tonne whilst EUA Dec'17 contract last traded at EUR 7.77/tonne. The German annual contract advanced by 2.51% to trade at EUR 36.70/MWh whilst the French equivalent followed the same trend, reporting an increase of 2.77% to EUR 42.65/MWh. In the UK, power contracts mirrored the movements seen in the gas market and reported a week on week increase. The UK annual 18 contract added as much as GBP 0.50 to GBP 46.94 /MWh.

### Natural Gas

A downwards revision in temperature forecasts for next week and the beginning of December gave a boost to gas prices after sharp losses recorded over previous sessions. European gas prices hit new highs since February on the near curve on the back of a colder weather outlook for the week ahead, a weak LNG supply outlook in north-western Europe (notably due to numerous LNG reload operations) and a strengthening in coal prices. Expectations of a significant drawdown in storage levels over the next few weeks as pipeline imports are moving closer to capacity in north-western Europe may have fuelled the bullish sentiment as well. Bullish oil prices have also provided additional support to the gas curve further out. The German (NCG) 2018 annual contract advanced by circa 1.14% to EUR 18.58/MWh, whilst its Dutch equivalent TTF Cal 2018 prices increased to EUR 18.60/MWh. In the UK, gas system has opened up in length every day this week, with demand below seasonal normal towards the end of the week. The UK gas prices followed the general bullish sentiment on the back of colder weather forecasts. The NBP 2018 contract firmed by 1.89% to trade at 49.39/therm.

### Oil & Coal

The rally continues for oil prices with a fourth positive session in a row on Friday as Brent is now back above USD 63/bbl, a level last seen on Nov-14. Bullish sentiment has fuelled by uncertainty over the reopening of the Keystone pipeline. The pipeline suffered a leak in Dakota last week and remains offline. It is a key piece of infrastructure, connecting Canadian oil fields with Texas. There is still no scheduled reopening and the uncertainty has not been taken well by the market. US Crude stocks fell by 1.9Mb last week, less than what markets expected. In addition, crude output kept on increasing for the 5<sup>th</sup> week in a row to reach 9.66Mb/d, hence some downward pressure on crude prices just after the release of the report. All market participants are focused on the deal extension decision this week. The countdown has begun to the decision of extending, or not, the effort by the OPEC and a group of other producers, including Russia, to withhold 1.8 Mbd of output beyond March 2018. Coal price rebounded just above their 20 day moving average at the close, with Chinese demand expected to increase in the short-term. Cal 18 finished at USD 85.25/tonne (4.09%)

This confidential report was produced by the NUS Consulting Group. Its sole purpose is to provide general background information and insight concerning the highly volatile energy market and reflects only the opinions and insights of the authors. It does not represent an official position or policy of the NUS Consulting Group. The report is not intended to constitute advice on any particular commercial investment; purchase; hedging or trade matter and should not be relied upon for such purpose. No part of this publication may be reproduced or transmitted to a third party in any form or by any means, electronic or otherwise, without the prior written consent of the NUS Consulting Group.