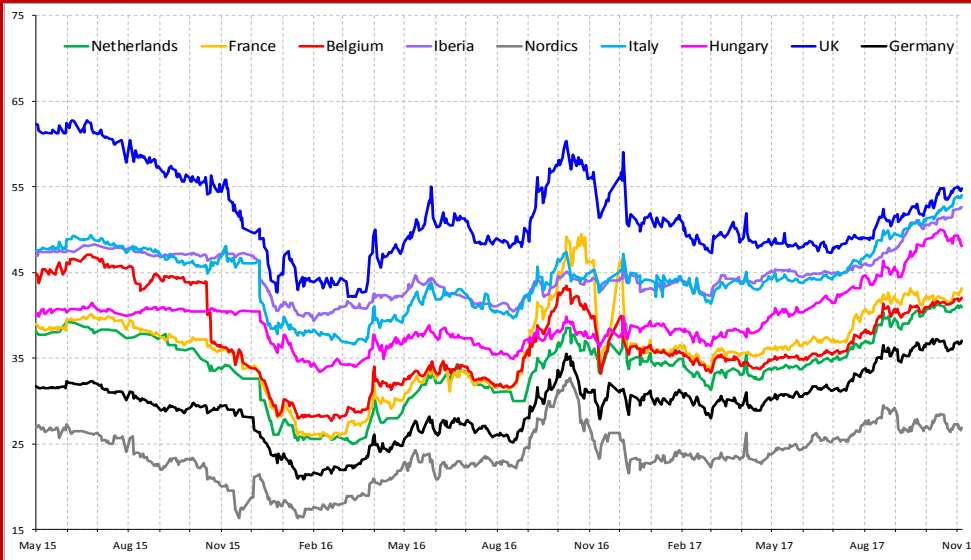
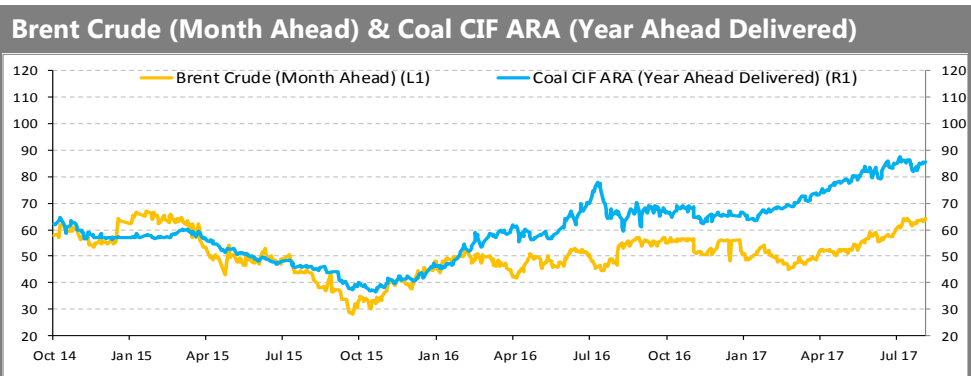
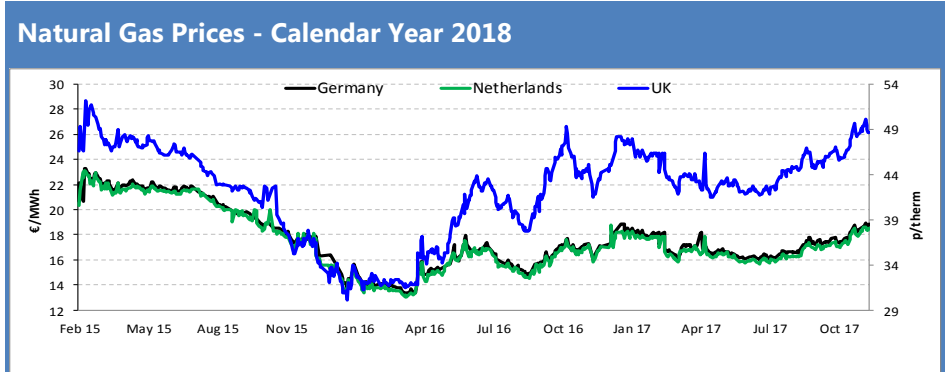


European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)



Power	Price	Change*
Italy	54.05	0.84% ↑
UK	52.58	0.17% ↑
Netherlands	40.95	0.74% ↑
Belgium	42.04	0.57% ↑
France	43.2	1.29% ↑
Germany	37	0.82% ↑
Hungary	48.1	-2.34% ↓
Iberia	52.6	0.48% ↑
Nordics	26.9	-1.28% ↓

Natural Gas	Price	Change*
UK (pence/therm)	48.62	-1.56% ↓
UK (€/MWh)	18.86	0.1% ↑
Netherlands (€/MWh)	18.52	-0.43% ↓
Germany (€/MWh)	18.83	1.35% ↑



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	64.21	1.07% ↑
Coal CIF ARA (\$/Ton)	85.55	0.35% ↑
CO ₂ EUA (2017)	7.69	-1.03% ↓
CO ₂ CER (2017)	0.17	0% →
GBP/EUR	1.1369	1.68% ↑

Power

Spot prices remained at high levels last week under supply constraints and strong power demand. The nuclear output was also limited in France due to a strike but the ASN yesterday confirmed that 4 more reactors had been cleared after checks on nuclear components made at Le Creusot factory, which should weigh on the front curve. All 12 reactors that had to be checked before the end of the year received the green light. On the far curve, coal prices rebounded to close near the week high and pushed European power prices higher again, with still perceived tensions in Asian markets. This also sent a bullish signal to CO₂ markets that might have also reacted to the EU ETS reform file passing a vote in EU Parliament's environmental committee. The German annual contract advanced by 0.82% to trade at EUR 37/MWh whilst the French equivalent followed the same direction, reporting an increase of 1.29% to EUR 43.2/MWh. In the UK, the power system had a reasonably comfortable week, with renewables generation collectively around the 14GW mark, although between 8-9GW of coal generation was still required. The lack of supply coming from France or Holland was a key driver for the ramp up in coal production. The UK annual 18 contract dropped by 1.5% to GBP 46.24 /MWh.

Natural Gas

Prospects of an increase in temperatures towards seasonal normal levels next week continued to weigh on European gas prices. Nevertheless, below-average temperatures in the very-short term remained supportive for day-ahead prices, keeping them at a premium to near-curve contracts. UK residential gas demand was expected to hit its highest level since February at 266 mm cm yesterday. A further strengthening of the pound against the euro provided additional bearish pressure on NBP prices. On the curve, stronger coal and oil prices following the OPEC meeting exerted some additional bullish pressure as well. The German (NCG) 2018 annual contract advanced by 1.35% to EUR 18.83/MWh, whilst its Dutch equivalent TTF Cal 2018 prices softened to EUR 18.52/MWh. In the UK, the gas system remained relatively balanced until demand shot up towards the end of the week and renewable generation was healthy, again, until the close of the week. Markets strengthened, before softening again during the end of the week. The NBP 2018 contract fell by 1.56% to trade at 48.62/therm.

Oil & Coal

Oil prices rebounded from a 10 days low on Friday after OPEC and Russian led group confirmed they agreed to extend their production cut agreement until the end of 2018 as they try to finish clearing a global glut of crude while signalling a possible early exit from the deal if the market overheats. Russia, which this year reduced production significantly with OPEC for the first time, has been pushing for a clear message on how to exit the cuts so the market doesn't flip into a deficit too soon, prices don't rally too fast and rival U.S. shale firms don't boost output further. Just as OPEC gathered in Vienna, U.S. government data showed that U.S. oil production rose 3 percent in September to 9.48 million bpd mitigating some of the bullish pressure. Brent last traded at USD 64.21/bbl (+1.07%). On the far curve, coal markets might remain tight due, in particular, to weather concerns in Asia (more rainfall disrupting coal supply chains). Cal 18 finished at USD 85.55/tonne (0.35%)

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