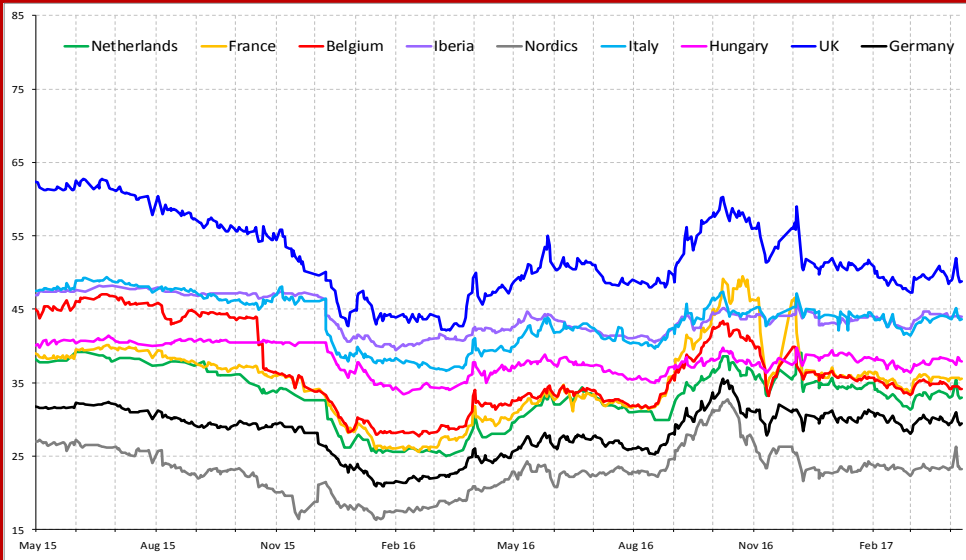


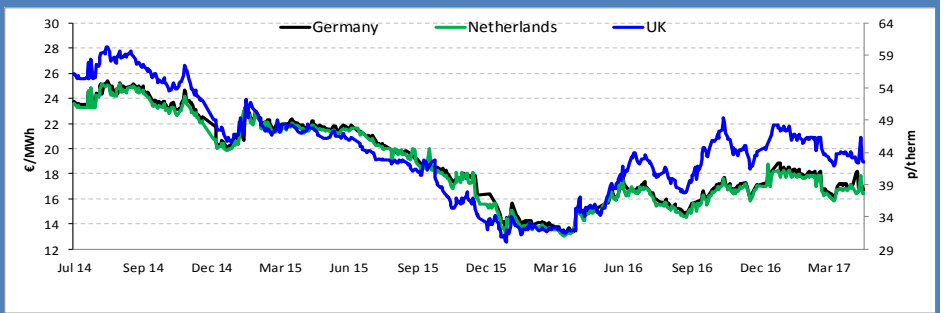
European Base Load Electricity Prices - Calendar Year 2018 (€/MWh)



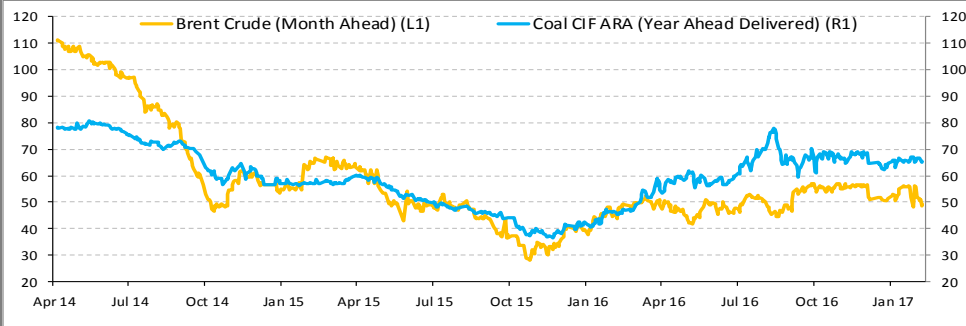
Power	Price	Change*
Italy	43.57	-0.53%
UK	48.81	-0.6%
Netherlands	32.95	-0.75%
Belgium	34.07	-1.19%
France	35.5	-0.42%
Germany	29.45	-1.17%
Hungary	37.9	-0.26%
Iberia	43.95	0%
Nordics	23.2	-1.28%

Natural Gas	Price	Change*
UK (pence/therm)	42.42	0.32%
UK (€/MWh)	17.07	-0.39%
Netherlands (€/MWh)	16.45	-0.9%
Germany (€/MWh)	16.73	-1.01%

Natural Gas Prices - Calendar Year 2018



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	49.25	-4.74%
Coal CIF ARA (\$/Ton)	65.3	-2.17%
CO ₂ EUA (2017)	4.64	1.98%
CO ₂ CER (2017)	0.24	-4%
GBP/EUR	1.1791	-0.72%

Power

Supply conditions are seen improving this week regarding renewables, especially thanks to solar PV, but temperatures been revised lower for the second part of May providing some support to the near-dated contracts. On the far curve, after a plunge in oil prices (touched a low of USD 46.65/bbl), fossil fuel prices were down and power prices followed through. Emissions prices touched a new low at EUR 4.30/tonne before a technical rebound pushed contracts back above EUR 4.60/tonne. Coal and gas prices were back near the previous week low. The German Cal 18 finished the week at EUR 29.45/MWh, losing 1.17% week on week. The Dutch year-ahead dropped by 0.75% at EUR 32.95/MWh while the Italian and French contracts were only down by 0.5% and 0.4% respectively. Emmanuel Macron is the next President of France. His energy program is still not completely clear following recent declarations of his advisors, but overall he will pursue the previous policies consisting in slowly shifting away from nuclear reliance towards more renewable and gas-fired power. In the UK, higher gas pricing, which contributes around 50% to the power mix, has pushed electricity pricing slightly upwards. The annual 2018 UK contract firmed by 0.10% to GBP 41.39/MWh.

Natural Gas

A sharp drop in oil prices dragged European gas prices lower last week. Brent prices fell to new 2017 lows, sending a bearish signal to the whole energy complex. Coal prices were also down as API 2 Cal 2018 prices lost 2.17% to close at USD 65.30/t. In terms of short-term fundamentals, oversupplied system in the Netherlands and a drop in gas demand (-6% for Dutch gas demand) weighed on the prompt market. In the UK, the week started on a bullish note with unplanned outages in Norway thought to be a major contributor to the 26 mcm short Linepack (gas system). Regarding pricing, the German (NCG) 2018 annual contract finished the week at EUR 16.73/MWh (-1.01%) whilst its Dutch equivalent TTF Cal 2018 prices retreated by 0.90% to EUR 16.45/MWh. The NBP year ahead contract firmed marginally by 0.3% to trade at 42.42 p/therm or EUR 17.13/MWh.

Oil & Coal

Oil prices fell sharply last week, back to their level before OPEC agreed to cut output at the end of last year. Brent front-month touched USD 46.64/bbl, whilst WTI prices touched USD 43.76/bbl, lowest level since mid-November. When the agreement was signed (Nov. 30), Brent closed at USD 50.47/bbl. After 4.5 months in the deal and increasing US production levels, Brent prices broke through that level, effectively wiping out all of the gains made since OPEC announced its first supply cut in eight years. The markets realised OPEC agreement has failed to eliminate a global supply glut and prices collapsed below the long-term support level of USD 50/bbl. However, a technical rebound has followed such a sharp fall, with Brent finishing the week at USD 49.25/bbl (-4.74%). European coal Cal '18 contact has taken direction from oil. Coal CIF ARA annual contract dropped by 2.17% to trade at USD 65.30/tonne.

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