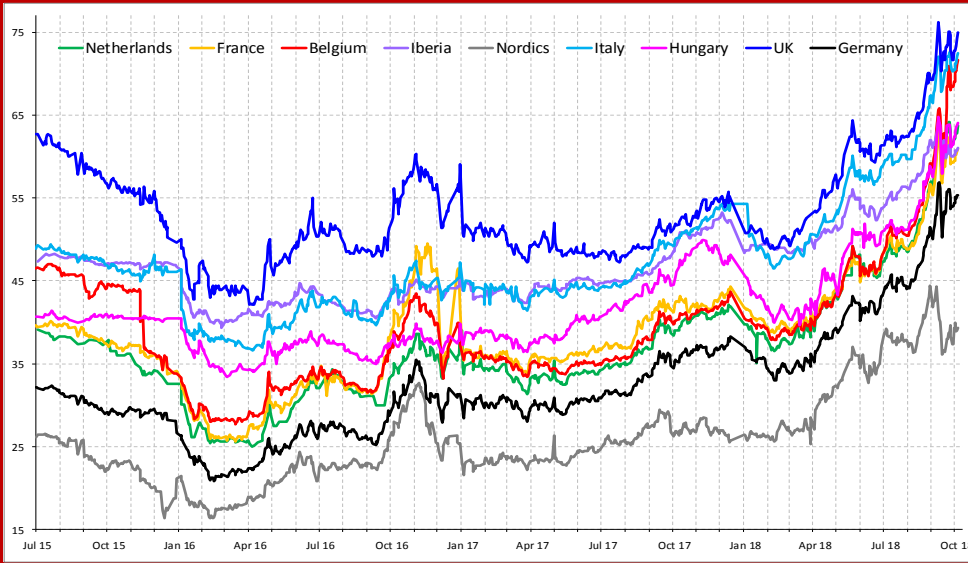


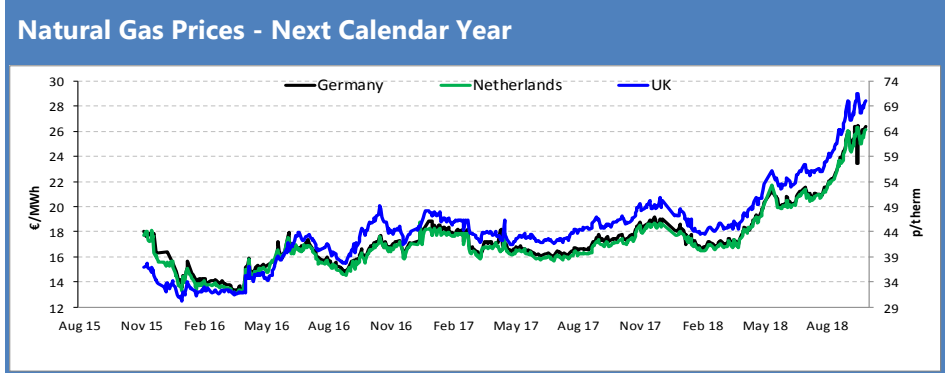
Tuesday 9th October 2018

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

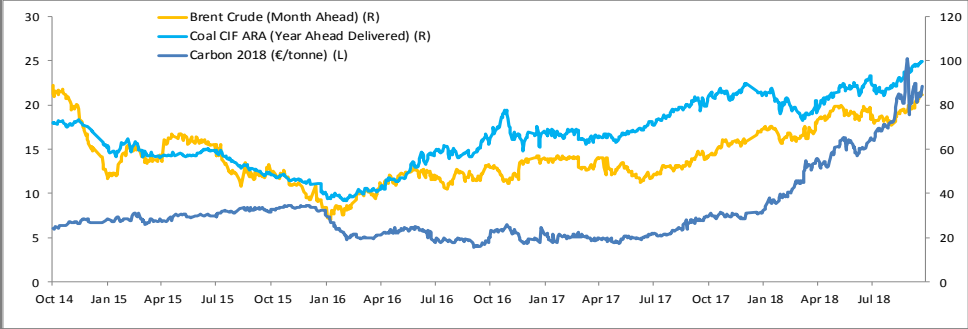


Power	Price	Change*
Italy	72.50	2.84% ↑
UK	74.99	4.00% ↑
Netherlands	63.75	2.49% ↑
Belgium	71.58	3.65% ↑
France	60.90	2.44% ↑
Germany	55.35	1.78% ↑
Hungary	64.05	2.73% ↑
Iberia	61.00	1.24% ↑
Nordics	39.34	0.15% ↑

Natural Gas	Price	Change*
UK (pence/therm)	70.18	1.67% ↑
UK (€/MWh)	27.24	2.68% ↑
Netherlands (€/MWh)	26.15	2.03% ↑
Germany (€/MWh)	26.37	0.92% ↑



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	84.82	-0.19% ↓
Coal CIF ARA (\$/Tonne)	99.65	0.91% ↑
CO ₂ EUA (€/tonne)	22.16	3.70% ↑
CO ₂ CER (2018)	0.28	0% →
GBP/EUR	1.1376	0.99% ↑

Power

Belgian short-term contracts continued to rise sharply last week (notably the November 2018 contract) due to the lack of availability of Belgian nuclear power plants. Spot prices were also generally on the rise after a fall in wind power earlier this week. It had peaked at around 35 GW on Tuesday. Nuclear availability in France was also still below 45 GW and run of river hydro power generation declined further. The prices of calendar contracts were up slightly last week, and in Belgium, a new high was reached, again due to concerns about nuclear availability. In France, the nuclear safety authority indicated that the number of weldings to be redone on the Flamanville 3 EPR would in fact be greater than what had been specified initially. Overall, last week's electricity prices were mainly driven by a rebound in CO₂ and new highs for coal prices (API2). Friday, the German Cal 19 was trading near the previous high at EUR 55.35/MWh and the French Cal 19 at EUR 60.90/MWh.

Natural Gas

Gas demand for heating rose last week (+8% week-on-week in North West Europe) with the drop in average temperatures. It remained stable compared to last year for the first week of October. Demand growth was also significant in the UK power sector due to lower wind generation. Stock levels in Europe continued to increase but remain at the bottom of the historical range in most European countries. It is estimated that stock levels are at 49.7 Bcm, approximately 4 Bcm lower than the 5 year average. After reaching new highs last Monday, European gas prices corrected downward throughout the week. A drop in EUA prices, an upward revision in temperature forecasts, a slight rise in stock levels and an improving LNG supply picture, weighed on short-term prices. On the far curve, TTF Cal 2019 prices closed at EUR 26.15 MWh on Friday, up 2% week-on-week.

Oil & Coal

Four weeks before the implementation of US sanctions on Iran, volatility remains very strong in the oil markets and prices reached new highs mid-week. The Brent touched USD 86.74/bbl on Wednesday, October 3, a new 4-year high. Prices have since declined slightly, but the trend remains bullish one month ahead of the introduction of US sanctions. Since breaking its May resistance level (USD 80.5/bbl) at the end of September, Brent has set new records almost every week.

European calendar coal prices reached the symbolic mark of USD 100/tonne last week, supported by rising oil prices and still positive margins for coal plants notably in Germany. API 2 Cal 2019 prices gained USD 1.48 week-on-week, closing at USD 99.65/tonne on Friday.

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