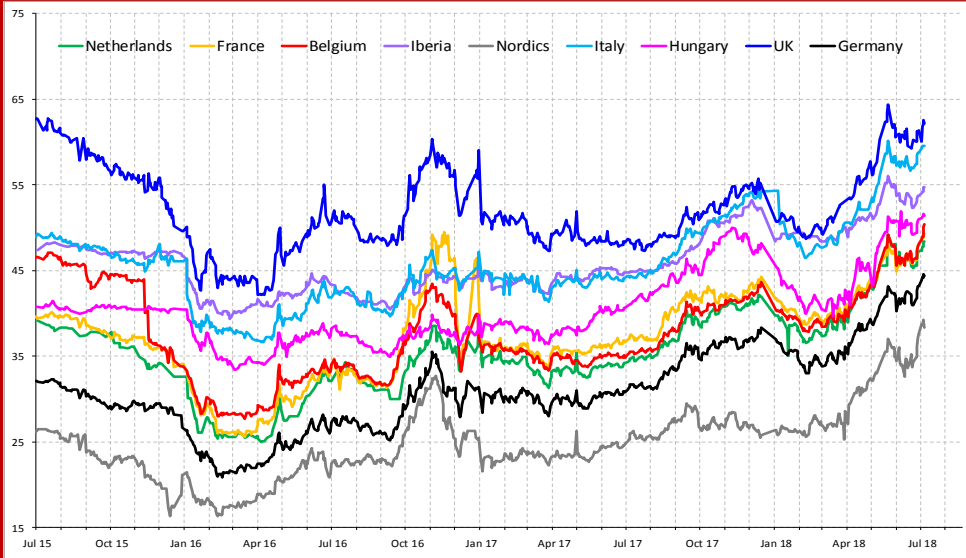


Tuesday 10th July 2018

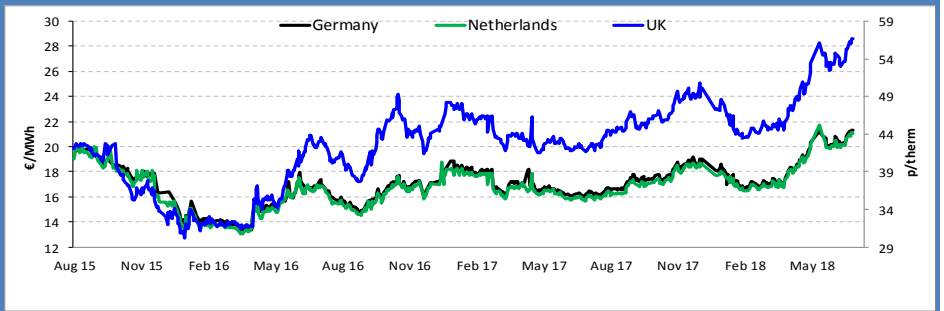
European Base Load Electricity Prices - Next Calendar Year (€/MWh)



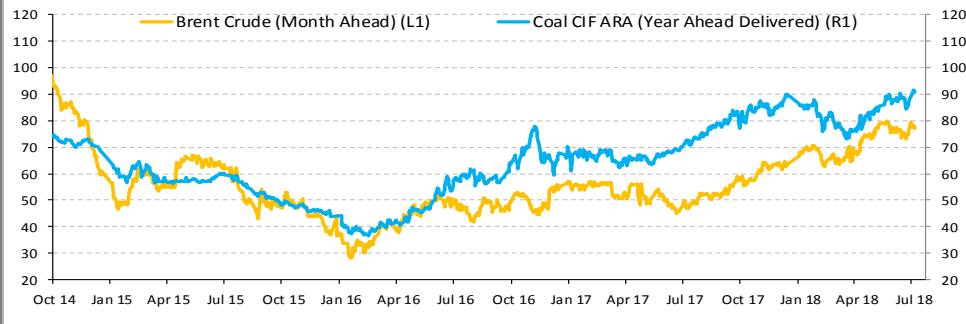
Power	Price	Change*
Italy	59.55	1.45% ↑
UK	62.12	1.29% ↑
Netherlands	48.35	2.22% ↑
Belgium	50.44	4.82% ↑
France	49.25	2.39% ↑
Germany	44.40	2.33% ↑
Hungary	51.40	0.88% ↑
Iberia	54.70	1.81% ↑
Nordics	38.35	1.99% ↑

Natural Gas	Price	Change*
UK (pence/therm)	56.67	2.49% ↑
UK (€/MWh)	21.84	2.39% ↑
Netherlands (€/MWh)	21.05	1.45% ↑
Germany (€/MWh)	21.34	1.86% ↑

Natural Gas Prices - Next Calendar Year



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	76.96	-3.12% ↓
Coal CIF ARA (\$/Tonne)	90.90	1.96% ↑
CO ₂ EUA (2018)	15.67	4.54% ↑
CO ₂ CER (2018)	0.26	8.33% ↑
GBP/EUR	1.1292	-0.1% ↓

Power

Curve products saw strength once again following rising coal and CO₂ prices. Nuclear power featured heavily last week with another Belgian plant – Tihange – found to have defects in its construction, and French concerns over security vulnerabilities in its nuclear fleet as it considers its energy plan for 2019-2029. Calendar 19 for Germany was up 2% to €44.40/MWh, the highest in five years for baseload annual power. European Union emission allowances (EUA) rallied 5% to €15.67 as speculative buyers in the latest German auction outweighed industry participants.

Natural Gas

Low wind power output in northwest Europe and soaring air conditioning demand helped push up gas demand for power generation and support prices as a result. Norwegian flows increase substantially following the end of June's maintenance period, however, Russian gas is expected to be highly constrained for the remainder of July with planned outages to the Yamal and Nordstream pipelines. Storage injections in the first week of July increased significantly with the interconnector back online and Norwegian flows picking up. Five major Western European gas markets (DE, UK, FR, NL, IT) averaged a combined 288mcm/day from 236mcm/day in June. UK, Germany and Netherlands Calendar 19 all saw strength, up 1-2% to €21.8/MWh, €21.34/MWh, and €21.05/MWh respectively.

Oil & Coal

Oil markets remain volatile, with Brent trading between \$78.5/bbl. and \$77/bbl. last week. The global benchmark actually saw a weekly loss, in part due to an unexpected 1.2mb build in US crude oil inventories after three weeks of declining stocks, against a forecast decrease of 5mb. However, the global sentiment remains bullish with Venezuelan and Libyan supply fears escalating and Iran ratcheting up the rhetoric by effectively threatening to shut the Strait of Hormuz if the US succeeds in its aim to reduce the Islamic Republic's oil exports to zero. API 2 Cal 2019 continued to rally, surpassing the \$90/tonne resistance to close at \$90.90/tonne.

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