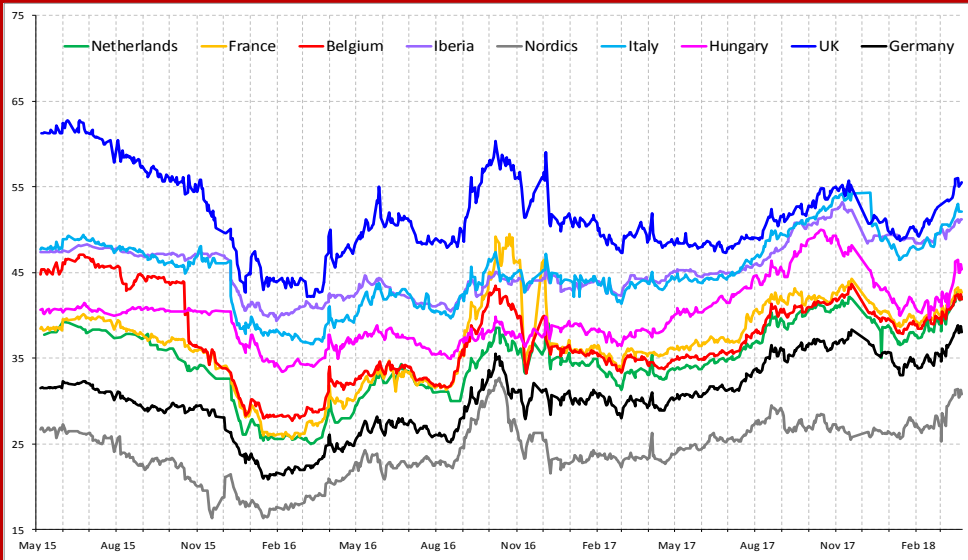


European Base Load Electricity Prices - Next Calendar Year (€/MWh)

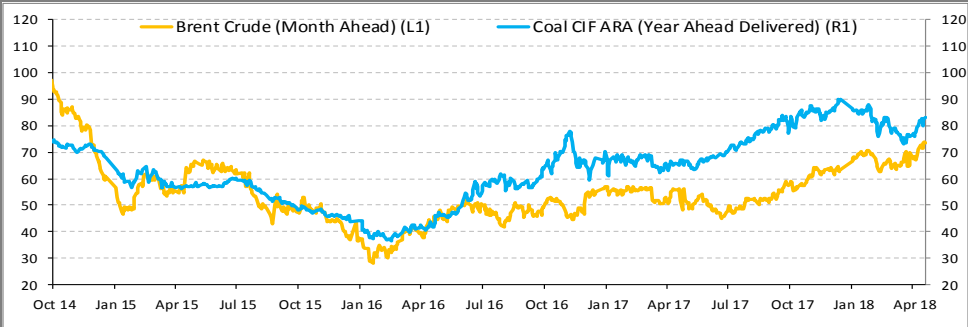


Power	Price	Change*
Italy	52.1	0.1%
UK	55.52	-0.77%
Netherlands	42.1	-0.47%
Belgium	41.88	-0.76%
France	42.7	-0.7%
Germany	38	-0.11%
Hungary	45.4	-1.94%
Iberia	51.15	0.53%
Nordics	30.75	-1.6%

Natural Gas	Price	Change*
UK (pence/therm)	48.32	1.04%
UK (€/MWh)	18.84	-0.21%
Netherlands (€/MWh)	18.2	0%
Germany (€/MWh)	18.15	-1.25%



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl)	73.63	1.24%
Coal CIF ARA (\$/Ton)	84	2.56%
CO ₂ EUA (2018)	13.06	-6.18%
CO ₂ CER (2018)	0.2	5.26%
GBP/EUR	1.1424	-1.24%

Power

Prices on the spot market were generally down last week while Europe enjoyed summer weather with temperatures very much above normal (and therefore low demand for electricity and fuel) and strong solar energy production. The availability of French nuclear power remains low, especially because of strikes, although still within the average of recent years. Hydraulic production in France remains as strong as ever. On the curve electricity prices were down somewhat at the very end of the week, mainly due to CO₂ prices which were down sharply. However, at the same time coal prices were up again on Friday, generally causing a weaker fall in the cost of electricity production from coal. The cost of production from gas for Cal 19 is remaining stable at high levels. The German 2019 annual contract finished the week at EUR 38.00/MWh a small reduction week on week. The French 2019 annual contract finished the week at EUR 42.70/MWh, down 0.7% on the previous week. In the UK, the annual 19 contract also softened at the end of the week, but not enough to post a drop, finishing the week at GBP 48.60/MWh (EUR 55.52/MWh).

Natural Gas

As expected, temperatures rose significantly last week, reaching more than 8 degrees above normal on average on Thursday and Friday in the main European countries. As a consequence, gas demand dropped significantly, particularly in the UK (-24% below seasonal average on Thursday). On the supply side, Norwegian production was affected by unplanned outages, among others at the Kollsnes processing plant and the Heimdal field. In the end, Norwegian flows fell to 274 mcm on Friday, against 311 mcm the previous week. Russian flows increased only marginally to 431 mcm on Friday, up from 423 mcm a week before. Dutch production also fell by 10 mcm, while UK production was almost stable at 138 mcm. Despite the sharp fall in demand, European gas systems were not so comfortable until Thursday. TTF Calendar 2019 prices remained flat on the previous week, closing at EUR 18.20/MWh. The German (NCG) 2019 annual contract finished the week at EUR 18.15/MWh, down 1.25%. In the UK, the NBP 2019 contract firmed by 1.04% to finish trading on Friday at 48.32p/therm.

Oil & Coal

Brent marked two new highs on Wednesday and Thursday last week with notably USD 74.75/bbl, a level not seen since 27 November 2014. The "Western" air strikes on Syria triggered the current rise by materialising the tensions in the Middle East, which had been making the markets jittery for several months. Beyond the military tensions in the Middle East, it is the US position that is causing threats. Economic sanctions could affect Venezuela and Russia but especially Iran and lead to substantial production disturbances. Brent finished the week at USD 73.63/bbl, up 1.24% on the previous week. Despite a bearish correction at the beginning of last week, coal prices hit new highs last week. Rising oil prices continued to provide support, with the majority of coal production and transportation costs being indexed to oil prices. API 2 Cal 2019 prices reached USD 84/tonne last Friday, their highest level since January. The trend in coal prices could remain bullish in the short term on the curve given the current tension in oil markets.

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