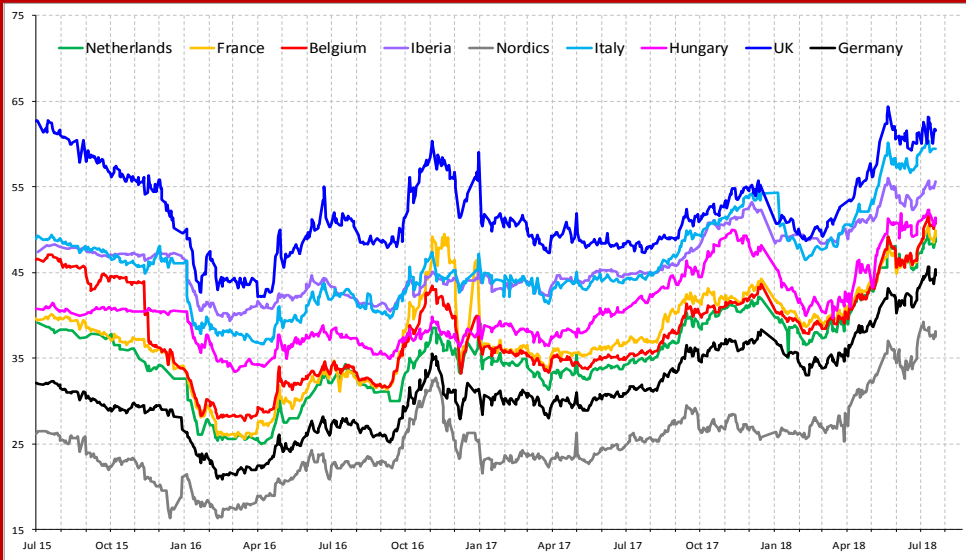


Tuesday 24th July 2018

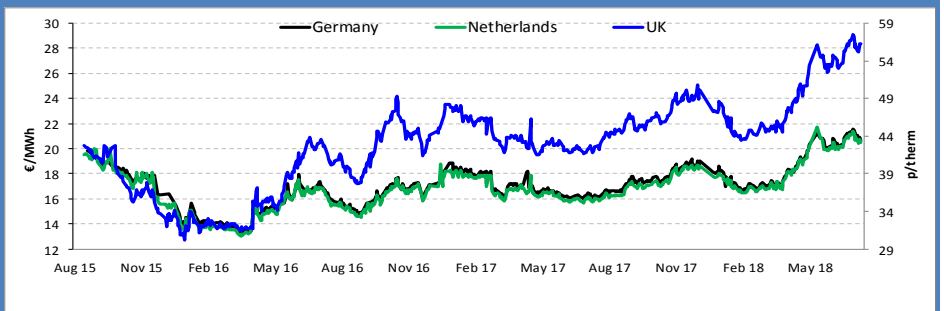
## European Base Load Electricity Prices - Next Calendar Year (€/MWh)



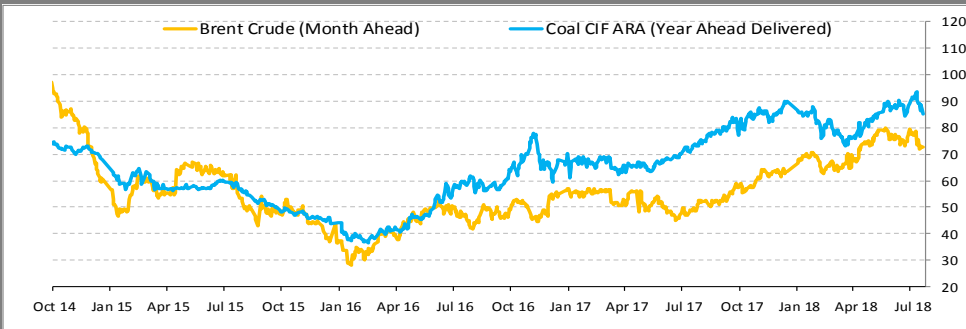
Power	Price	Change*
Italy	59.40	0.68% ↑
UK	61.56	-1.40% ↓
Netherlands	48.55	0.52% ↑
Belgium	50.74	0.63% ↑
France	49.15	0.10% ↑
Germany	44.68	1.36% ↑
Hungary	50.85	-1.83% ↓
Iberia	55.60	1.65% ↑
Nordics	37.56	0.16% ↑

Natural Gas	Price	Change*
UK (pence/therm)	56.21	0.01% ↑
UK (€/MWh)	21.48	-1.09% ↓
Netherlands (€/MWh)	20.53	-2.33% ↓
Germany (€/MWh)	20.70	-0.48% ↓

## Natural Gas Prices - Next Calendar Year



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	72.87	-3.29% ↓
Coal CIF ARA (\$/Tonne)	85.15	-4.43% ↓
CO <sub>2</sub> EUA (2018)	17.06	6.23% ↑
CO <sub>2</sub> CER (2018)	0.32	18.52% ↑
GBP/EUR	1.1197	-1.10% ↓

**Power**

Forward contracts in the major European power markets had a mixed week, with bullish and bearish factors leading to increased volatility. The weakness in oil and coal was balanced by the enduring hot, settled weather in much of the continent which restricted wind generation. Further bullish support came by way of a strong rally in European Union emission allowances (EUA) which broke €17/tonne on Friday for the first time since 2011. Calendar 19 for Germany closed the week at €44.68/MWh, around 1% higher than previous. French Cal. 19 was stable at €49.15 while the Netherlands Cal. 19 contract increased 0.5% to €48.55.

**Natural Gas**

Gas demand for power generation remained high to offset continued low wind output and increased cooling demand, especially acute in northern Europe. This equated to an additional 26mcm/day on average for power plant gas consumption in the UK, France, Italy and Belgium. Storage injections fell by 16mcm/day on average for the major European gas markets due to supply constraints stemming from the Nordstream pipeline annual maintenance. However, this was balanced by the weakness seen in oil and coal which weighed in on prices. German Cal. 19 gas softened slightly to €20.70/MWh and Netherlands Cal. 19 eased back over 2% to €20.53/MWh.

**Oil & Coal**

Oil fell around \$3 on Monday down to \$72/bbl. on news that the US may release some of its Strategic Petroleum Reserve. It subsequently recovered to finish the week at \$73/bbl. as Saudi Arabia signalled it would not substantially increase production in the near-term. Going forward, it appears that the US is a key driver of prices with this week's inventory report likely to prove crucial. Coal prices saw weakness off the back of a slowdown in Chinese demand (due to increase in hydropower, coal stocks and a fall in the yuan) with API 2 Cal. 19 finishing the week down 4% at \$85.15.

*This confidential report was produced by the NUS Consulting Group. Its sole purpose is to provide general background information and insight concerning the highly volatile energy market and reflects only the opinions and insights of the authors. It does not represent an official position or policy of the NUS Consulting Group. The report is not intended to constitute advice on any particular commercial investment; purchase; hedging or trade matter and should not be relied upon for such purpose. No part of this publication may be reproduced or transmitted to a third party in any form or by any means, electronic or otherwise, without the prior written consent of the NUS Consulting Group.*