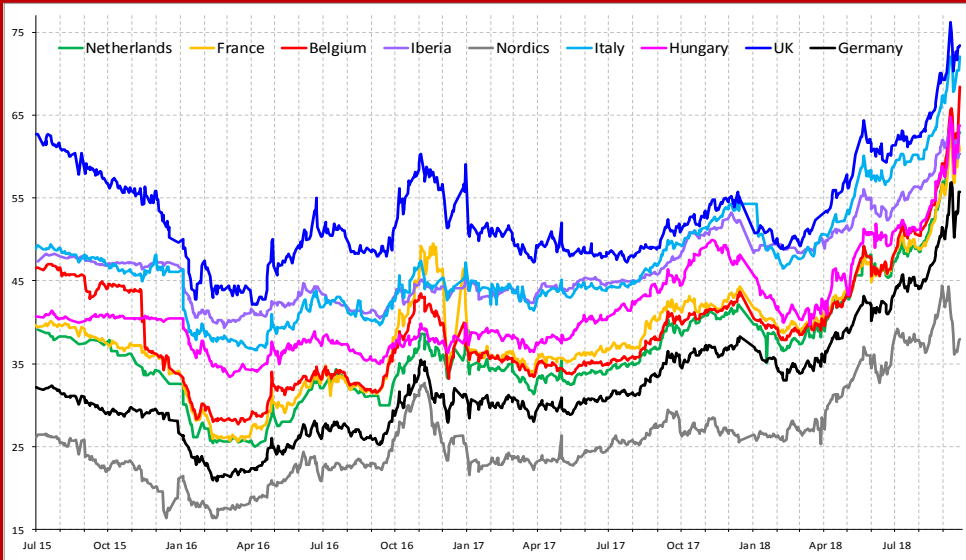


Tuesday 25th September 2018

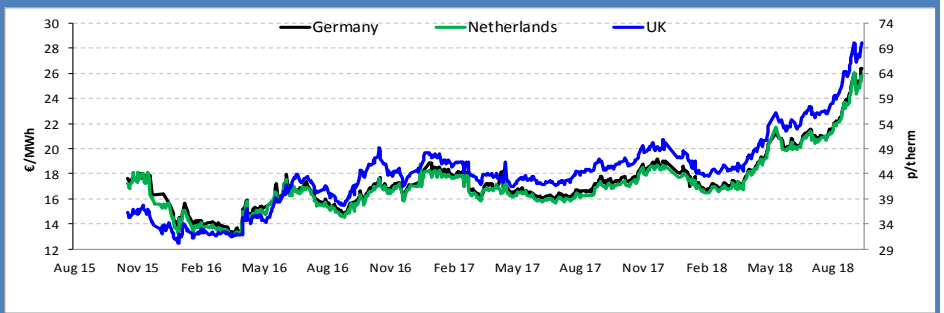
## European Base Load Electricity Prices - Next Calendar Year (€/MWh)



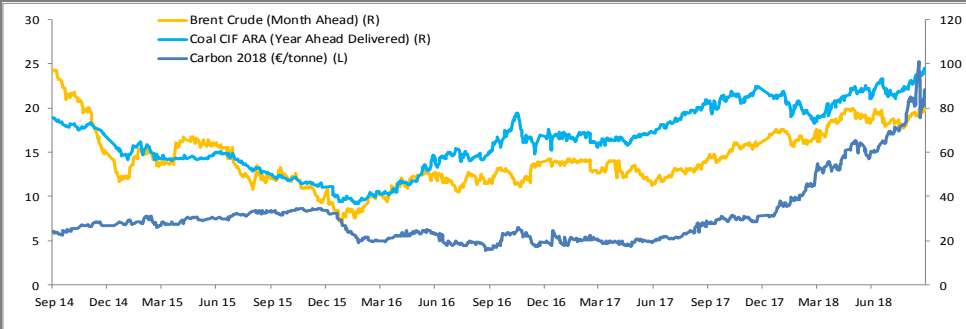
Power	Price	Change*
Italy	72.00	5.88% ↑
UK	73.37	2.77% ↑
Netherlands	62.90	8.26% ↑
Belgium	68.40	13.23% ↑
France	60.75	7.05% ↑
Germany	55.78	11.12% ↑
Hungary	63.70	10.02% ↑
Iberia	60.35	-1.07% ↓
Nordics	37.95	5.18% ↑

Natural Gas	Price	Change*
UK (pence/therm)	70.06	5.92% ↑
UK (€/MWh)	26.62	5.09% ↑
Netherlands (€/MWh)	25.80	6.09% ↑
Germany (€/MWh)	26.40	7.10% ↑

## Natural Gas Prices - Next Calendar Year



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	78.64	0.69% ↑
Coal CIF ARA (\$/Tonne)	97.75	3.44% ↑
CO <sub>2</sub> EUA (2018)	22.09	11.57% ↑
CO <sub>2</sub> CER (2018)	0.28	0.00% →
GBP/EUR	1.1134	-0.78% ↓

**Power**

Most European power markets rebounded after the weakness in carbon two weeks ago. Nuclear availability issues in France and particularly Belgium have resurfaced. Belgium's Tihange 2 and 3 nuclear plants – 2GW in total and just under 10% of total national power capacity – are extending their maintenance period by around 6 months to Q2/3 2019. European Union Allowances rebounded from weakness seen the week prior, up around 12% to trade at €22.09/tonne on Friday. The Belgian Cal. 19 contract was up 13% on nuclear concerns to €68.40/MWh. The German Cal. 19 contract was up 11% to €55.78/MWh, supported by coal and CO<sub>2</sub> prices.

**Natural Gas**

Cold weather fronts expected to move in on Europe in the coming weeks pushed gas prices higher as demand is set to increase. Belgium's nuclear issues also supported gas demand on the continent to offset unavailable nuclear generation with CCGT. Dutch production via the Groningen field has dropped 44% to 57mcm/day in September compared to a year previous. Asian month-ahead LNG prices narrowed the spread with the TTF, but remain around €4/MWh, continuing the incentive to re-load or divert shipments from Europe. German, Dutch and UK Cal. 19 contracts all saw a significant rebound in prices, up 5-7% to €26.40/MWh, €25.80/MWh, and €26.62/MWh respectively.

**Oil & Coal**

Brent crude firmed last week, up 0.7% to trade at around \$78.64/bbl. on Friday. This came as the rhetoric surrounding Iran's oil exports post-Nov. 4<sup>th</sup> has increased and stoked supply fears. API 2 Cal. 19 coal once again rallied, up 3.4% to \$97.75/tonne, as high gas prices make coal-gas switching uneconomical. This is supporting demand for coal-fired generation which is experiencing favourable dark-spreads (difference between electricity price obtained from coal generation and the cost of producing it).

*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.*