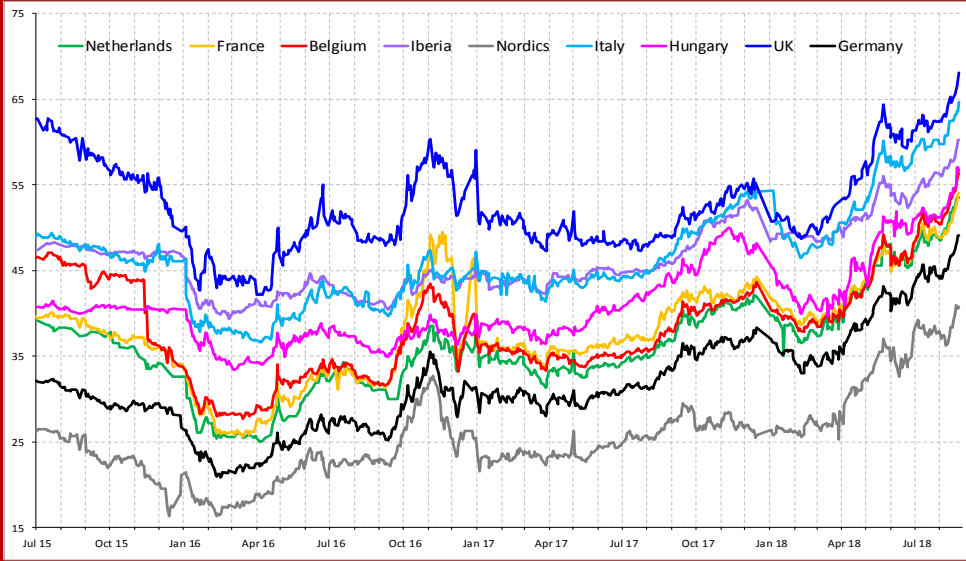


Wednesday 29th August 2018

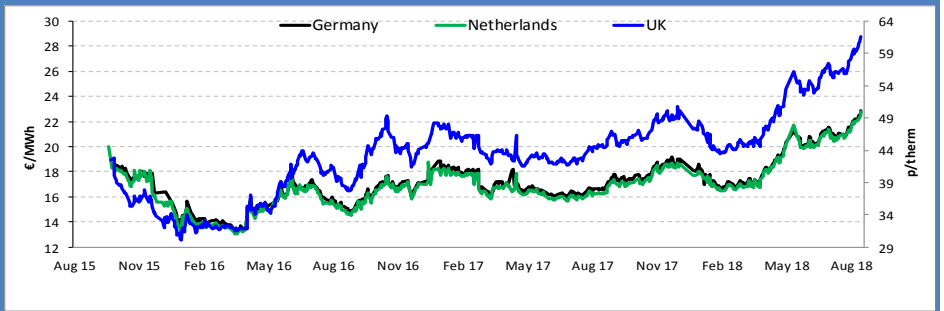
European Base Load Electricity Prices - Next Calendar Year (€/MWh)



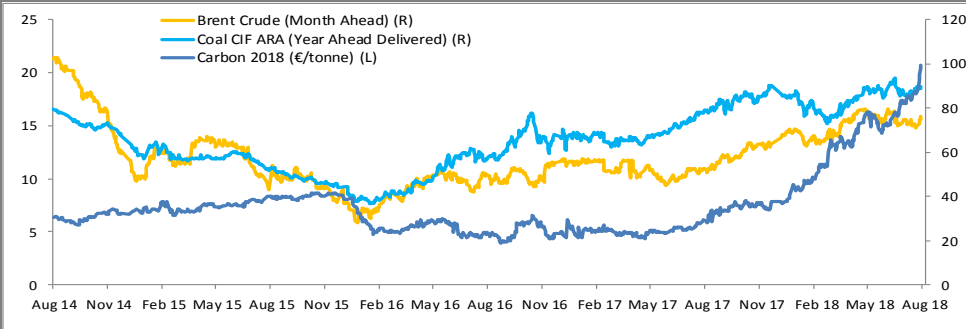
Power	Price	Change*
Italy	64.70	3.52% ↑
UK	68.06	4.42% ↑
Netherlands	53.50	2.00% ↑
Belgium	56.31	4.10% ↑
France	54.00	4.45% ↑
Germany	49.06	4.69% ↑
Hungary	56.60	3.57% ↑
Iberia	60.25	4.33% ↑
Nordics	40.70	4.23% ↑

Natural Gas	Price	Change*
UK (pence/therm)	61.57	3.56% ↑
UK (€/MWh)	23.23	2.63% ↑
Netherlands (€/MWh)	22.80	3.26% ↑
Germany (€/MWh)	22.85	3.16% ↑

Natural Gas Prices - Next Calendar Year



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	76.24	6.08% ↑
Coal CIF ARA (\$/Tonne)	89.95	0.22% ↑
CO ₂ EUA (2018)	20.75	14.26% ↑
CO ₂ CER (2018)	0.29	7.41% ↑
GBP/EUR	1.1058	-0.90% ↓

Power

Most of the major European power markets saw upwards of 4% price increases. The French nuclear fleet continues to experience issues, with only around 50% (33GW) availability for some of the week. The European Union Allowances (EUA) for CO₂ emissions was the key driver, and registered a remarkable 14.3% increase week on week to €20.75/tonne. Market speculators continue to push up demand and prices ahead of the reduction in allowances come 2019. However, at some point traders will look to realise profits and technical analysis suggests the commodity is over-bought, which could lead to a price correction. French and German calendar 2019 contracts hit six-year highs, increased 4.4% to €54.00/MWh and 4.7% to €49.06/MWh respectively.

Natural Gas

Gas contracts for UK, Netherlands and Germany firmed around 3% last week. Extensions to Norwegian maintenance, including an extra 10 days at the Kollsnes processing plant, and an unplanned outage at the Asgard field reduced Norwegian supply to 281mcm/day on Friday compared with 308mcm/day a week before. Monday 20th saw further industrial action from workers on Total's Elgin, Alwyn and Dunbar platforms and talks on Thursday subsequently broke down meaning further strikes will go ahead. German Cal. 19 closed at €22.85/MWh, up 3.2% and Netherlands Cal. 19 firmed by 3.3% to €22.80/MWh.

Oil & Coal

Brent crude oil firmed strongly, up 6.1% to \$76.24/bbl. Factors behind this price movement include a large decline in US crude stocks of 5.8mb and the resurfacing of Iran sanctions along with the possibility of supply fears should Iranian oil exports reduce significantly. Iran is looking to the EU to try and salvage the Nuclear Deal while also aiming to negotiate the continued purchase of its oil come November 4th. Coal was stable, with the API 2 Cal. 19 contract up 0.22% to \$89.95/tonne.

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