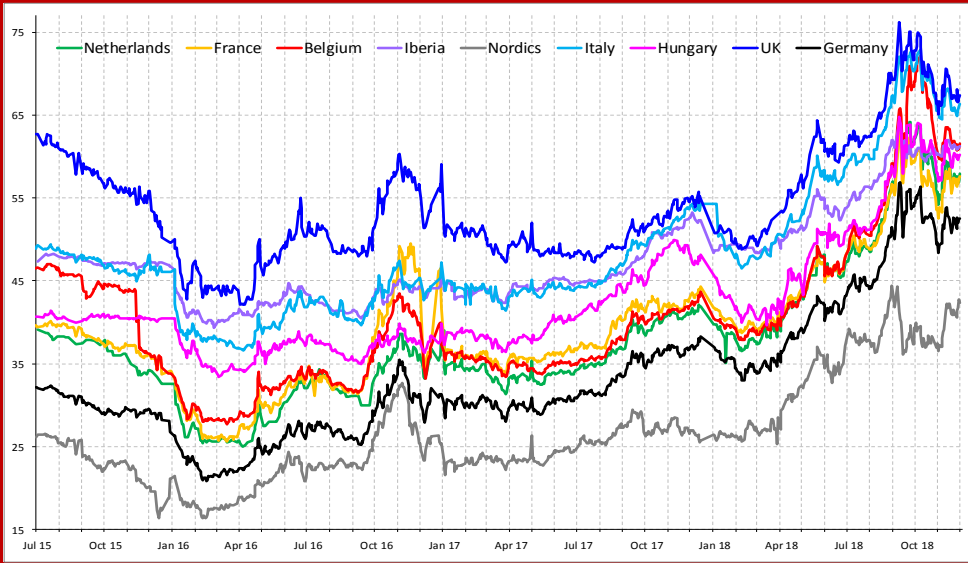


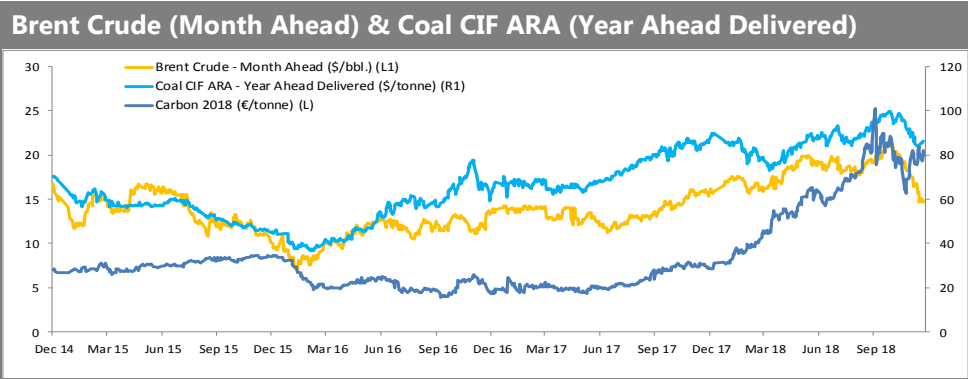
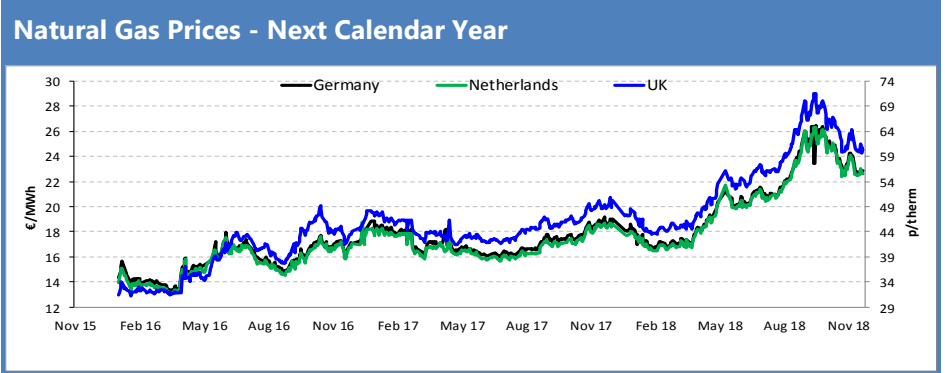
Tuesday 4th December 2018

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



Power	Price	Change*
Italy	66.30	0.61% ↑
UK	65.26	0.99% ↑
Netherlands	57.95	0.09% ↑
Belgium	61.50	-0.53% ↓
France	57.56	0.28% ↑
Germany	52.44	-0.40% ↓
Hungary	60.25	-0.25% ↓
Iberia	61.12	-0.29% ↓
Nordics	42.30	2.67% ↑

Natural Gas	Price	Change*
UK (pence/therm)	60.79	0.83% ↑
UK (€/MWh)	23.41	0.76% ↑
Netherlands (€/MWh)	22.65	0.89% ↑
Germany (€/MWh)	22.85	0.48% ↑



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	58.67	-0.22% ↓
Coal CIF ARA (\$/Tonne)	85.85	2.81% ↑
CO ₂ EUA (€/tonne)	20.45	0.84% ↑
CO ₂ CER	0.26	-3.7% ↓
GBP/EUR	1.1286	-0.07% ↓

Power

Annual contracts among the major power markets were on the whole steady, with no clear direction emerging. French president Emmanuel Macron delivered a draft "Programmation pluriannuelle de l'énergie" (PPE), setting out the nation's energy plan over the next 10 years. It contains a strategy to delay decommissioning of some nuclear plants until 2035, while aiming to phase-out coal by 2022, and outlines significant solar (45GW) and wind (around 40GW) capacity by 2028. Carbon prices (EUAs) were largely stable week-on-week, trading at €20.45/tonne on Friday, up 0.8%. Some volatility could be expected this week with EUA options expiry on Dec. 12th, which coincides with the date for the last British auction and just one day after the UK Parliament votes on the Brexit divorce deal. The German Cal 19 contract was trading at EUR 52.65/MWh on Friday, down 0.2% on the previous week. The French Cal 19 contract was down 1.9% to trade at EUR 57.40/MWh.

Natural Gas

Last week, like most of November, has been one of low demand and strong supply. Milder temperatures and record LNG send outs have been the main drivers, with weak oil also weighing in on prices. Unplanned outages in UK Continental Shelf (UKCS) production and some rebound in coal offered support for prices that generally lacked direction last week. The TTF Cal 19 was up 0.9% week-on-week, trading at EUR 22.65/MWh on Friday. The German Cal 19 contract firmed 0.5% to trade at EUR 22.85/MWh, while the UK Cal 19 contract closed around EUR 23.41/MWh.

Oil & Coal

Last week Brent hit a low on Thursday of \$57.50/bbl., before news of production cuts agreed by Russia and Saudi Arabia at the G20 over the weekend saw the commodity rebound by several dollars on Monday. Qatar announced it is to leave OPEC in January 2019, but will still attend the OPEC meeting this week. This news highlights the internal tension apparent in the group, with a balancing act at play among the at times divergent interests of its members and wider OPEC+. Coal saw strength last week, largely on technical support but also the prospect of increased coal barge transport (e.g. along the Rhine) due to the wetter weather. The API year ahead was up 2.8% to trade at \$85.85/tonne on Friday.

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