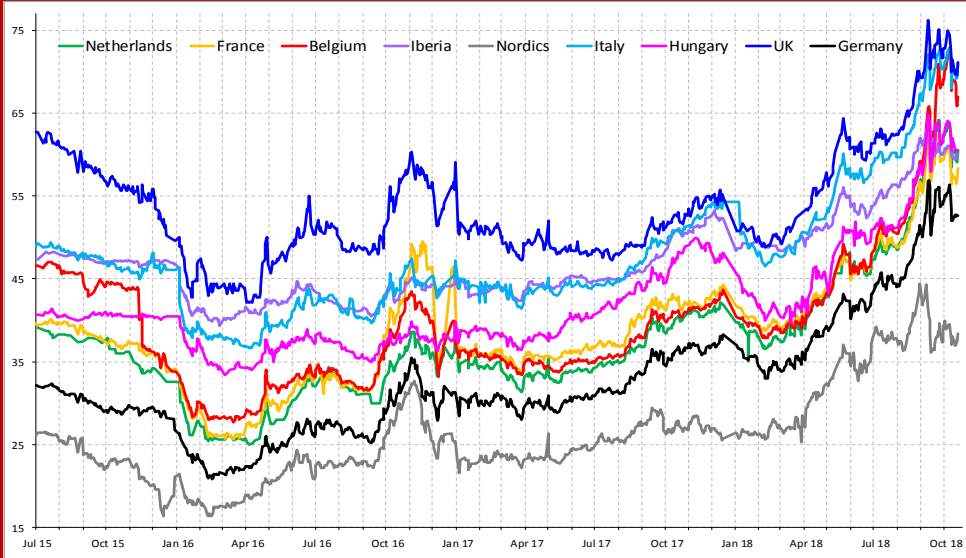


Wednesday 24th October 2018

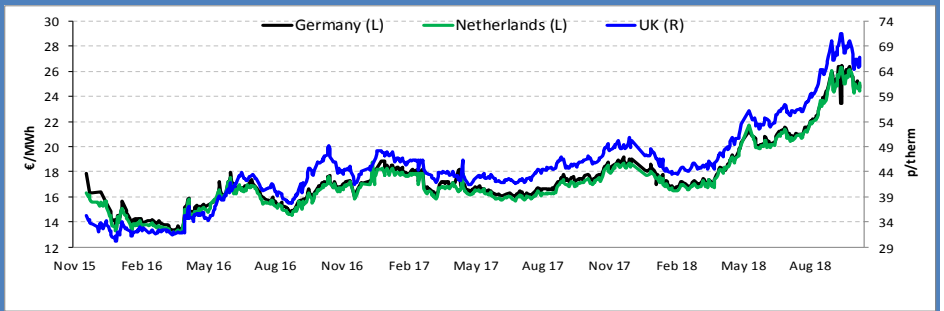
European Base Load Electricity Prices - Next Calendar Year (€/MWh)



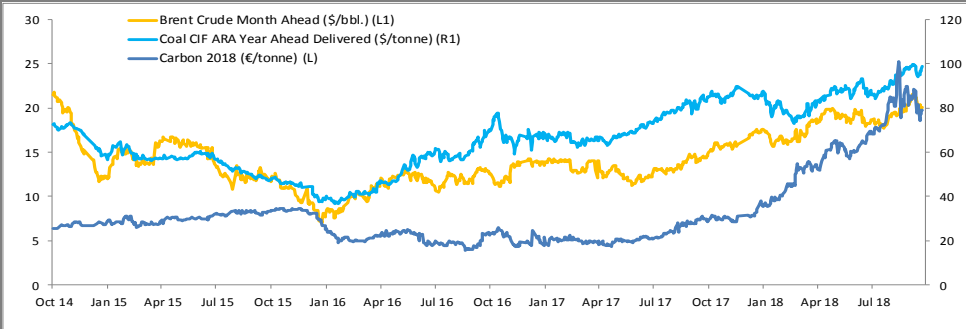
Power	Price	Change*
Italy	70.85	0.85% ↑
UK	67.32	-1.1% ↓
Netherlands	60.40	0.00% →
Belgium	66.92	-3.01% ↓
France	58.30	1.30% ↑
Germany	52.63	1.29% ↑
Hungary	60.50	-2.42% ↓
Iberia	59.95	0.25% ↑
Nordics	38.40	0.92% ↑

Natural Gas	Price	Change*
UK (pence/therm)	66.80	0.70% ↑
UK (€/MWh)	25.81	0.22% ↑
Netherlands (€/MWh)	25.10	0.48% ↑
Germany (€/MWh)	24.93	0.81% ↑

Natural Gas Prices - Next Calendar Year



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	80.43	0.19% ↑
Coal CIF ARA (\$/Tonne)	99.00	3.66% ↑
CO ₂ EUA (€/tonne)	19.77	-3.18% ↓
CO ₂ CER (2018)	0.28	0.00% →
GBP/EUR	1.1326	-0.48% ↓

Power

Spot and longer-dated prices had generally been softer due to milder than normal temperatures (which weakens underlying fuel prices). Nuclear availability in France was higher than during the same period in 2017, with highs of 71% last week. This enabled exports to Belgium, partially offsetting the country's domestic nuclear issues (availability currently around 17%). However, prices recovered somewhat from last week on forecasts of a cold end to October and start of November. This was despite continued softening in carbon EUAs which were trading below €20/tonne on Friday. As such, there was no clear consensus in price direction among major European contracts with the German Cal. 19 and French Cal. 19 up 1.3% trading around EUR 52.63/MWh and EUR 58.30/MWh respectively, while the Dutch Cal. 19 stable at EUR 60.40/MWh.

Natural Gas

Fundamentals were balanced at the beginning of the week as above seasonal temperatures dampened heating demand. LNG sendouts were at 192mcm/day for six major LNG terminal players (UK, NL, FR, BE, IT, ES) against an average of around 90mcm/day during the summer period, their highest since February. However, an unplanned outage at the UK's Elgin Franklin field and colder temperatures brought tightness to gas systems toward the end of the week. As such, price weakness reversed and longer dated contracts saw some firming week on week. TTF Cal. 2019 prices traded at EUR 25.10/MWh on Friday, up 0.5%, while the German Cal. 19 contract traded at EUR 24.93/MWh, up 0.8%.

Oil & Coal

Volatility remains high in oil markets as uncertainty 'post Nov. 4th' continues. Brent traded around \$80.43/bbl. on Friday similar to the previous week; however, this masks a \$2/bbl. intra-week swing. Clarity is lacking as to the exact decrease in Iranian exports, with 1Mbd the apparent consensus. Added complexity comes by way of the Khashoggi affair, in which it was believed Saudi Arabia may seek to retaliate against any action by cutting crude supply. However, the Kingdom's energy minister, Khalid al Falih, ruled out any intention to 'replay the 1973 embargo'. Coal prices rebounded, supported by technical indicators and an apparent belief in the market that China's continued electricity demand growth will negate any sustained softening. The API 2 Cal. 2019 traded at \$99/tonne on Friday, up 3.7%.

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.