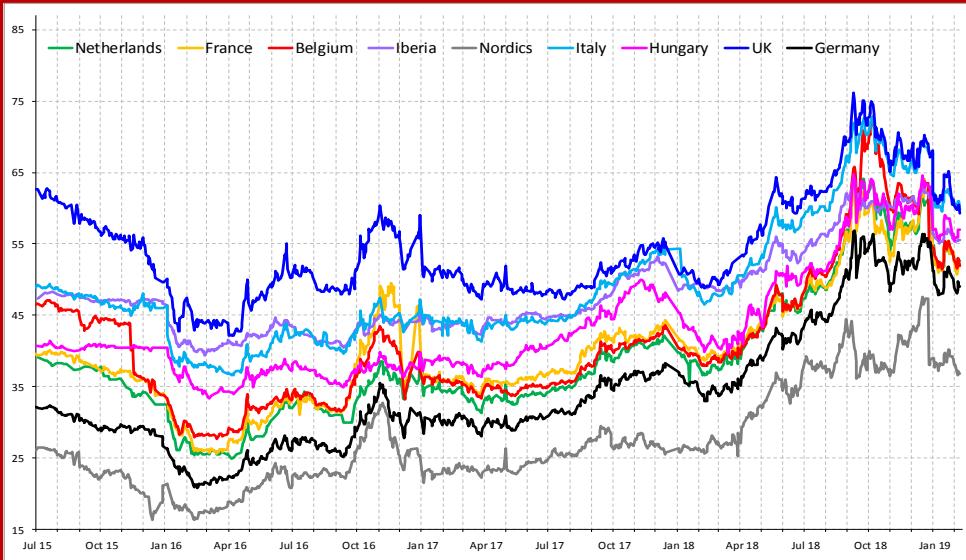


Tuesday 12th February 2019

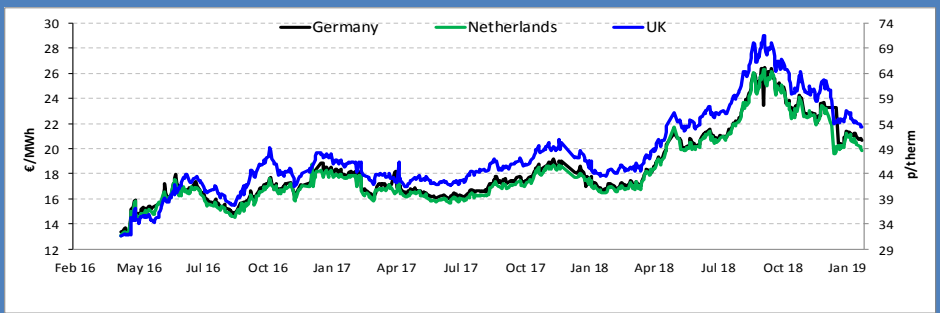
European Base Load Electricity Prices - Next Calendar Year (€/MWh)



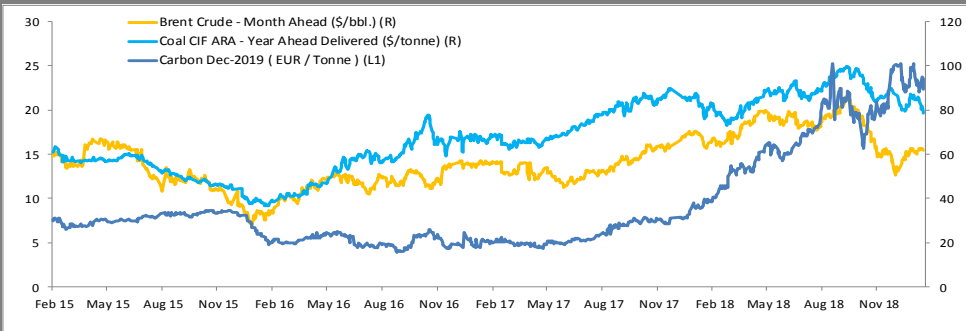
Power	Price	Change*
Italy	59.90	-1.25%
UK	59.32	-1.34%
Netherlands	52.60	-0.28%
Belgium	51.90	-1.14%
France	52.15	1.07%
Germany	49.06	1.05%
Hungary	57.00	1.99%
Iberia	55.50	0.27%
Nordics	36.85	-3.28%

Natural Gas	Price	Change*
UK (pence/therm)	53.21	-1.72%
UK (€/MWh)	20.76	-1.58%
Netherlands (€/MWh)	19.85	-2.46%
Germany (€/MWh)	20.65	-1.43%

Natural Gas Prices - Next Calendar Year



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



Commodities	Price	Change*
Brent Crude Oil (\$/bbl.)	61.78	-1.55%
Coal CIF ARA (\$/tonne)	78.40	-7.00%
CO2 EUA (€/tonne)	22.37	1.73%
CO2 CER	0.22	0%
GBP/EUR	1.1434	0.15%

Power

European power markets continued to soften last week. The main factors were declining power demand as a result of warmer temperatures, and increased wind production. CO2 prices remained largely range-bound, trading between €22/tCO2e and €24/tCO2e. Curve contracts saw some bearishness week-on-week, mostly in response to softer coal pricing. The outlook remains fairly bearish; however, markets are approaching technical support levels which could limit the degree of softening.

Natural Gas

European residential gas demand gradually lowered last week as temperatures recovered and actually surpassed seasonal norms. Demand dropped to 776mcm/day on average for the main Western European markets, compared to 901mcm/day the week before. Strong LNG sendouts and robust Russian gas imports offset a slight drop in Norwegian flows, meaning gas balances were comfortable throughout the week. Softening Asian gas prices and the weakness in coal also weighed on European curve prices.

Oil & Coal

The short-term bullish sentiment for oil at the end of last week was reversed this week as prices started falling on Tuesday. Brent was trading around \$61.78/bbl. on Friday, close to its 20-day moving average. It seems the downward market sentiment related to China-US trade talks and weak global demand is currently outweighing bullish sentiment in the form of OPEC+ cuts and the Venezuela crisis. Demand for coal – in both Europe and Asia – has been comparatively lower than is typical for the season, due to warmer temperatures and the economic slowdown. Prices for the API2 ARA benchmark price hit its lowest level since April of last year, and were trading at around \$78/tonne on Friday.

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.