

EUA prices €/t 13.12.2018 10:37

Product	Bid	Ask	Last	Change*
Spot**	21.90	21.94	21.92	9.40 % ↑
Dec-18	21.91	21.94	21.93	9.48 % ↑
Dec-19	22.26	22.28	22.28	9.52 % ↑
Dec-20	22.84	22.88	22.93	9.64 % ↑

*Change compared to the previous report ** EEX spot

sCER prices €/t 13.12.2018 10:37

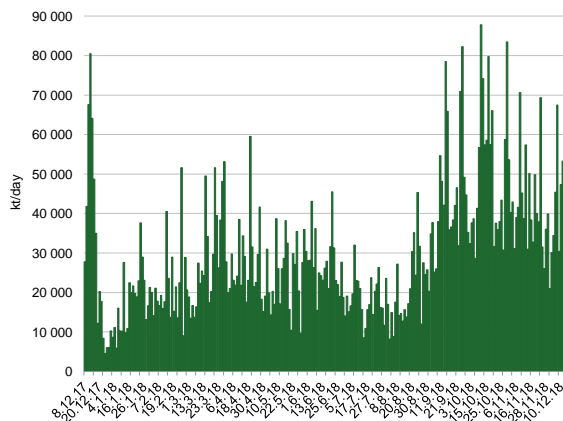
Product	Bid	Ask	Last	Change*
Spot**	0.00	0.30	0.26	0.00 %
Dec-18	0.24	0.26	0.26	3.85 % ↑
Dec-19	0.21	0.26	0.26	3.85 % ↑
Dec-20	0.20	0.26	0.26	3.85 % ↑

Product	Spread	Change*
EUA Dec18-sCER Dec18 Spread*	21.67	9.55 % ↑

*Change compared to the previous report **Last trade price

Daily traded EUA volume, ICE Futures Europe*

*Daily traded volumes of EUA futures contracts at ICE Futures Europe exchange



Energy prices 13.12.2018 10:37

Product	Unit	Prices*	Change*
ENO Q4-2018	€/MWh	51.10	2.25 % ↑
ENO 2019	€/MWh	44.00	2.50 % ↑
ENO 2020	€/MWh	37.60	1.86 % ↑
ENO 2021	€/MWh	35.10	2.71 % ↑
EEX, Base load Cal-19	€/MWh	53.37	3.43 % ↑
Brent crude	\$/bbl	60.21	1.08 % ↑
Natural gas UK (Q4-18)	p/therm	65.91	4.53 % ↑
Coal CIF ARA API2 2019	\$/t	88.60	2.65 % ↑

*Change compared to the previous report **Last trade price

Market Analysis

At the beginning of week 49 the emission price increased with more positive market sentiment, but after the beginning of the week the emission price turned bearish. On Thursday the emission price decreased sharply, when Poland announced to auction next year 55,8 million additional allowances left aside from the previous years. However, the market recovered later on Thursday and continued increasing on Friday. At the weekly level the emission price was, however, slightly lower. The closing price of the week was 20,36 € and at the weekly level the emission price decreased 0,16 €.

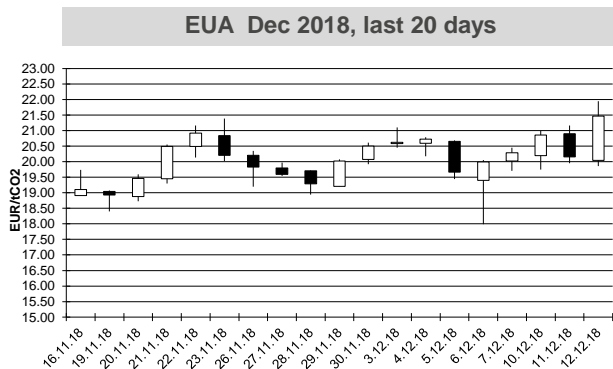
During this week the emission price opened clearly bearish due to weak development at the stock market. However, later on Monday the emission price turned bullish. The price was supported by May's decision to delay the Britain's Parliament vote on Brexit draft agreement. Therefore the vote against the draft agreement, that seemed very likely, was avoided. However, the decision to delay is not removing the uncertainty and after Monday the emission price started to decrease. However, the price turned bullish again on Wednesday. The factor behind the increase was more positive market sentiment, when the trade tensions between China and U.S was interpreted to be reducing.

During week 49 the ICE Futures Europe exchange trading volumes increased compared to previous week's level. The average volume was about 41 million. On Thursday the volume increased to 67 million.

Market View

The trade tensions have fluctuated the stock indexes and additionally, the stabilization of the interest curve has raised concerns among the investors. The investors are concerned about the continuation of global economic growth and the fluctuation at the stock market has also reflected to emission price. For its part, the uncertainty at the stock market and especially to the emission price is caused by the uncertainty on Brexit agreement.

Poland's announcement to auction next year 55,8 million additional allowances is decreasing for emission price. However, despite of this next year the MSR is cutting the supply strongly and we expect this to support the emission price at the end of this year. However, the market is starting to settle for the upcoming Christmas and the last auctions of the year will be organized on Monday next week. The International Climate meeting will continue during this week, but we don't expect this to significantly effect directly to emission price.



Black candles indicate days with closing price below opening price.
White candles indicate days with closing price above opening price.

On Agenda: Europe

EU has finally approved the ways to reach the tightened emission reduction targets set for 2030 in the form of renewable energy and more efficient use of energy. EU's renewable energy target for 2030 increases from the current 27 % to 32 % and the energy efficiency target increases to at least 32,5 % compared to the basic scenario development. There will also be a binding 0,8 % annual energy efficiency obligation during 2021-2030 for member countries.¹

CDM pipeline	13.12.2018 10:37	
	Amount	Change
Number of projects**	8456	-9
Registered projects*	7755	1
Volume of the pipeline by the year 2020, MtCO2e**	10614	-54
Issued CERs, MtCO2e*	1787	7

*Change compared to the previous report.

**Pipeline: UNEP/Risoe is updated monthly. Registered projects and issued CERs: UNFCCC

Upcoming events	
Date	Event
3.-14.12.2018	International Climate Conference in Katowice

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Sources:

[1 Climate news \(in Finnish\)](#)

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