

EUA prices €/t 28.3.2019 14:35

Product	Bid	Ask	Last	Change*
Spot**	21.58	21.61	21.61	2.50 % ↑
Dec-19	21.70	21.72	21.72	2.35 % ↑
Dec-20	22.02	22.05	22.03	2.27 % ↑
Dec-21	22.46	22.50	22.50	2.22 % ↑

*Change compared to the previous report ** EEX spot

sCER prices €/t 28.3.2019 14:35

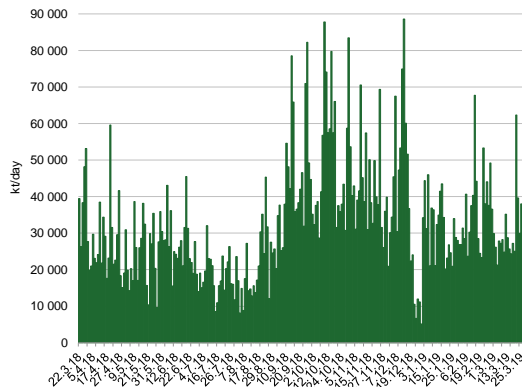
Product	Bid	Ask	Last	Change*
Spot**	0.00	0.26	0.22	0.00 %
Dec-19	0.22	0.24	0.23	4.35 % ↑
Dec-20	0.21	0.24	0.22	4.55 % ↑

Product	Spread	Change*
EUA Dec18-sCER Dec18 Spread*	21.49	2.33 % ↑

*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 28.3.2019 14:35

Product	Unit	Prices*	Change*
ENO Q2-2019	€/MWh	36.60	1.23 % ↑
ENO 2020	€/MWh	35.18	2.13 % ↑
ENO 2021	€/MWh	32.65	0.86 % ↑
ENO 2022	€/MWh	31.90	-1.07 % ↓
EEX, Base load Cal-20	€/MWh	47.30	3.02 % ↑
Brent crude	\$/bbl	67.56	-0.81 % ↓
Natural gas UK (Q2-19)	p/therm	36.65	-2.33 % ↓
Coal CIF ARA API2 2020	\$/t	74.00	0.00 % ↓

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

Market Analysis

Last week the emission price continued decreasing when the fuels and especially the gas price decreased. Also the political uncertainty around Brexit continued. Additionally, at the stock market the indexes were clearly decreasing at the end of the week when the concerns on economic slowdown arose again. The closing price of the week was 20,65 € and at the weekly level the emission price decreased 1,83 €.

During this week the emission price has started to increase. Support to the emission price has been caused by the increasing electricity market. The electricity market has been supported by the fuel prices, where the downward pressure has been eased.

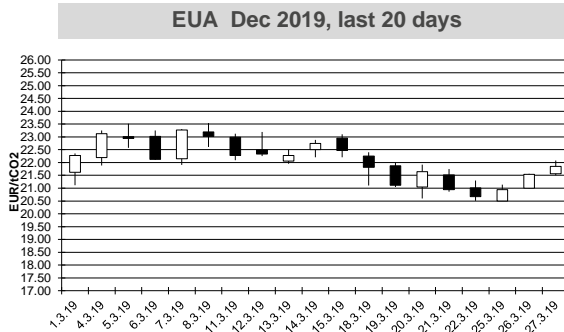
Last week the trading volumes increased strongly compared to previous week's level. The average trading volume last week was about 37 million allowances per day. On Wednesday there was high precipitation and the trading volume increased to 62 million. The March options fell due on Wednesday. During this week the volumes have been close to previous week's average level.

Market View

The fuel prices have slightly recovered, when the weather turns colder after this week in Central Europe and in Britain. At the same time the wind power production weakens. However, still the fuel stocks are at good level and the supply is high, which limits the additional upward pressure in fuel prices.

The political uncertainty continues to be high. On Wednesday the Britain's Parliament voted on indicative options for Brexit. However, the votes didn't show any clear directions, because none of the proposals were accepted by the majority. Next step is that the Parliament continues to vote on Monday, when some the proposals got more support than May's earlier Brexit draft agreement. Additionally, May still proposed Brexit agreement in the supplementary condition that she will step down if the agreement passes.

We expect the emission price fluctuation to continue to be strong due to political uncertainty on Brexit. The agreement would support and the hard Brexit would cause downward pressure. Technically the emission price is in the variation range of 18,5-26,0 €/t heading towards the lower trend line. However, the lowest trading levels of March in 20,5 € might become the new support level. The highest trading price levels in 23,5 € resist the possible increase.



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

On Agenda: Global

Global energy demand rose by 2.3% in 2018. The increase pace was fastest in this decade. This was driven by strong economic growth and stronger heating and cooling needs in some regions. Demand for all fossil fuels increased and global energy-related CO₂ emissions rose by 1.7%. The electricity demand increased by 4 % and was more than 23 000 TWh. Renewable energy sources covered almost half of the electricity demand increase. Globally the natural gas demand increased by 4,6 % and the demand increase pace was fastest since 2010. The highest increase in natural gas demand was in the United States.¹

According to San Francisco -based analysis firm, the main part of the coal production in the United States is more expensive than wind and solar power generation. According to the analysis firm, 211 GWh of existing US coal capacity could be replaced more cheaply by wind or solar energy and by 2025 this increases already to 246 GWh. In the United States the coal demand has decreased and respectively the coal import to abroad has increased strongly. During this year the coal demand is likely to decrease further, when new gas-powered plants are constructed faster than earlier planned.²

CDM pipeline	28.3.2019 14:35	
	Amount	Change
Number of projects**	8456	-9
Registered projects*	7755	1
Volume of the pipeline by the year 2020, MtCO ₂ e**	10614	-54
Issued CERs, MtCO ₂ e*	1787	7

*Change compared to the previous report.

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

Upcoming events	
Date	Event
4.4.2019	Energy Authority (Finland) info day on emission trading's topical issues
30.4.2019	Due date for applications for next phase free allowances
23-26.5.2019	European elections

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Sources:

[1 IEA news](#)

[2 Montel news](#)

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