

EUA prices €/t 24.5.2019 12:32

Product	Bid	Ask	Last	Change*
Spot**	25.40	25.46	25.41	1.34 % ↑
Dec-19	25.48	25.53	25.50	0.82 % ↑
Dec-20	25.70	25.78	25.73	0.74 % ↑
Dec-21	26.03	26.11	26.06	1.23 % ↑

*Change compared to the previous report ** EEX spot

sCER prices €/t 24.5.2019 12:32

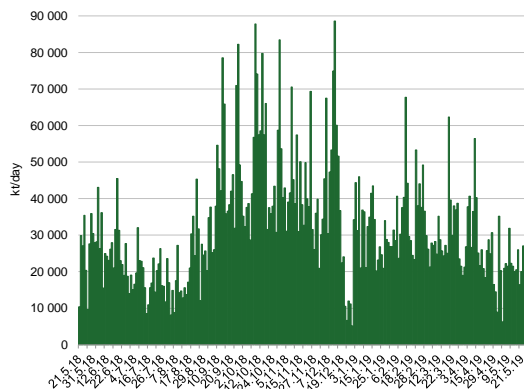
Product	Bid	Ask	Last	Change*
Spot**	0.00	0.26	0.22	0.00 %
Dec-19	0.20	0.21	0.21	-4.76 % ↓
Dec-20	0.20	0.21	0.22	0.00 %

Product	Spread	Change*
EUA Dec18-sCER Dec18 Spread*	25.29	0.87 % ↑

*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 24.5.2019 12:32

Product	Unit	Prices*	Change*
ENO Q3-2019	€/MWh	37.20	-5.78 % ↓
ENO 2020	€/MWh	35.50	-2.11 % ↓
ENO 2021	€/MWh	32.93	-1.28 % ↓
ENO 2022	€/MWh	32.20	-0.31 % ↓
EEX, Base load Cal-20	€/MWh	48.59	-1.73 % ↓
Brent crude	\$/bbl	68.65	-6.02 % ↓
Natural gas UK (Q3-19)	p/therm	33.02	-3.82 % ↓
Coal CIF ARA API2 2020	\$/t	67.60	-3.11 % ↓

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

Market Analysis

During the week, concern in the market was caused by tensions between the U.S. and China. The uncertainty also put downward pressure on emission allowance prices. The weak price of natural gas and the downward trajectory continuing in the German electricity market also created downward pressure. After the first days of the week, the general market sentiment calmed down a little and emission allowance prices recovered slightly. On Wednesday, the European Commission published the number of emission allowances in circulation. The number of allowances in circulation slightly exceeded that anticipated and therefore the auction supply is slightly lower than anticipated. This resulted in a slight rise in emission allowance prices but was followed by another drop towards the end of the week. The week's closing price was €25.56 and at the weekly level the price ended up falling by €0.03.

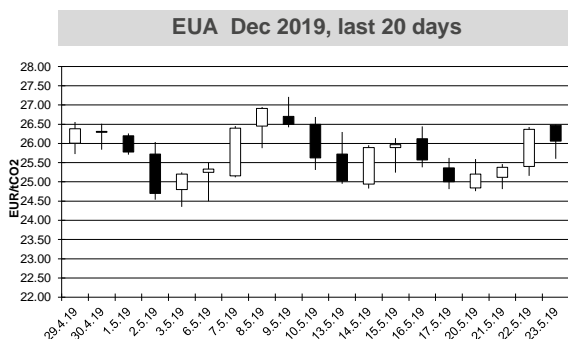
During the current week, concern in the market has still been caused by tensions between the U.S. and China. The price of natural gas has also stayed weak. Emission allowance prices have, however, been strong considering the nervous market sentiment and weak natural gas price. The generally scarce auction supply and next week's particularly scarce auction supply have maintained support.

Trading volumes decreased slightly last week. The average volume fell to 22 million. On Friday last week, the volume increased to 26 million.

Market View

Fluctuations are created in the electricity market and fuel prices by uncertainties in the U.S.-Chinese trade talks and the uncertainty is also reflected in emission allowance prices. Despite the high uncertainty and weak natural gas price, emission allowance prices have been strong. Emission allowance prices are supported by scarce auction supply owing to next week's public holidays. The European Parliament elections held at the end of the current week may result in swings in emission allowance prices if the election results differ clearly from those expected.

Technically the short- and particularly the long-term price trend is still rising. The closest price support level is €24.35/t and the possible breaking of this level would take the short-term trend to a downward path. The closest resistance levels for the price are €27.21 and €27.85. For the time being, we expect emission allowance prices to move within the €24.35–€27.21/t range.



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

On Agenda: Europe

In the U.K., the big steel producer British Steel has entered liquidation. The company had to begin bankruptcy proceedings on Wednesday as it failed to secure an extra loan from the government. The collapse took place only weeks after the government having granted British Steel an emergency loan of £120 million for its liabilities under the EU's Emissions Trading System rules. The company will continue to trade and is trying to find a buyer, but the continuation of its operations is highly uncertain. The impact of the incident on EU emissions trading is small, but in Britain the company accounts for a large share in emissions trading. ¹

CDM pipeline	24.5.2019 12:32	
	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

SAS and Airbus have signed a Memorandum of Understanding for hybrid and electric aircraft and infrastructure development. SAS's goal is to reduce emissions by 25% by 2030 mainly by modernizing the fleet and increasing the use of biofuels. SAS sees electric aircraft as the next step beyond the current technology. ²

From 2012, Norway and Sweden have built capacity for producing an annual total of 28.2 TWh for their electricity certificate (Elsert) scheme. In addition, annual production for 22.3 TWh is currently under construction. This means the countries will meet their 2030 target of 46.4 TWh clearly ahead of schedule.

On Agenda: Global

Upcoming events	
Date	Event
31.5.2019	Due date for applications for next phase free allowances
23-26.5.2019	European elections

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Sources:

[1 Carbon Pulse news](#)

[2 SAS news](#)

[3 BNEF news](#)

On Monday the Democratic presidential contender Michael Bennet released his plans for a trillion-dollar fund for research and projects to address climate change and for setting aside about one-third of U.S. lands and ocean territory for conservation. The aim is also to reach net-zero US emissions by midcentury. Some activists have criticized Bennet's net-zero target as not being ambitious enough, but Bennet has said it is realistic and in line with what scientists say is needed. ³

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