

EUA prices €/t 11.1.2019 14:12

| Product | Bid | Ask | Last | Change* |
|---------|-------|-------|-------|---------|
| Spot** | 22.15 | 22.22 | 21.94 | -1.09 % |
| Dec-19 | 22.33 | 22.37 | 22.33 | -0.54 % |
| Dec-20 | 22.79 | 22.87 | 22.59 | -1.37 % |
| Dec-21 | 23.38 | 23.57 | 23.22 | -4.05 % |

*Change compared to the previous report ** EEX spot

sCER prices €/t 11.1.2019 14:12

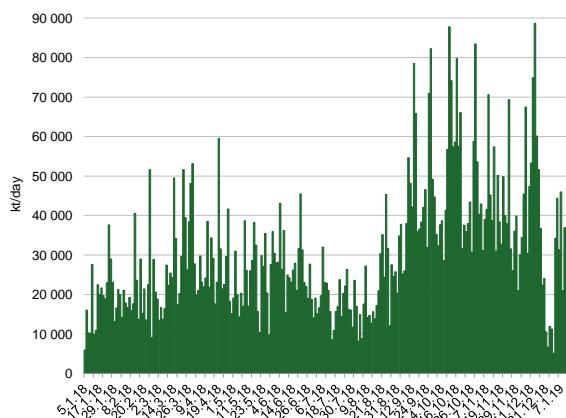
| Product | Bid | Ask | Last | Change* |
|---------|------|------|------|---------|
| Spot** | 0.00 | 0.30 | 0.26 | 0.00 % |
| Dec-19 | 0.22 | 0.26 | 0.24 | 0.00 % |
| Dec-20 | 0.17 | 0.25 | 0.24 | 0.00 % |

| Product | Spread | Change* |
|------------------------------|--------|---------|
| EUA Dec18-sCER Dec18 Spread* | 22.09 | -0.54 % |

*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 11.1.2019 14:12

| Product | Unit | Prices* | Change* |
|------------------------|---------|---------|---------|
| ENO Q2-2019 | €/MWh | 47.40 | -1.48 % |
| ENO 2020 | €/MWh | 37.75 | -0.26 % |
| ENO 2021 | €/MWh | 33.65 | 0.45 % |
| ENO 2022 | €/MWh | 31.37 | 0.22 % |
| EEX, Base load Cal-20 | €/MWh | 47.99 | -1.21 % |
| Brent crude | \$/bbl | 61.69 | 2.63 % |
| Natural gas UK (Q2-19) | p/therm | 52.98 | -1.99 % |
| Coal CIF ARA API2 2020 | \$/t | 81.70 | 1.96 % |

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

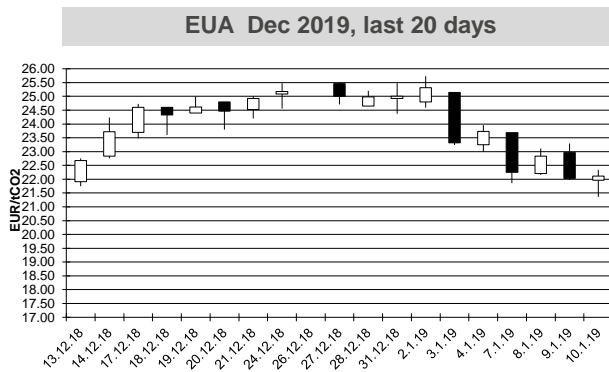
Market Analysis

During the end of the year the emission price was supported by the auction break, the upcoming MSR and the strong technical outlook. The emission price increased close to last autumn's highest trading prices. Also after the first trading day of this year the emission price continued to be very strong, but the strong resistance level from last autumn (26,0 €/t) limited the upward pressure on price. The resistance level held and after that the emission price has returned down. The downward pressure to emission price has been caused by the ending of the auction break. Additionally, the auction demand has been weak and on Monday at this year's first auction the price settled 50 cents below the current market price.

At the end of last year the trading volumes were low due to Christmas and New Year, but during this week the volumes have clearly started to increase.

Market View

The emission price has turned bearish at the beginning of the year, when the auctions have returned from the break. Additionally the price failed to break the highest trading volumes (26,0 €/t). The downward pressure to emission price has again caused by uncertainty on Brexit, when the Britain's governmental vote on Brexit agreement is closing. The Parliament is voting on the agreement on Tuesday next week and currently the approving of the draft agreement seems very unlikely. At the stock market there has been more positive atmosphere and the market is waiting for trade negotiations between China and U.S. More positive market sentiment has also supported the oil price, but so far both the oil and the coal prices are still in a bearish trend. The political uncertainty keeps the emission price fluctuation strong, but we expect the emission price to stay bullish in the longer term due to MSR. Very strong resistance level of 26,0 €/t limits the price increase. In the short term the emission price is supported by the weather, that turns colder at the beginning of January and especially in Northern Europe the weather turns to very cold.



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

| CDM pipeline | 11.1.2019 14:12 | |
|---------------------------------------------------|-----------------|--------|
| | 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 |
| 15.1.2019 | Britain's vote on Brexit draft agreement |
| 30.4.2019 | Due date for applications for next phase free allowances |

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Sources:

- [1 The Energy Authority news \(in Finnish\)](#)
- [2 Finnish Energy news \(in Finnish\)](#)
- [3 BBC news](#)

On Agenda: Europe

The Energy Authority (Finland) received 26 tenders for renewable energy generation. The Energy Authority received tenders altogether slightly more than 4 TWh of annual electricity production, when the approved amount is maximum 1,4 TWh. The electricity producers that offered the smallest premium succeeded best in the tendering process. All the tenders are wind power. The Energy Authority will evaluate the tenders and aims to resolve the tendering process as soon as possible.¹

According to prior information from Finnish Energy (ET), the electricity consumption in Finland last year was 87 TWh, which is 2 % more than year before. The electricity consumption increase was mainly due to economic upturn. The CO₂ -emissions of power generation increased by 15 % due to cold weather and scarce hydropower supply.²

On Agenda: Global

US carbon dioxide emissions rose by 3.4% in 2018 compared to previous year and the increase was the largest in years. Last year a record number of coal-fired plants were shut down, but for example strong economic activity and partly cold weather increased the overall emissions. On the other hand, hot weather during summer increased the emissions due to increase in cooling need.³

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