

Market Analysis

EUA prices €/t 9.4.2021 10:31

Product	Bid	Ask	Last	Change*
Spot**	43.64	43.68	43.64	6.53 % ↑
Dec-21	43.74	43.76	43.74	6.38 % ↑
Dec-22	44.10	44.13	44.10	6.55 % ↑
Dec-23	44.63	44.68	44.39	5.97 % ↑

*Change compared to the previous report ** EEX spot

sCER prices €/t 22.3.2021 17:00

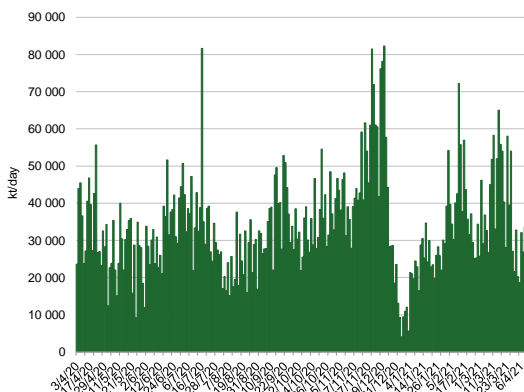
Product	Bid	Ask	Last	Change*
MAR-21	0.00	0.00	0.48	0.00 %

Product	Spread	Change*
EUA Dec21-sCER Dec21 Spread*	43.26	6.45 % ↑

*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 9.4.2021 10:31

Product	Unit	Prices*	Change*
ENO Q2-2021	€/MWh	27.95	-5.69 % ↓
ENO 2022	€/MWh	26.40	-0.38 % ↓
ENO 2023	€/MWh	26.20	-0.57 % ↓
ENO 2024	€/MWh	26.65	-0.56 % ↓
EEX, Base load Cal-21	€/MWh	57.35	2.16 % ↑
Brent crude	\$/bbl	62.92	-1.29 % ↓
Natural gas UK (Q2-21)	p/therm	46.68	1.32 % ↑
Coal CIF ARA API2 2022	\$/t	71.40	-1.12 % ↓

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

The emission allowance price rose slightly last week. On Monday, the price sought direction, the fall in the price of oil and also good auction results gave rise to price fluctuation. A slight rise was seen on the market on Tuesday and Wednesday as the market received support from the energy markets as well as from auction results. On Thursday, the last trading day before the Easter break, there were no major price movements in the market. On Thursday, the emission allowance closed at a level of €42.47/t. The emission allowance price reached new peaks at €44.35/t on Tuesday during the current week but has since seen a downward correction. Tuesday's auction settled at considerably higher than the secondary market price. The Easter break during the current week reduced auction availability to around 12m tonnes, but next week auction availability will normalize and again rise to 15.1m tonnes. Volumes traded on ICE were weaker than normal last week ahead of the public holidays but have shown an upward trend during the current week.

Market View

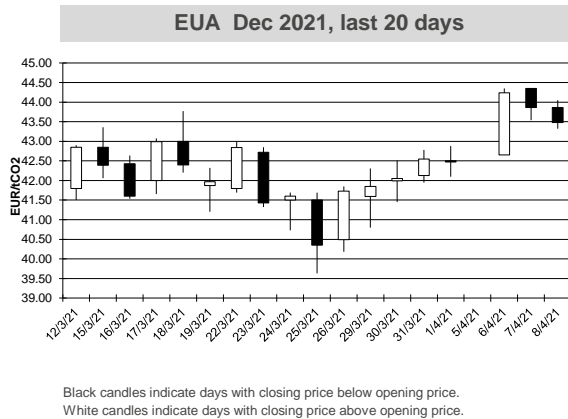
On the fuel markets, the price of oil has sought direction. OPEC+ decided to gradually increase oil production from May to July, in addition to which Saudi Arabia will begin curbing its own voluntary output cuts. The upward trend in the price of gas has grown slightly weaker during the current week. Technical resistance levels have also limited the rise in the price of coal. Stock prices in the US and Europe have remained really robust.

The weather in Central Europe is chillier than normal and the chilly weather is also expected next week may be supportive of the emission allowance price. Renewables production in Germany will be at normal levels or just under during the forecast period.

The EU ETS emission data published by the European commission had no effect on the market last Thursday since the figures were in line with expectations. The deadline for the surrender of emission allowances is April 30, which could support the emission allowance price over the next week or two. Net positions of funds on the market increased last week, whereas the net positions of non-financial actors dropped sharply.

The emission allowance price has been rising during the current week and the gap between Bollinger bands has shrunk, indicating a potential turn in the trend. During the current week, the emission allowance price rose above the top Bollinger band. Resistance levels for the emission allowance price are the psychological level of €44/t and the all-time peak of €44.35/t. Support for the emission allowance price can currently be found at the levels of €43.77/t, €41.50/t, €40/t and €39.63/t. We expect the emission allowance price to continue rising and to trade at €40 - €46/t.

The deadline for the exchange of CER units to emission allowances is April 30, 2021, after which it will no longer be possible to exchange CERs for EUAs. It is worth checking the Union registry for any exchange allowance still free. You can contact us if you need to buy or sell CER units.



On Agenda: Europe

Emissions under EU ETS decreased 12.6% in 2020. The fall was in line with expectations. The decline in emissions was due to consumption demand and the decrease in industrial activity brought about by the pandemic as well as the switch away from coal combustion in the power sector. Energy production emissions decreased by 17%, partly because of the emission allowance price and cheap natural gas, which supported the switch in fuel away from coal. Renewables accounted for 40% of energy production in the EU. Industrial emissions decreased by 8%, with the greatest decrease seen in the metal industry because of less demand from auto manufacturers. Increased demand meant that emissions fell only slightly in the pulp and paper industry. Emissions were down 60% in the aviation sector. ¹

CDM pipeline	9.4.2021 10:31	
	Amount	Change
Number of projects**	8374	-6
Registered projects*	7808	0
Volume of the pipeline by the year 2020, MtCO2e**	515	0
Issued CERs, MtCO2e*	2000	15

Heating and transportation will be added to national emission trading in Germany in the autumn. The EEX will start selling emission permits at a fixed price during the first phase of emission trading, which will extend until the end of 2025. Fuel distributors must participate in the system and report their 2021 emissions and surrender an equivalent number of permits. In the initial phase, the scheme will apply to petroleum, diesel, heating oil and liquefied and natural gas. The initial emission permit price is €25 but this will rise to €55 by 2025.²

*Change compared to the previous report.

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

Upcoming events	
Date	Event
22-23 April 2021	Leaders' Climate Summit hosted by the United States
June 2021	The Commission presents proposals for laws including a reform of emissions trading

Contacts:

Markus Herranen
Toni Sjöblom
Laura Pokka
E-mail: firstname.lastname@gasum.com

Sources:

- [1 Montel news](#)
- [2 Energiauutiset news \(in Finnish\)](#)

Terms of delivery: The Emissions Trading Weekly (the "Review") is delivered via email to the Buyer's contact persons as an Adobe Acrobat pdf-document. All rights to the Review are reserved to Gasum Portfolio Services Oy. The Review, parts of the Review and the username and password that enable access to the Review, shall not be redistributed by the Buyer in any form to any third party, including subsidiaries, partly-owned companies and owners. Redistribution of the Review in any form is illegal and Gasum Portfolio Services Oy will fully enforce all available legal remedies in the event of such redistribution.

Gasum Portfolio Services Oy disclaims all warranties as to the accuracy, completeness or adequacy of information in the Review and does not assume any responsibility of delays in delivery of or access to the Review. The Buyer assumes full responsibility and risk of, and Gasum Portfolio Services Oy shall not be liable for, any loss which results from any transactions or decisions made by the Buyer on the basis of the Review supplied by Gasum Portfolio Services Oy. The Buyer shall accept sole responsibility for and Gasum Portfolio Services Oy shall not be liable for the use of the Review by the Buyer (or any user) and the Buyer shall hold Gasum Portfolio Services Oy harmless and fully indemnified against any claims, costs, damages, loss and liabilities arising out of any such use.