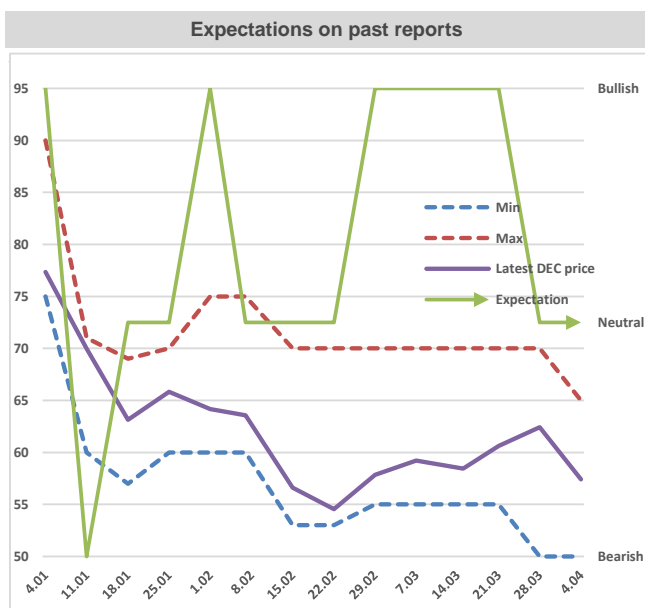
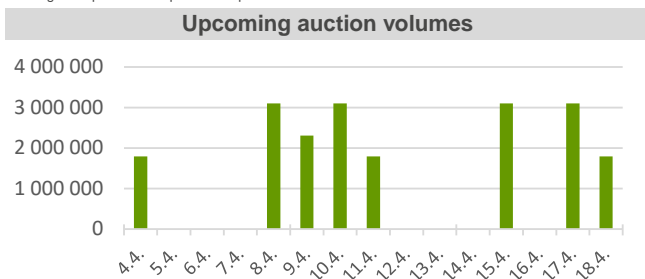


EUA prices €/t	27.3.2024	vs.	2.4.2024	Change*
DEC-2024	62.43	58.72	-5.9 %	
DEC-2025	64.81	61.02	-5.8 %	
DEC-2026	67.08	63.29	-5.6 %	
UKA DEC-24 **	43.97	40.85	-7.1 %	

*Change compared to the previous report ** In Euros



Energy prices	2.4.2024		
Product	Unit	Prices*	Change*
ENO Q3-2024	€/MWh	26.25	-11.0 %
ENO 2026	€/MWh	38.30	-3.0 %
ENO 2027	€/MWh	37.90	-1.0 %
ENO 2028	€/MWh	39.60	-0.4 %
EEEX, Base load 2026	€/MWh	78.84	-4.3 %
Brent crude front month	\$/bbl	88.92	3.3 %
Natural gas TTF Front month	€/MWh	26.20	-5.4 %
Coal CIF ARA API2 2026	\$/t	120.00	2.0 %

*Change compared to the previous report ** Day settlement price

Market Analysis

The DEC24 product has fallen compared to a week ago, a day of particularly big decline, with the price falling below the €60/t level during the day. The 10-, 20- and 50-day moving exponential averages have turned bearish, the 200-day simple moving average is down at a level of 77.5. At the time of writing on Thursday, the RSI had risen slightly to the neutral level of 45. The MACD encountered a bearish signal on Wednesday and has continued to weaken on the bearish side. Open interest has continued horizontally over the past three days after the rise stalled.

The bid-cover ratio in this week's auctions has remained lower than earlier in the year and was particularly weak on Tuesday when only 1.1 bids per accepted bid were seen, the lowest ratio of the year so far. The CoT published on Wednesday and reflecting the situation last Friday showed that investment funds had reduced their net their net short position slightly more slowly than in previous weeks, by just under one million tonnes, to 22.6 million tonnes on the short side.

The preliminary emissions data for 2023 published yesterday was lower than several expectations. Depending on the estimate, emissions are expected to have decreased by as much as 16-18% compared to a year ago. Some analyst firms had expected a decrease of more than 16%, but on the other hand, various averages expected a fall of 14-15%. Euro area inflation figures released earlier this week fell by one-tenth more strongly than expected, which may support the market outlook for a lighter interest rate policy. The March Purchasing Managers' Index for services in the euro area released today (Thursday) showed a stronger-than-expected rise to 51.5, the overall index rising to 50.3.

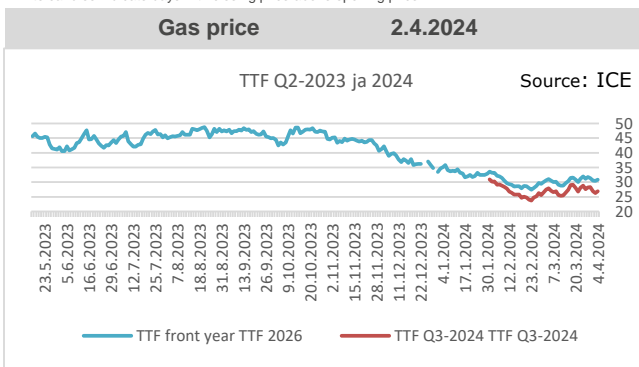
In Europe, demand for emission allowances has been squeezed by reasonable renewable electricity production and very mild temperatures until early next week, after which more normal temperatures are expected for the time of year. French nuclear power production in recent days has fluctuated slightly from just over 30 GW to just over 40 GW. The price of Nordic electricity has fallen both in line with German prices and locally as a result of the hydro balance, which has already strengthened to almost normal.

Market view

Slightly lower-than-expected emissions are a downward factor for the market, with rising gas and electricity prices potentially supporting prices today (Thursday). As a whole, the improved economic outlook may be a factor driving up prices, and some operators might have been waiting for the release of emissions data before buying. We still consider the risk of prices falling after the initial reaction to be possible, but on the other hand, we also believe there is room for an increase by the deadline for emissions surrender. We reiterate the lower end of our range expectations, and at the latest before the emission allowances are surrendered, we consider the price increase to be around the upper end of the previously suggested range, i.e., €70/t, but lower our upper limit expectation for the next few weeks to a level of €65/t. As a whole, we reiterate our neutral expectation, with downward pressure possible at the end of the heating season, a possible decrease in gas prices when consumption stops.



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



Events	
Date	Event
June 6-9	Elections for the European Parliament
July 1	Hungary takes rotating presidency of the Council of the European Union

Contacts:
Eerik Ekström

E-mail: firstname.lastname@gasum.com

Links to the news:

- [1 Helsingin Sanomat \(in Finnish\)](#)
- [2 YLE \(in Finnish\)](#)
- [3 Carbon Pulse](#)
- [4 LUKE](#)
- [5 RFF](#)
- [6 Carbon Pulse](#)
- [7 Bloomberg](#)

On Agenda: Finland

Helsinki energy company Helen has announced that it has made an investment decision on a hydrogen production plant in Vuosaari. The plan is to start construction work next spring and the facility is expected to enter production in 2026. Initially, the facility will have a capacity of 3 MW and is by nature a pilot plant. Waste energy at the facility will be recovered and used in the district heating network. ¹

Now that SSAB has announced investment in a fossil-free steel mini-mill in Luleå (Sweden) first rather than in Raahе (Finland), this might make it difficult for Finland to reach its climate targets. According to Jyri Seppälä, Chair of the Finnish Climate Change Panel, achieving carbon neutrality requires turning the land use sector into a strong net sink by 2035. ²

Wood pellet production decreased in Finland in 2023, a total of 354,000 tonnes were manufactured, while the export volume remained the lowest in statistical history, 138,000 tonnes were imported, mainly from the Baltics and Denmark, according to Finnish Customs' data. Most of the consumption is in heat and power plants, around 44,000 tonnes were burned in households and agriculture. In Europe, consumption in Europe was 33.4 million tonnes in 2022, with the UK accounting for 7.8 million tonnes. ³

On Agenda: Europe

In Norway, reindeer herders oppose a 54-kilometer power line to Hammerfest, Western Europe's largest natural gas liquefaction station. The lines are estimated to interfere with the natural behavior of reindeer as they avoid line areas. ⁴

According to the Resources for the Future Global Energy Outlook 2024, a significant part of the energy sector's future values published in 2023 predict significant fossil fuel consumption in 2023. This means that carbon capture is required to reach climate targets. In addition, in most scenarios, the world's energy consumption of non-renewable energy will increase only slightly. Electricity consumption, on the other hand, is forecast to increase sharply in all scenarios. ⁵

Preliminary emissions figures for 2023 published yesterday (Wednesday) saw a bigger decrease than expected, with a drop of at least 15% compared to 2022. The decrease was 24% in electricity production and about 7% in manufacturing. Correspondingly, emissions from the aviation industry increased by about 10%. ⁶

On Agenda: Global

European central bankers have proposed to the Basel Committee, which develops bank regulation, to create a reporting obligation on the climate achievement plan related to lending activities. There has been no support for the project, and the Federal Reserve in particular has opposed it. There are also more conservative assessments of the Bundesbank, for example, than those of the ECB. ⁷

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.