

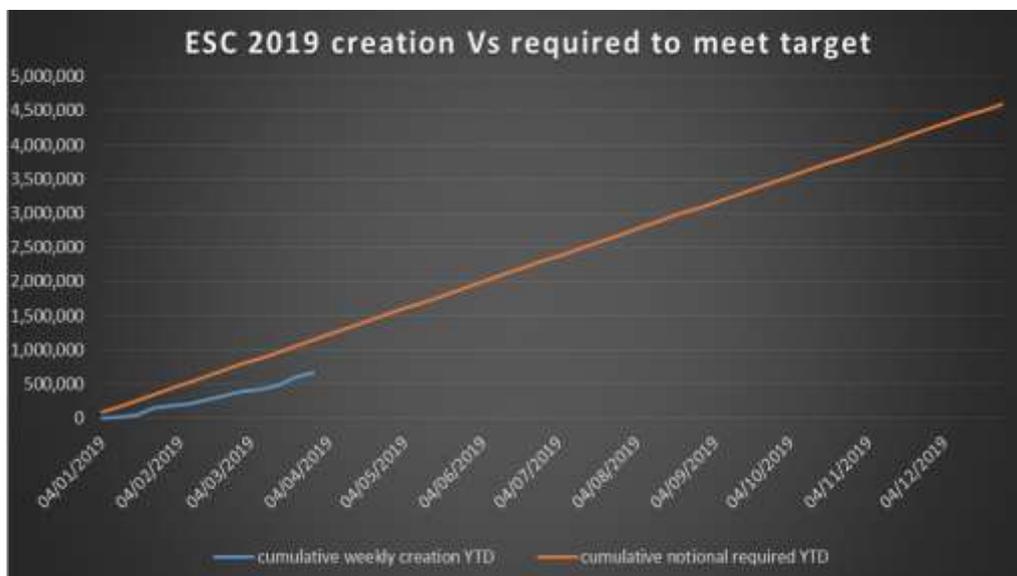
NSW ESCs

EWSC creation dropped back this week while market trading was very sparse.

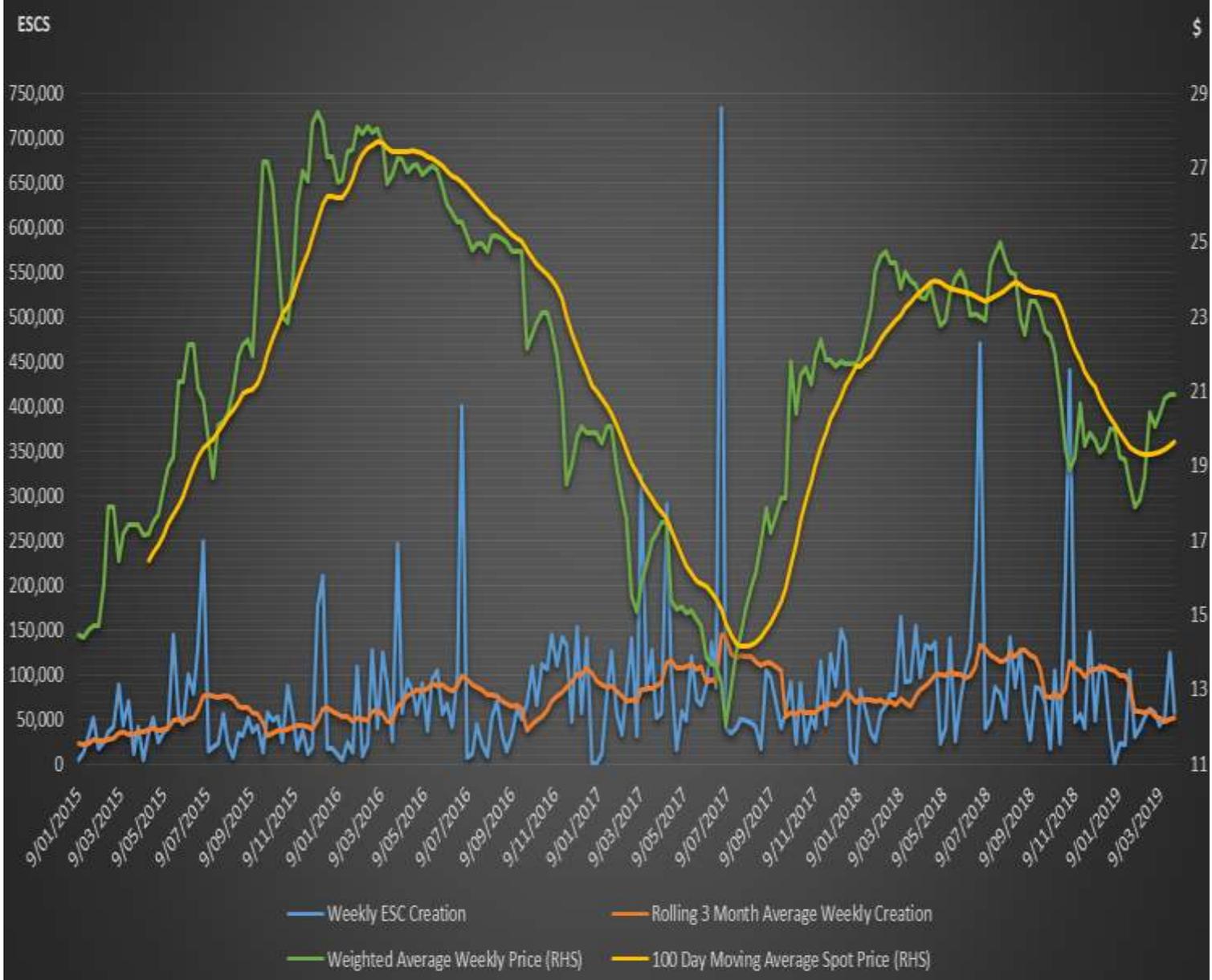
New ESC registrations almost tripled from last week, at 123,800. This is the biggest weekly creation of the year so far, and only the second to see more than 100,000 new certificates.

The spot market saw no trading.

The forward market was only a little busier with 20,000 certificates contracted for delivery between April and November this year. All these trades were struck at \$21.00.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

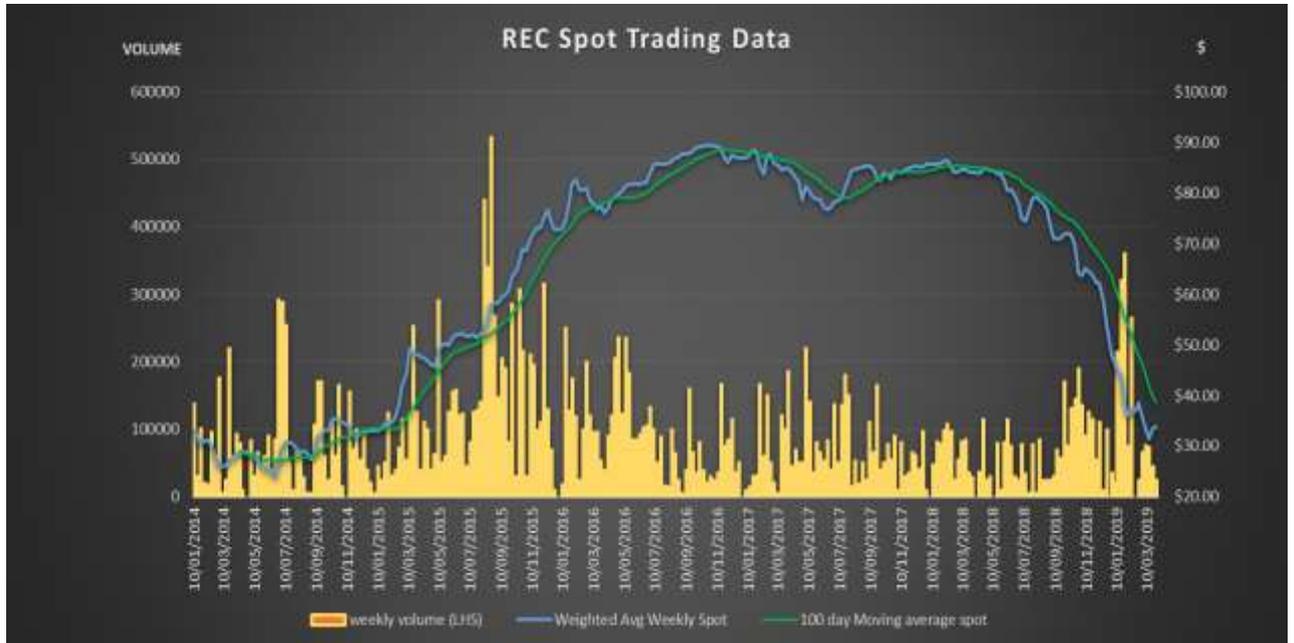


Renewable Energy Certificates

Spot LGC prices fell while the rest of the curve barely budged.

Spot trading opened 90 cents lower than last week's close, at \$34.10, and continued to drift lower throughout the week, closing at \$33.15 on turnover of 24,000 LGCs.

In the forward market Calendar 2019 (February 2020 delivery) contracts opened at \$34.75 and fell to a low of \$34.25 before closing 25 cents lower than last week at \$34.50. Volume there totalled 150,000 certificates. Calendar 2020 traded 10,000 contracts at \$22.50 for a 30 cents drop on the week.



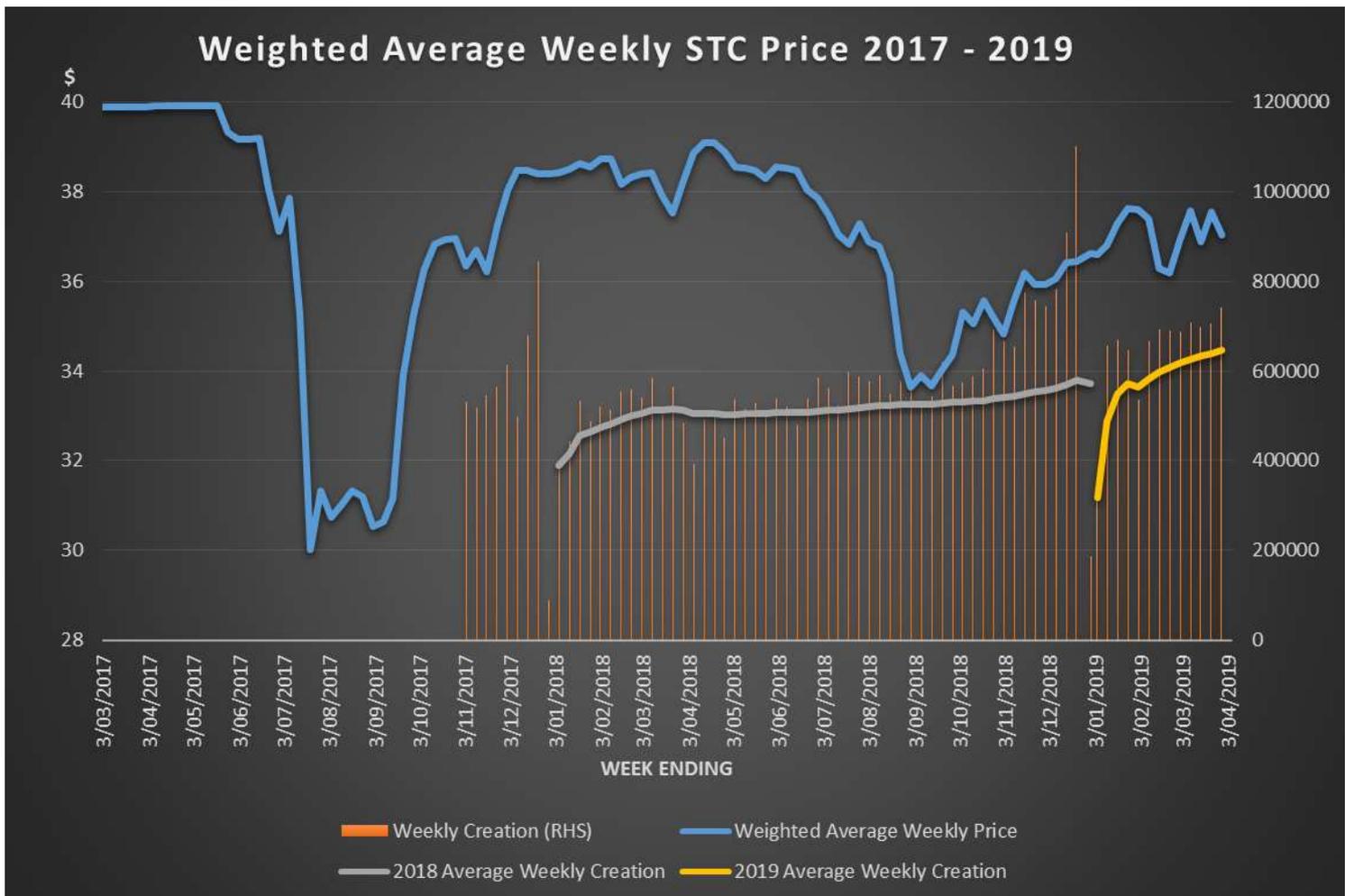
Small Technology Certificates (STC)

Market prices finally succumbed to the weight of creation this week.

This week saw a jump in submissions to the Clean Energy Regulator with 742,000 new STCs applied for, a jump of around 40,000 from the average of the last four weeks. The weekly creation number needed to meet this year's target is only 569,000 so it would appear that there will again be a considerable surplus of certificates to meet 2019's surrender obligations.

The spot market finally reacted to the onslaught of supply, opening unchanged at \$37.40 and briefly rising to \$37.70 before the selling took over. Prices dropped persistently from there to a close at \$36.40 on reported turnover of 342,000 STCs.

In the forward market 530,000 certificates traded for delivery between April this year and February 2020. The 2020 trades attracted a premium of 20 cents to the prevailing spot price while the 2019 settlements were all agreed in line with the spot price.



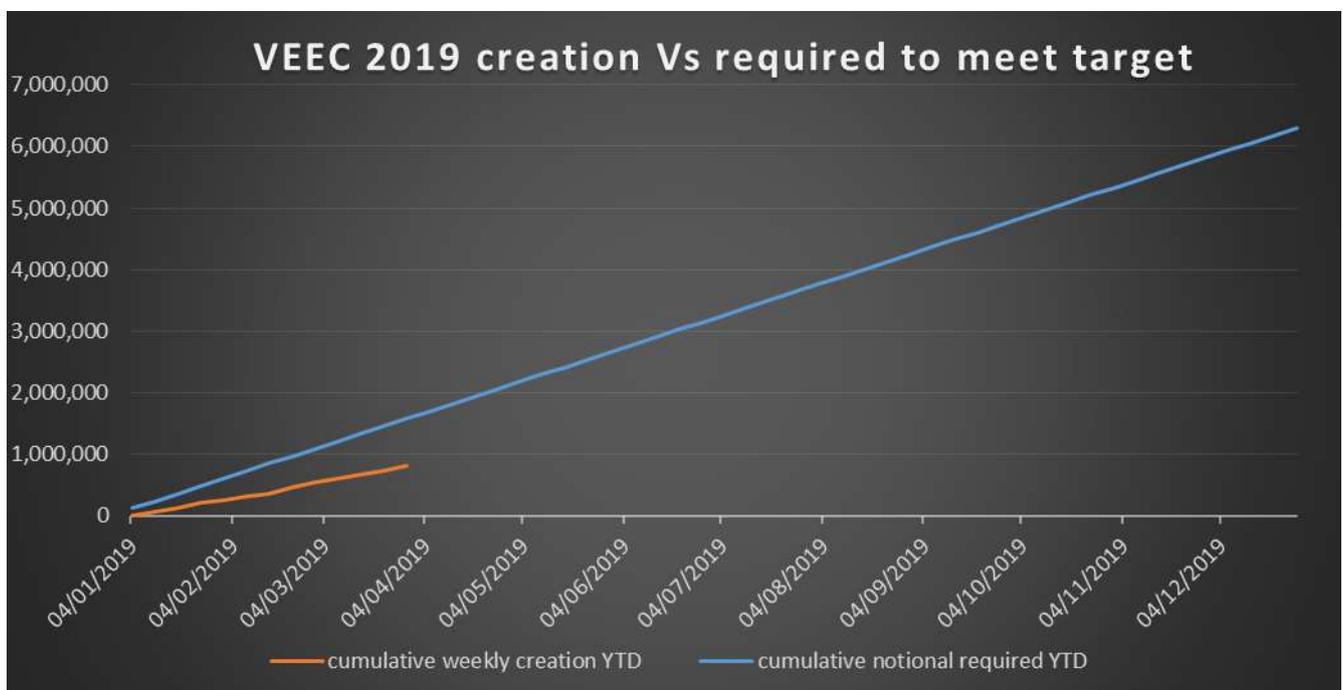
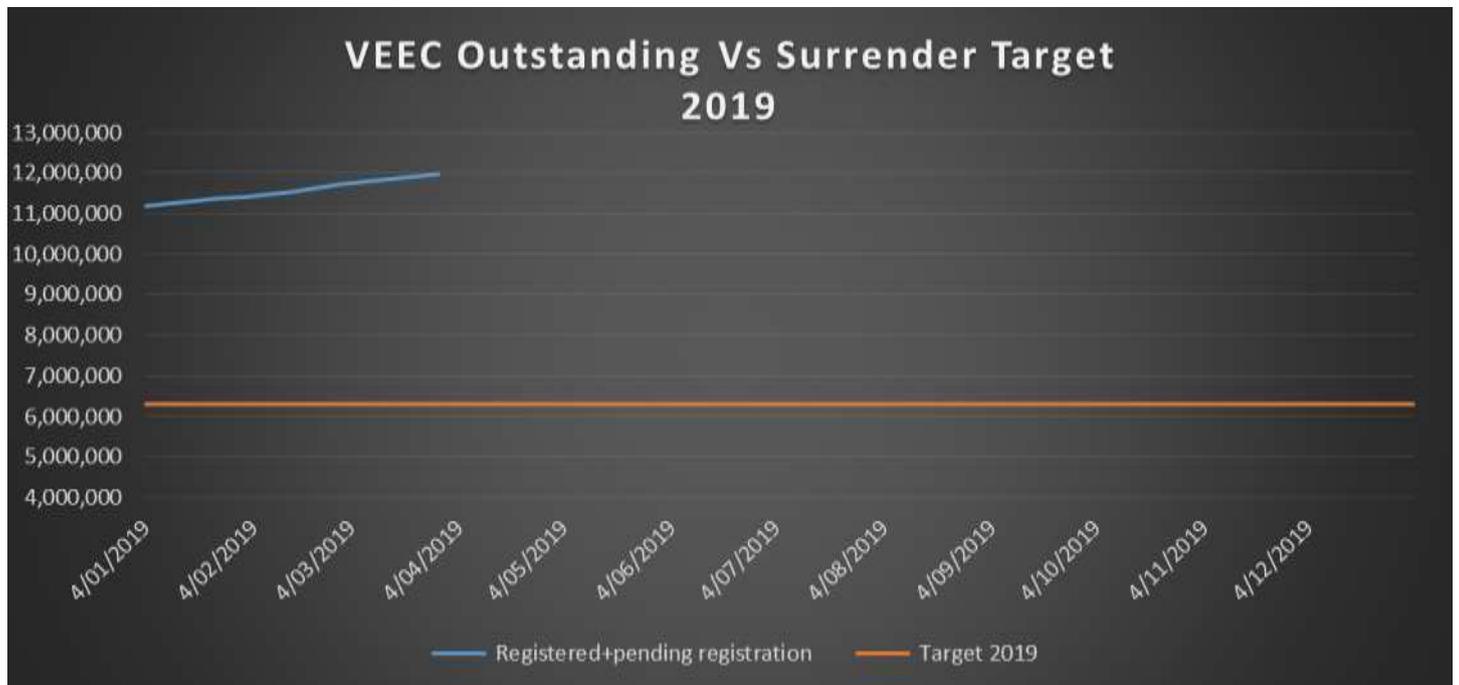
VIC VEECs

VEEC creation rose slightly while market prices were little moved this week.

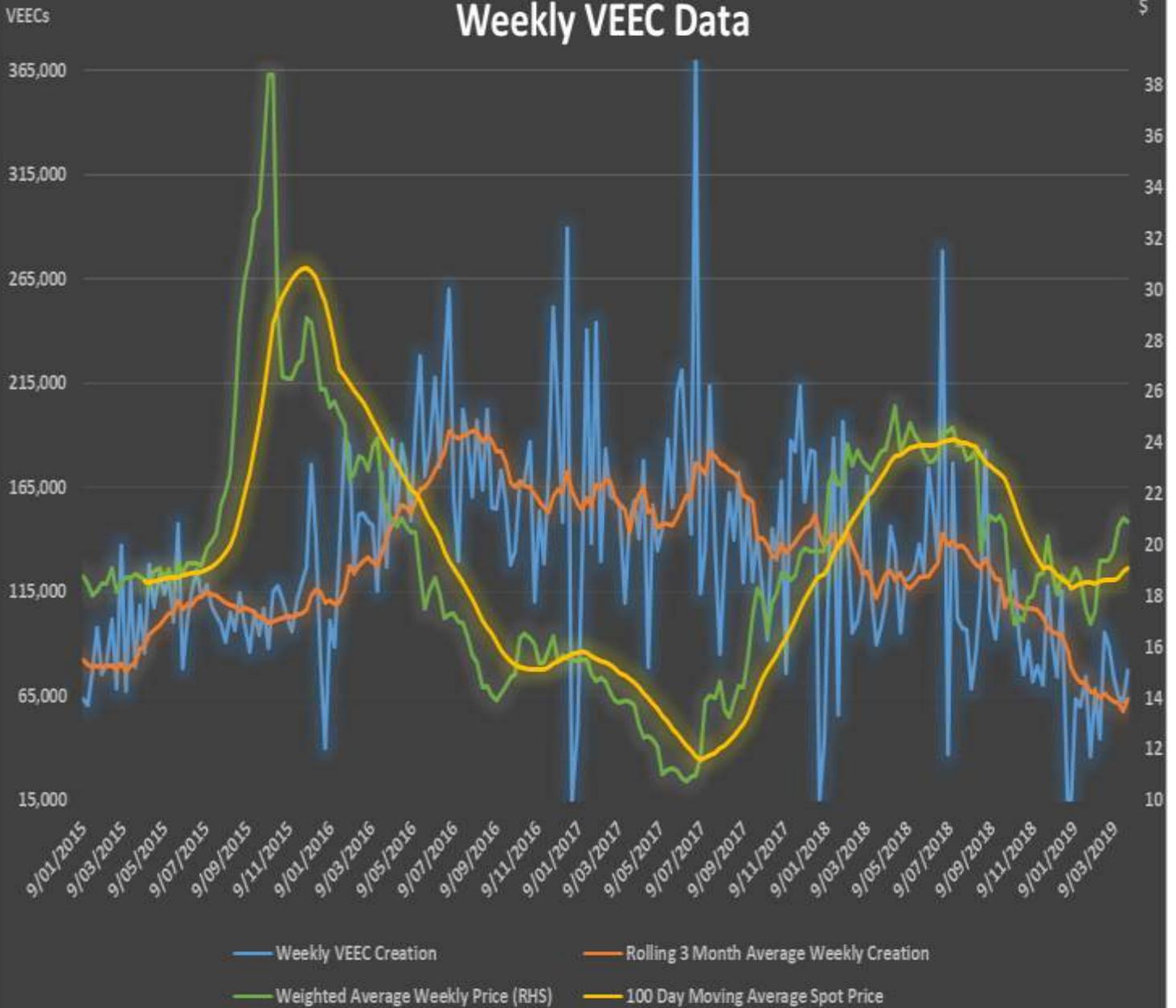
New VEEC registrations came in at 77,000, a 15,000 increase over last week.

Spot trading opened 5 cents lower than last week's close, at \$20.90, and was quite erratic with a jump to \$21.10 followed immediately with a trade at \$20.70 and then the closing deal struck at \$21.00. Turnover totalled 50,000 VEECs.

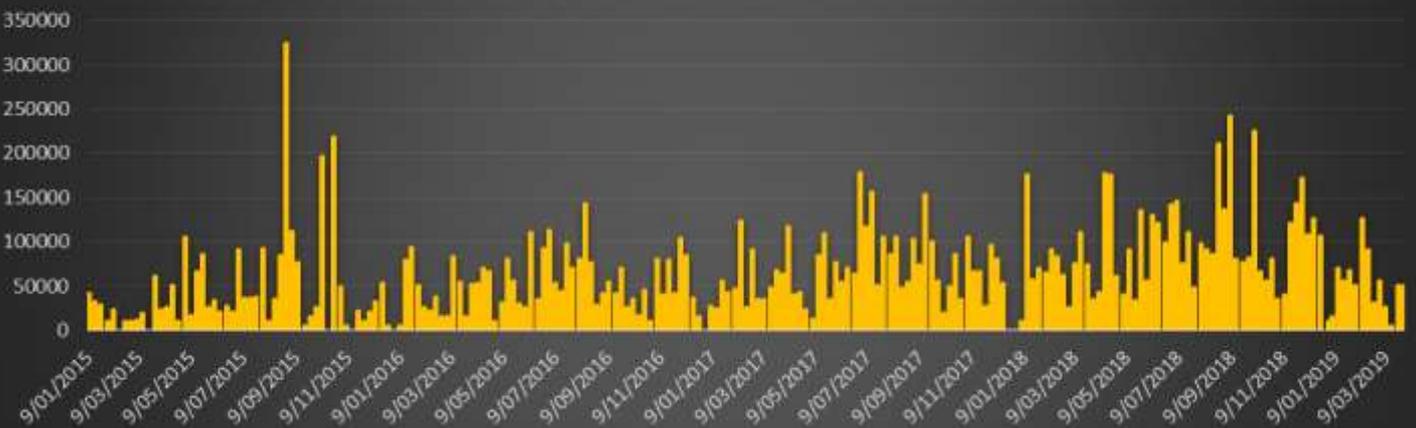
The forward market saw 80,000 certificates deal for delivery between June 2019 and July 2020. Trades settling in the second quarter of this year traded around 10 cents higher than the spot price while the second half of the year gained 30 cents and the 2020 deals 60 cents.



Weekly VEEC Data



Weekly Traded Spot Volume



PO Box Q1251 QVB Post Office NSW 1230

Suite 606, 65 York Street, Sydney, NSW 2000

Phone + 61 2 9279 4704 www.demandmanager.com.au