

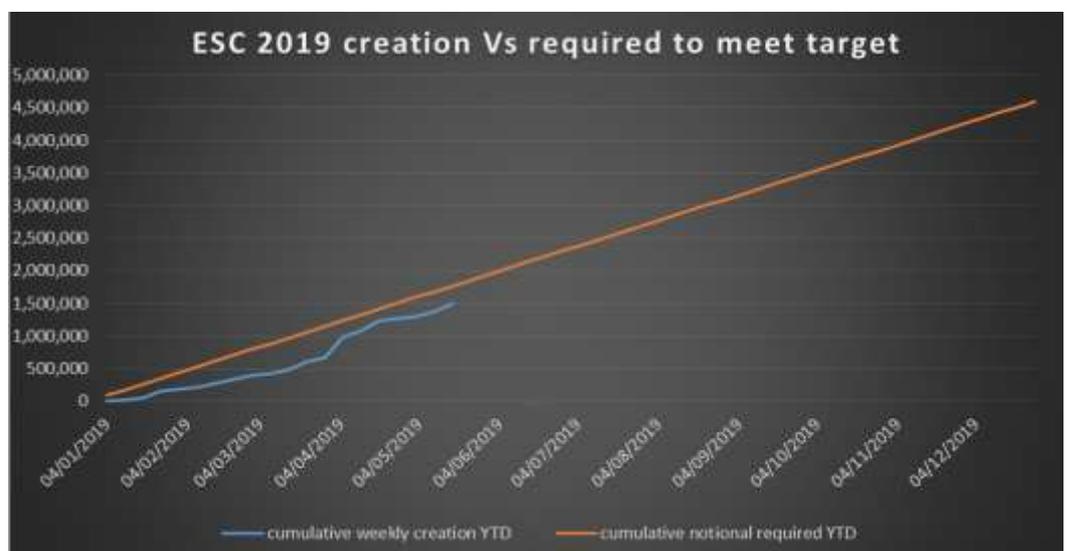
NSW ESCs

Market prices fell on the back of soaring creation numbers.

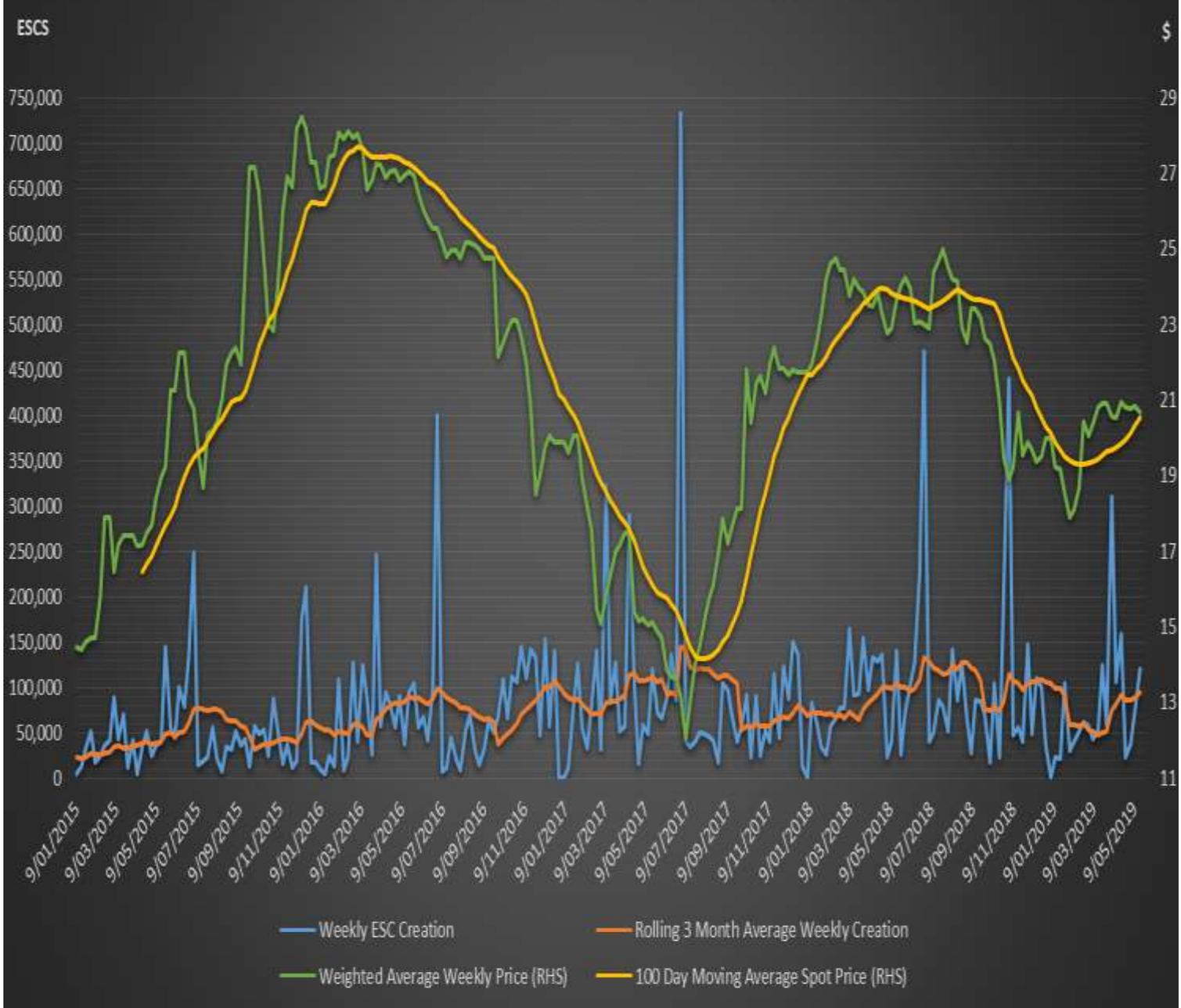
New ESC registrations rose to just under 120,000 this week bringing us over the number in the Registry (4.6 million) needed to meet this year's surrender target.

Spot trading opened 10 cents higher than last week's close, at \$21.10, but prices declined throughout the week as the creation numbers continued to climb. At the end of the week the market closed at \$20.30 on turnover of 77,000 ESCs.

The forward market saw 90,000 certificates contracted for delivery between June and December this year. Initially pricing was in line with the prevailing spot level but as the spot price fell the forward market remained trading at the levels prevailing earlier in the week with the second half of the year eventually gaining premium between 25 and 50 cents as the maturity increased.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

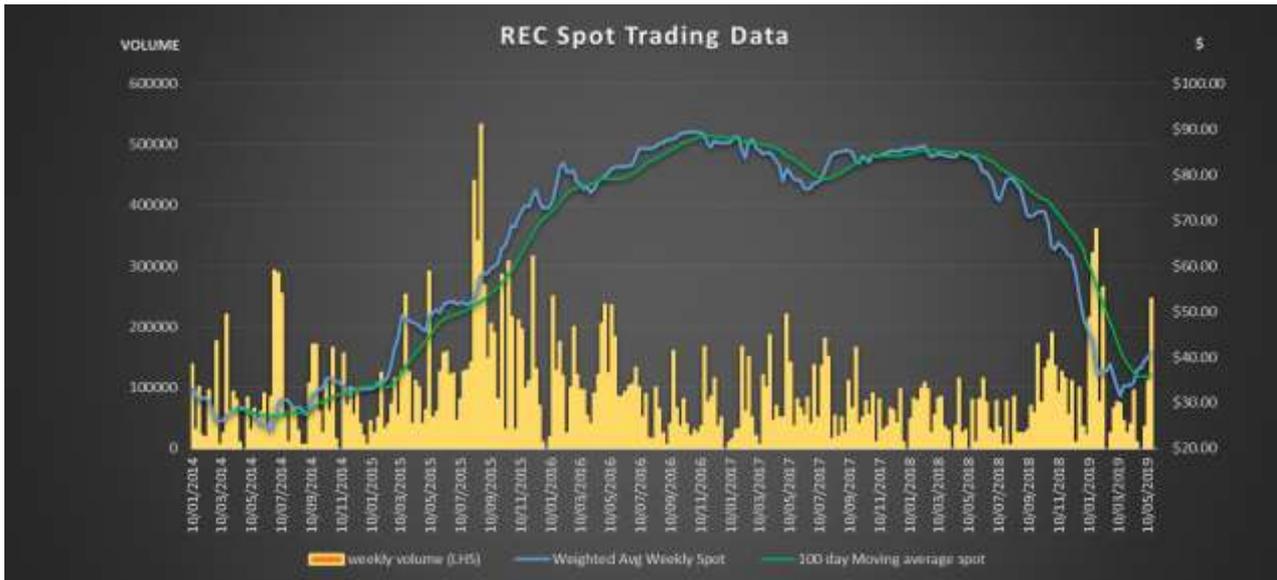


Renewable Energy Certificates

LGC prices advanced in see-saw trading.

The spot market saw its most active week since mid-February with 245,000 LGCs changing hands. The first trade was struck at \$41.00, a gain of 50 cents from the previous close. The market dropped to a mid-week low of \$40.40 before recovering to a high of \$41.40 and a close only slightly lower, at \$41.35.

In the forward market Calendar 2019 (February 2020 delivery) opened at \$42.00 and rose to a high of \$42.25 before selling brought us to the mid-week low of \$41.75. From there buyers again got the upper hand and we rose to a close at \$42.00, a gain of 75 cents on the week, on volume of 45,000 certificates. Calendar 2020 opened at \$24.00 and dropped to \$23.75 before closing at \$24.00 for a gain of 25 cents on volume of 125,000 LGCs. Calendar 2021 traded 70,000 certificates from \$14.80 to \$15.40, a rise of 40 cents, while Calendar 2022 dealt 40,000 LGCs at \$11.00 for a gain of 50 cents.



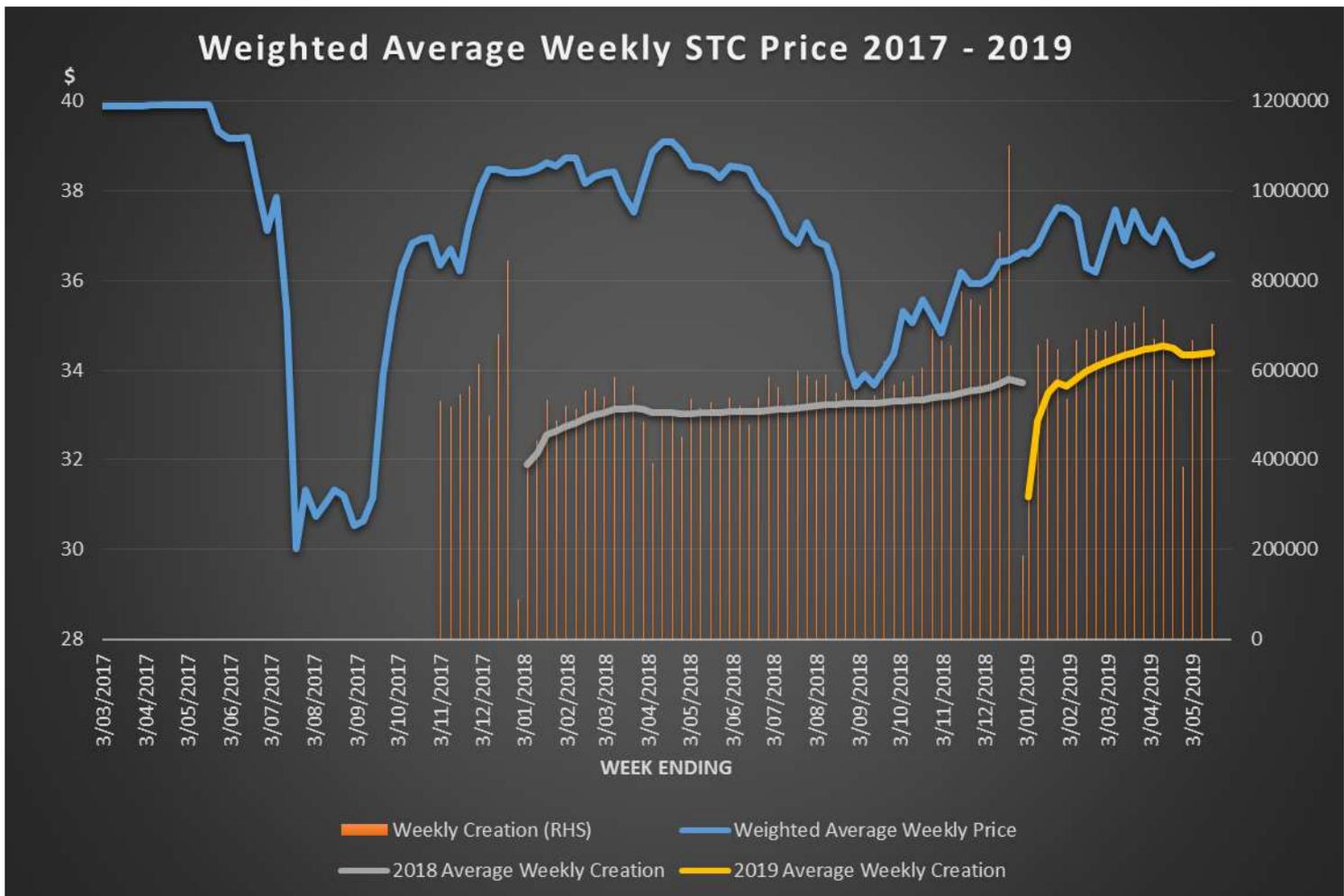
Small Technology Certificates (STC)

Creation rose back to pre-holiday levels while market prices were static.

New STC registrations rose to 702,000 this week, the first time since before Easter that we have risen above 700,000 certificates.

Spot trading opened 5 cents lower than last week, at \$36.40, and traded near that level for most of the first part of the week. The market began to see-saw mid-week with a buying spree seeing prices jump to a high of \$36.80 before selling pushed us to a low of \$36.25. Further buying got us back to the \$36.80 level before a drift lower to close at \$36.50 on turnover of 267,000 STCs.

In the forward market 267,000 STCs were contracted for delivery between later this month and February 2020. Trades settling in June dealt 10 cents higher than the prevailing spot price while those for July onwards traded between \$36.70 and \$36.80 with the majority dealing at \$36.75.



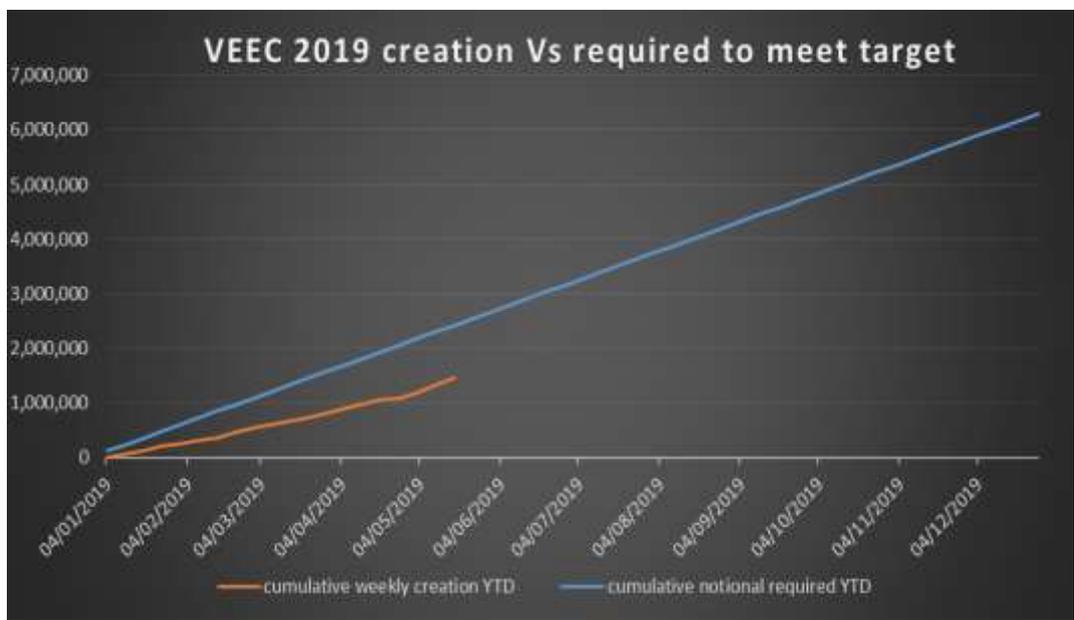
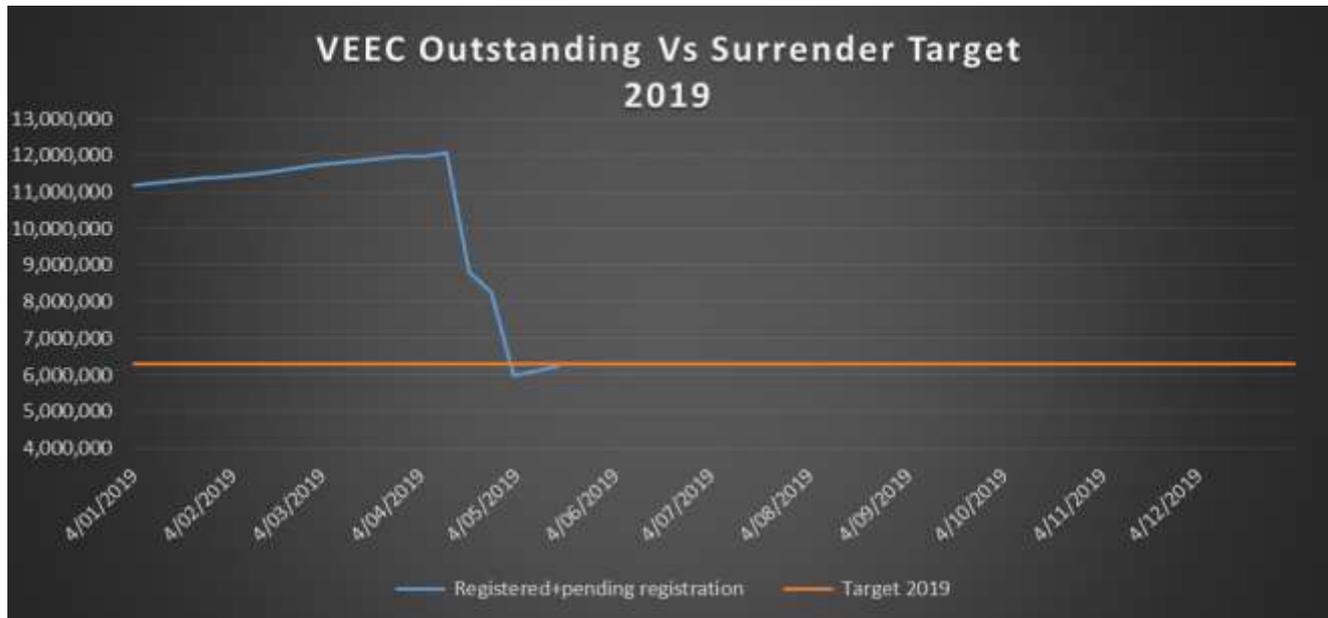
VIC VEECs

VEEC prices rose despite continuing strong creation numbers.

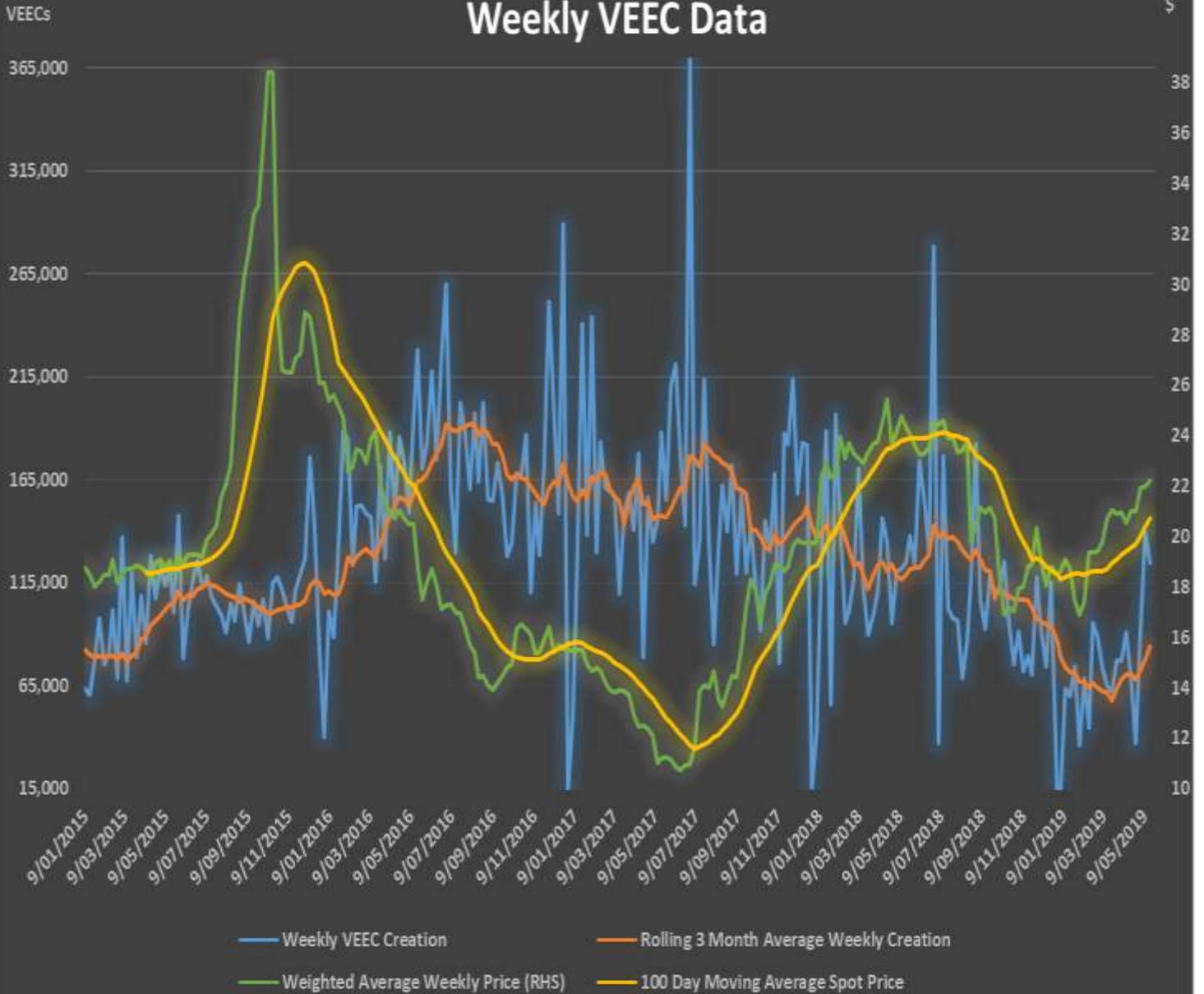
VEEC registration was only a little lower than last week, at 124,500, bringing us to only 68,000 certificates shy of this year's surrender obligations with more than half of the year still to go.

Spot trading opened unchanged at \$22.00 and dropped briefly to \$21.75 before regaining that \$22.00 level. Friday saw a surge in buying activity which pushed prices to a closing high of \$22.50. Turnover totalled 75,000 VEECs.

In the forward market 155,000 certificates traded for delivery between June this year and March 2020. Deals settling in June traded in line with the prevailing spot price while, initially, those for further out the forward curve attracted premiums of 25 to 50 cents as the maturity increased. However, the late price rise in the spot market was not reflected in the forwards and deals for March and April 2020 actually dealt on Friday at 15 cents lower than the then latest spot price.



Weekly VEEC Data



Weekly Traded Spot Volume



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