

CERTIFICATE REPORT

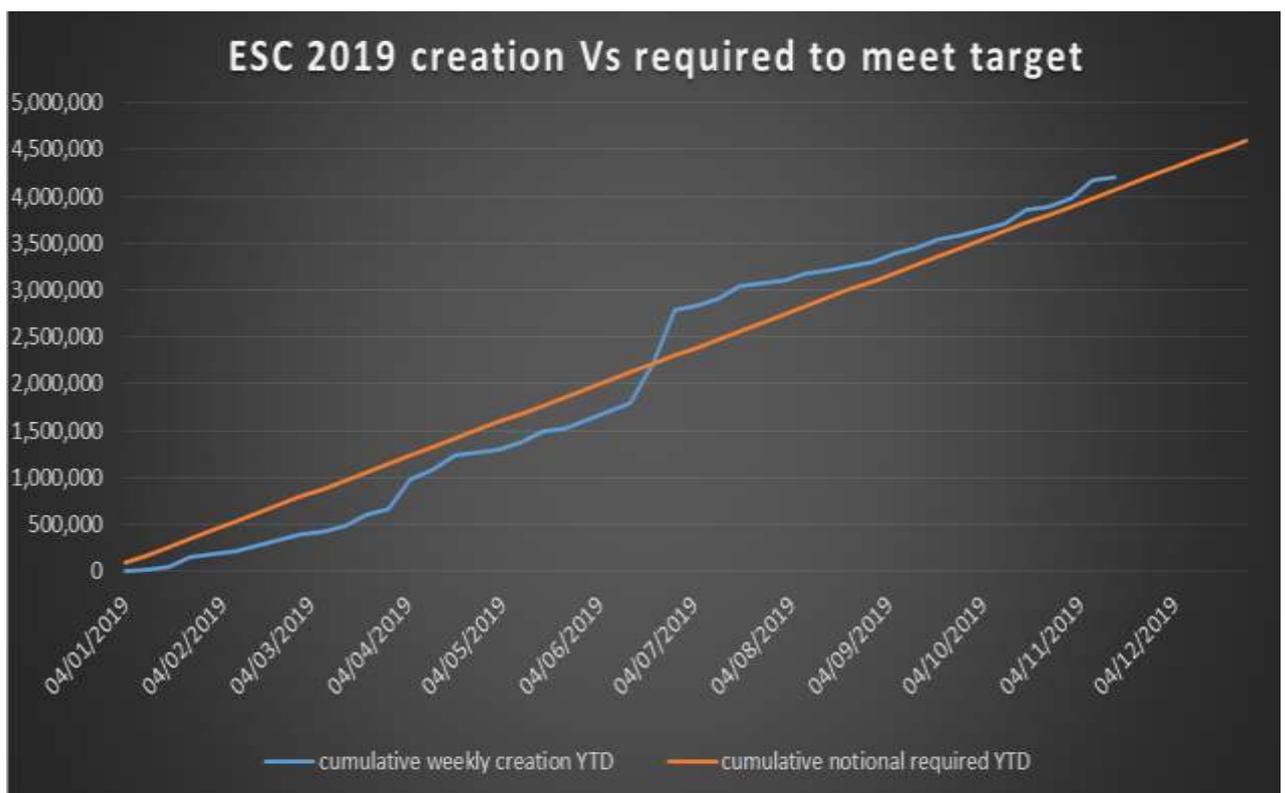
W/E 15/11/2019

NSW ESCs

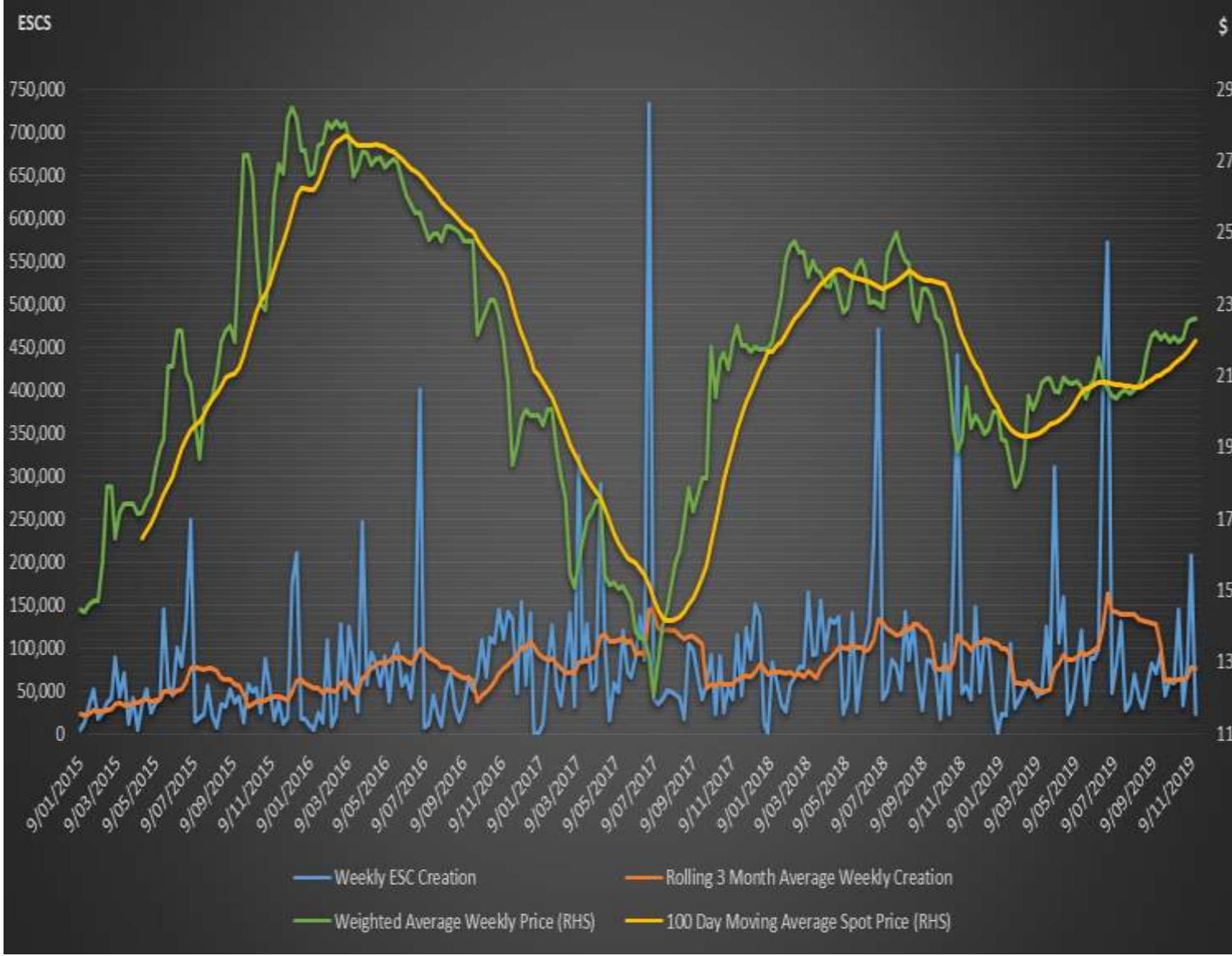
ESC creation dropped back from last week's highs and market prices were unmoved in moribund trading. ESC registration slumped to 22,900.

In the spot market 16,000 certificates traded at an unchanged \$22.60.

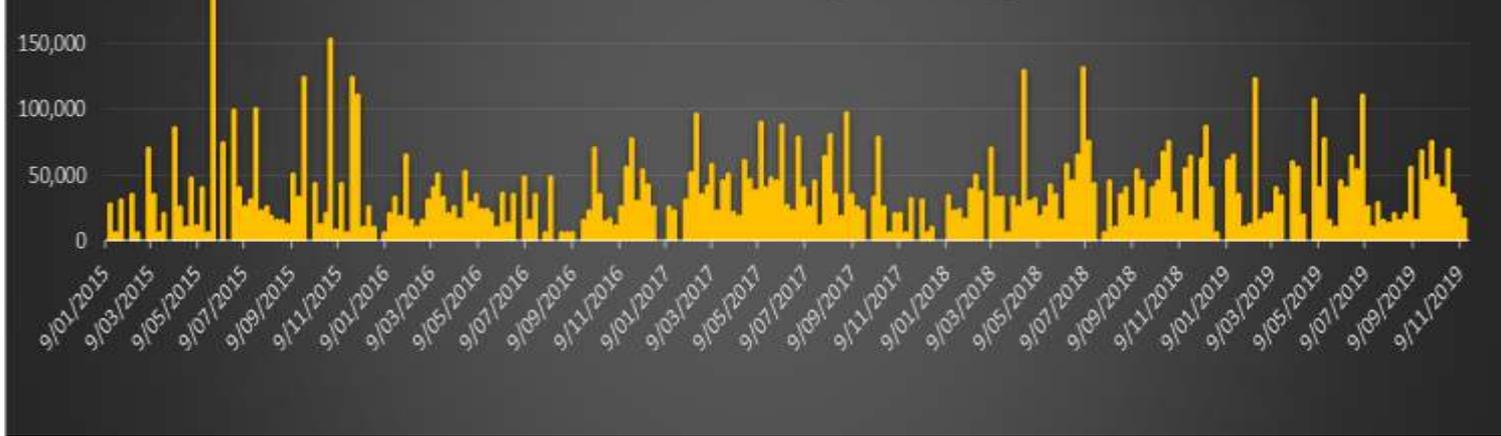
The forward market saw just 10,000 ESCs contracted for delivery in January and February 2020 at \$23.00.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

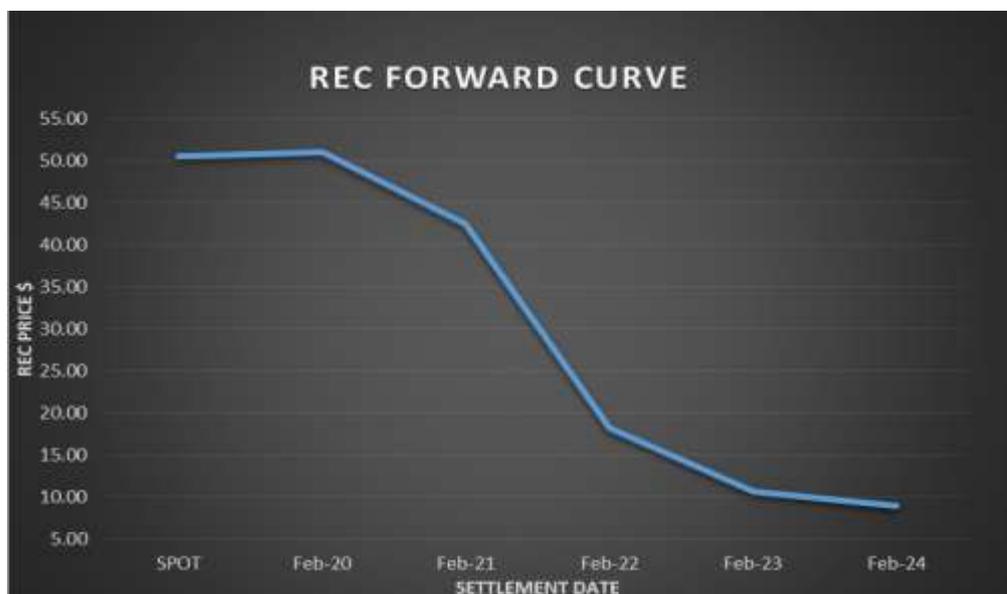
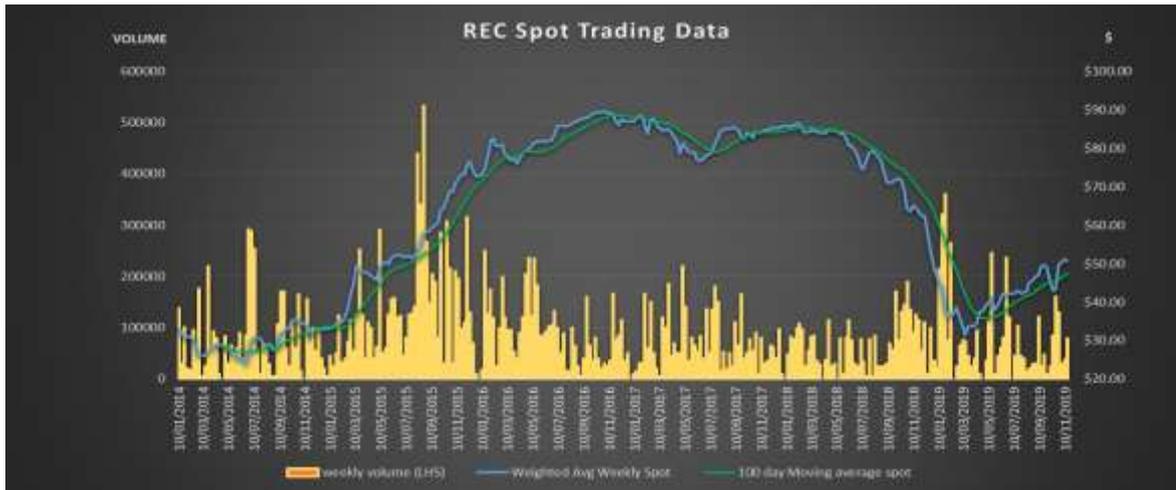


Renewable Energy Certificates

The LGC forward curve flattened further this week as Calendar 2020 and 2021 rallied.

The spot market opened 35 cents lower than the previous close, at \$50.90, and fell to a low of \$50.50 before recovering with the last trade at \$51.00. Subsequent dealing in the forward market, however, would put the closing level back around \$50.50. Turnover totalled 79,000 LGCs.

The Calendar 2019 contract also traded in a tight range, opening at \$51.50 and closing at \$51.00 on turnover of 80,000 certificates. This represented a drop of 50 cents. The big movement was further out the curve with the Calendar 2020 contract gaining steadily throughout the week to add \$2.75 and close at \$42.50 on volume of 220,000 certificates. The Calendar 2021 contract rallied on large volume with, 405,000 LGCs trading to a close \$2.15 higher at \$18.25.



Small Technology Certificates (STC)

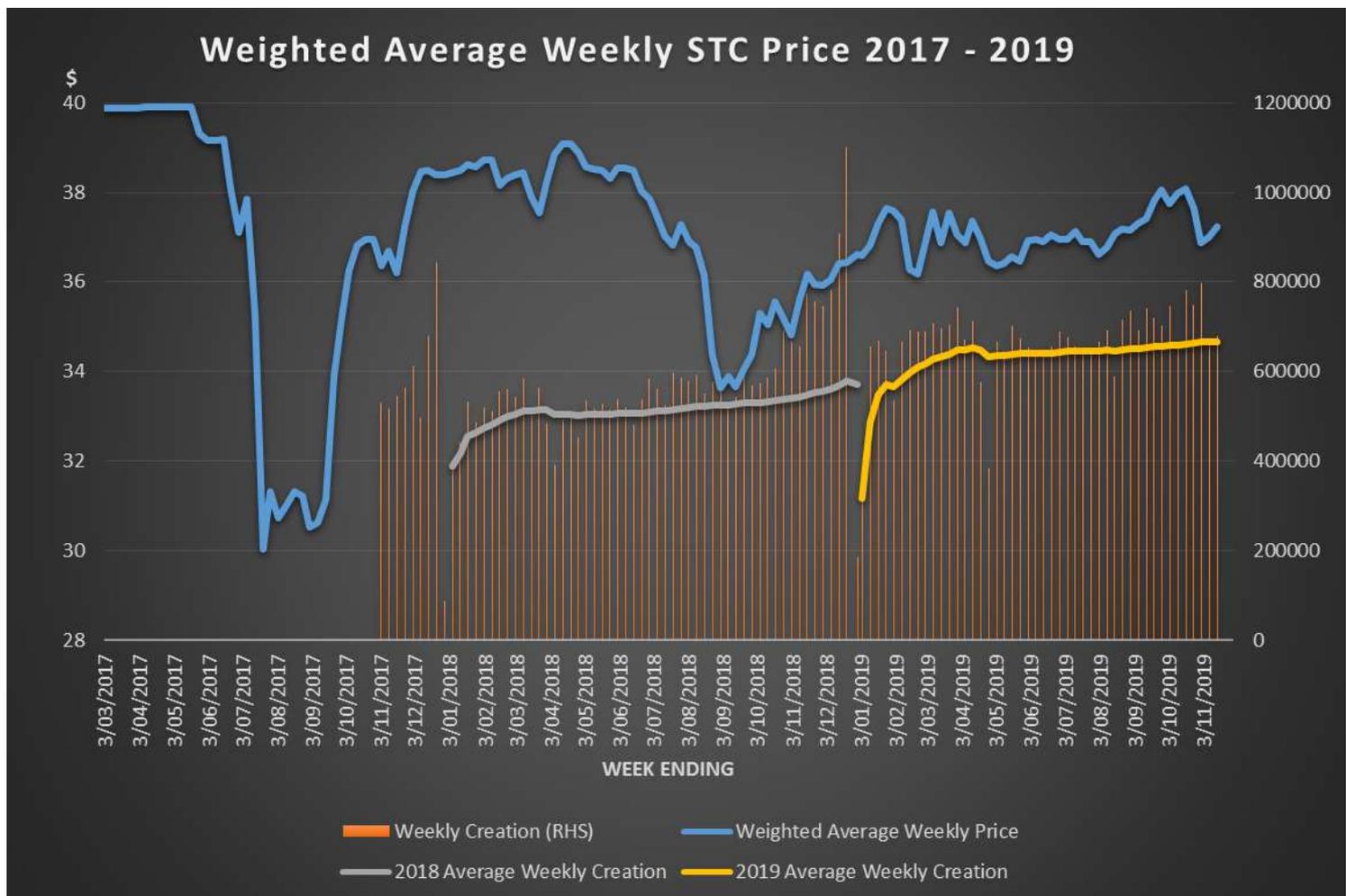
STC creation rose this week following last week's holiday interrupted certificate production. Spot prices rose on the back of registration bottlenecks at the Clean Energy Regulator.

New submissions to the CER rose to 680,000 this week, more than last week but still considerably below the level of two weeks ago.

Since the introduction by the CER of their new system for certifying the authenticity of solar panels the number of certificates submitted but awaiting registration has ballooned out. At the end of September there were 1.265 million STCs awaiting registration but by the middle of this week that had risen to 2.44 million and by week's end, despite a push by the CER on Thursday, the number was at 2.13 million. This has caused a problem for creators who are struggling to fulfil forward contract obligations and it has put enormous upward pressure on the spot market at a time when the weight of installations should be pushing prices on a downwards trajectory.

Spot trading opened unchanged from last week's \$37.00 but rose to reach a high of \$37.35 before settling at \$37.25 on turnover of 138,000 STCs.

The forward market saw only 55,000 certificates contracted for delivery from April to October 2020. The curve now has a downward shape with April and May trading at \$37.30 while August to October dealt at \$37.00.



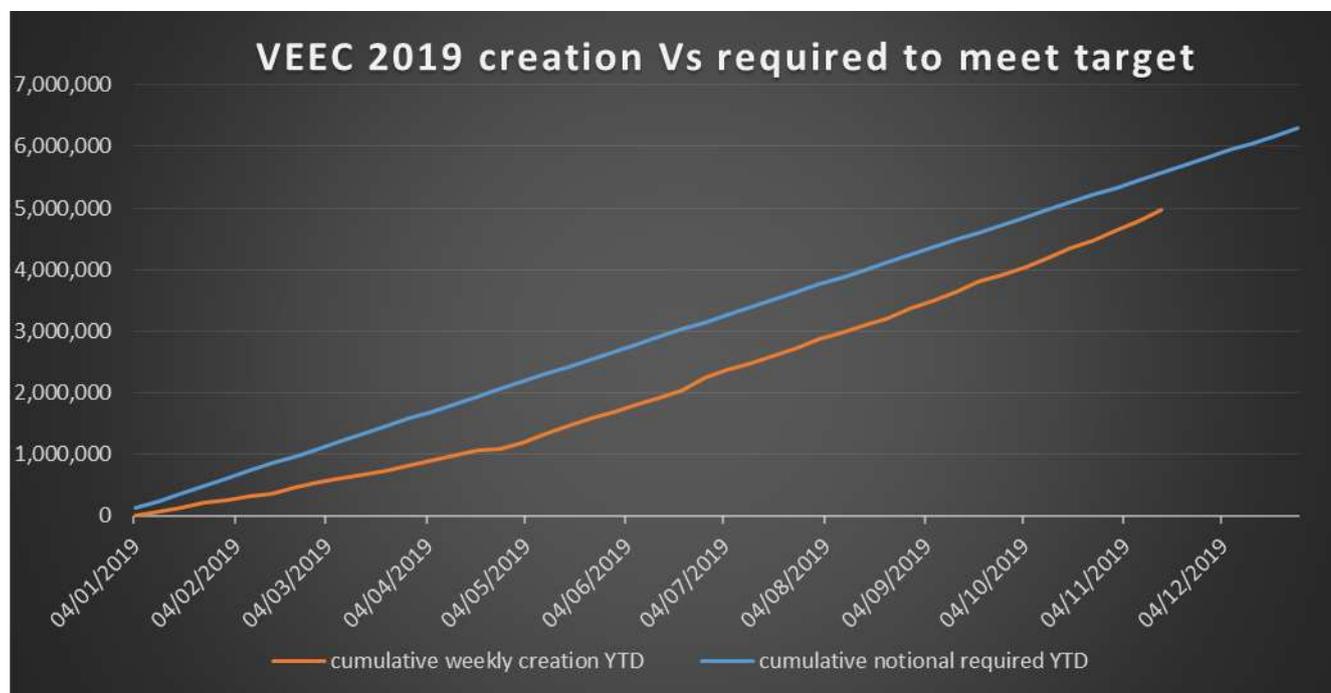
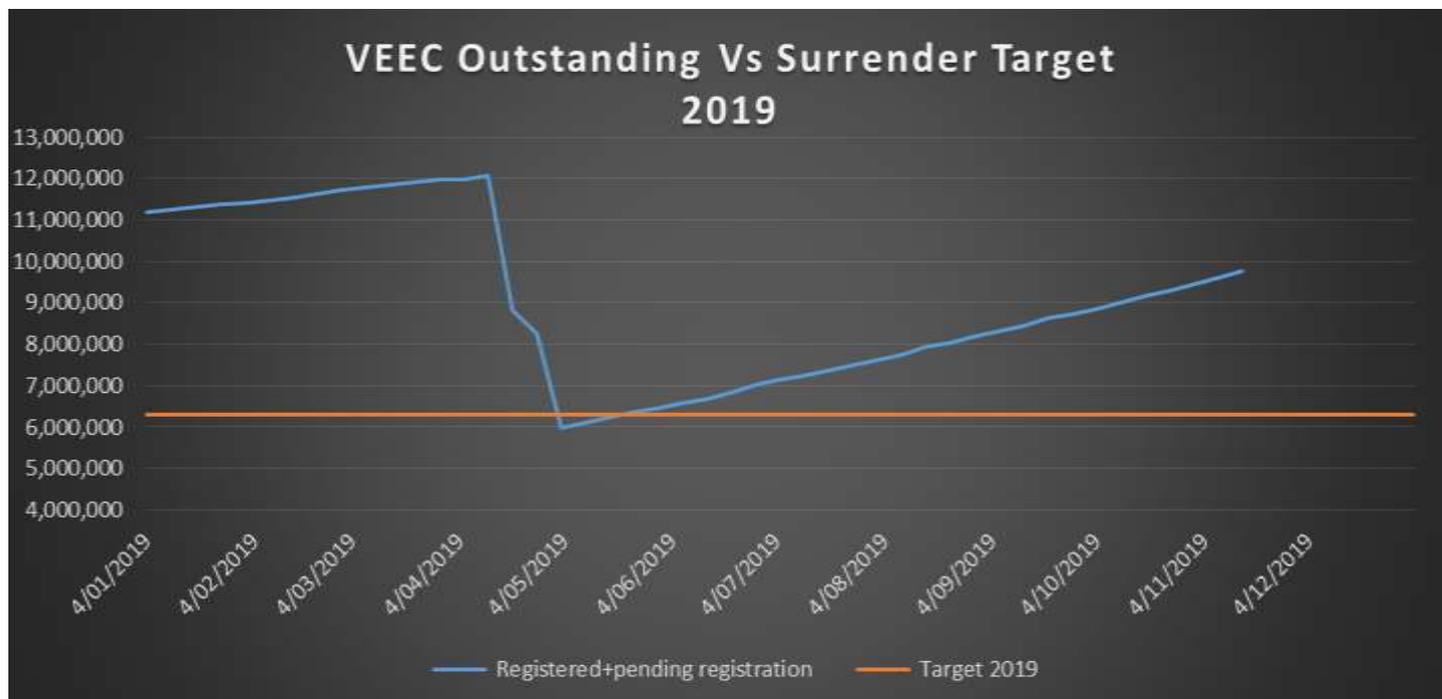
VIC VEECs

VEEC creation was robust again while market prices soared in heavy trading.

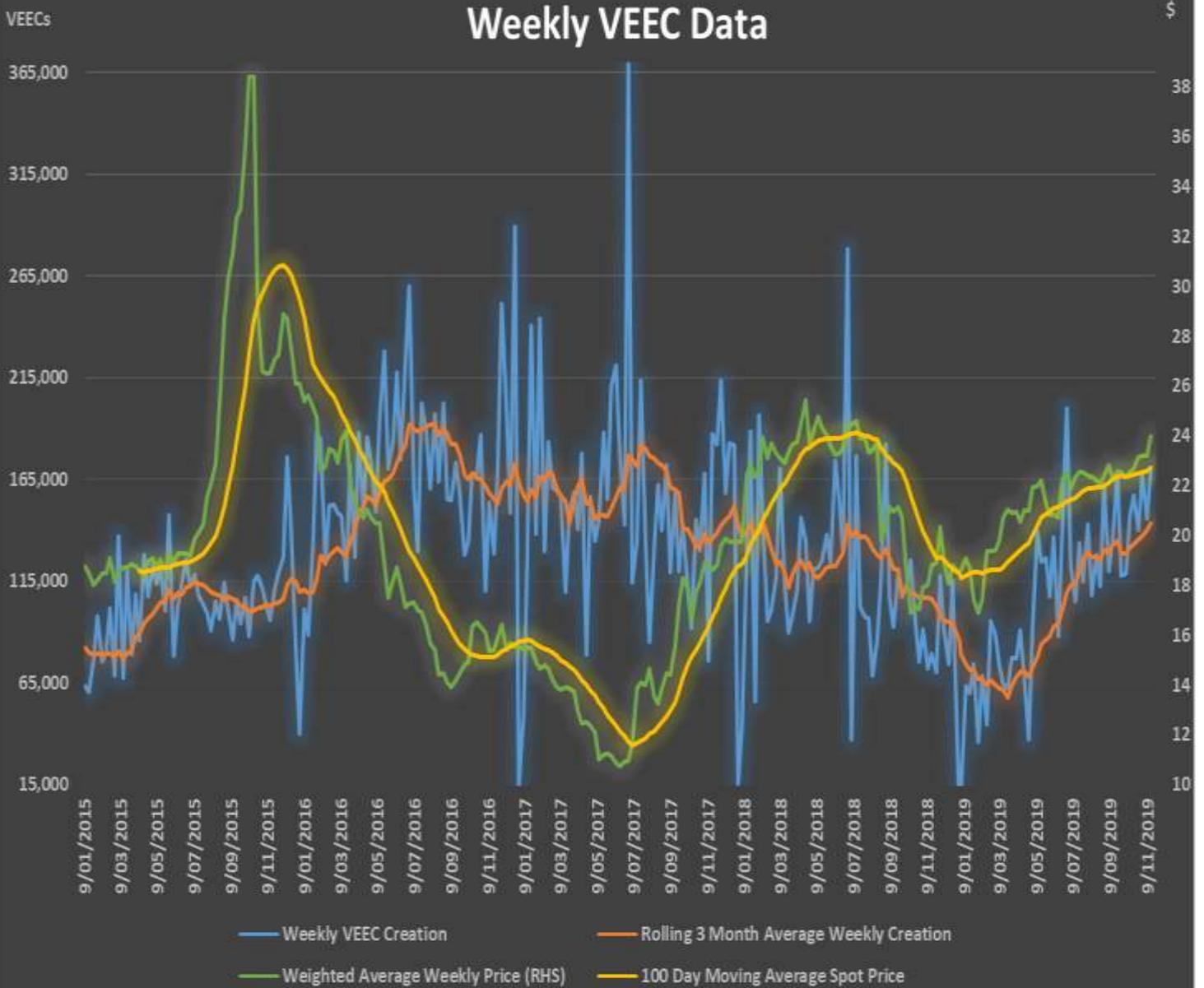
New registrations of VEECs came in at just under 170,000 this week, the biggest creation number since the end of June.

The spot market opened 5 cents higher, at \$23.25, and by mid-week had gradually risen to \$23.80 whereupon it dipped back to \$23.40. VEEC bulls then took command and rallied the price a dollar to close us at \$24.40 on turnover of 125,000 certificates.

The forward market roared to life as the spot price rallied with 450,000 VEECs trading for delivery between the end of November this year and December 2020. Trades settling later this year attracted a premium of 10 cents to the prevailing spot level while 2020 originally gained 45 cents but this had fallen to 20-30 cents by week's end as the spot price rose.



Weekly VEEC Data



Weekly Traded Spot Volume



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