

CERTIFICATE REPORT

31/01/2020

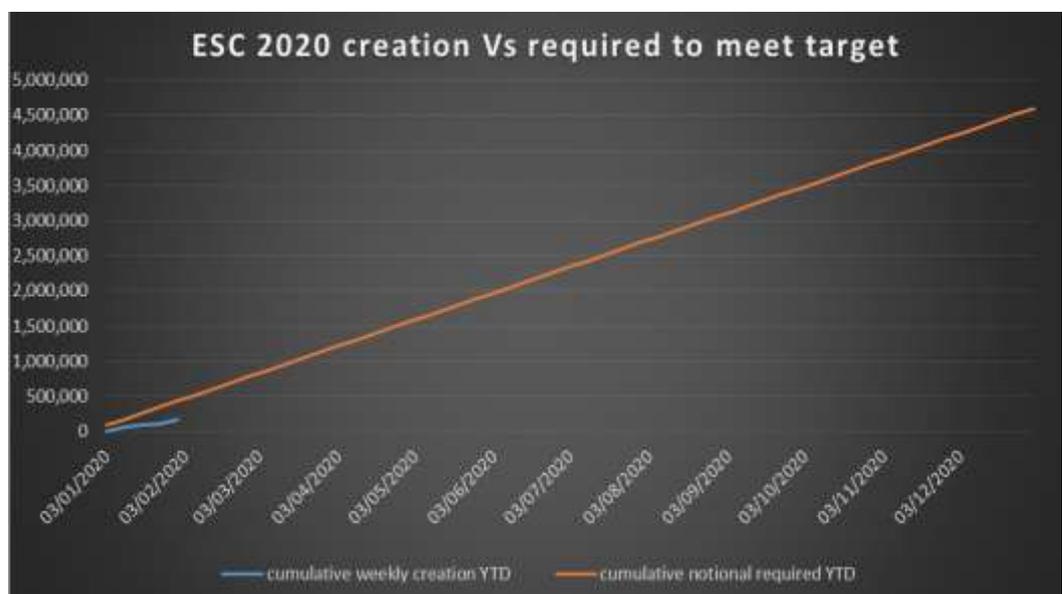
NSW ESCs

ESC creation rose this week and market prices fell back.

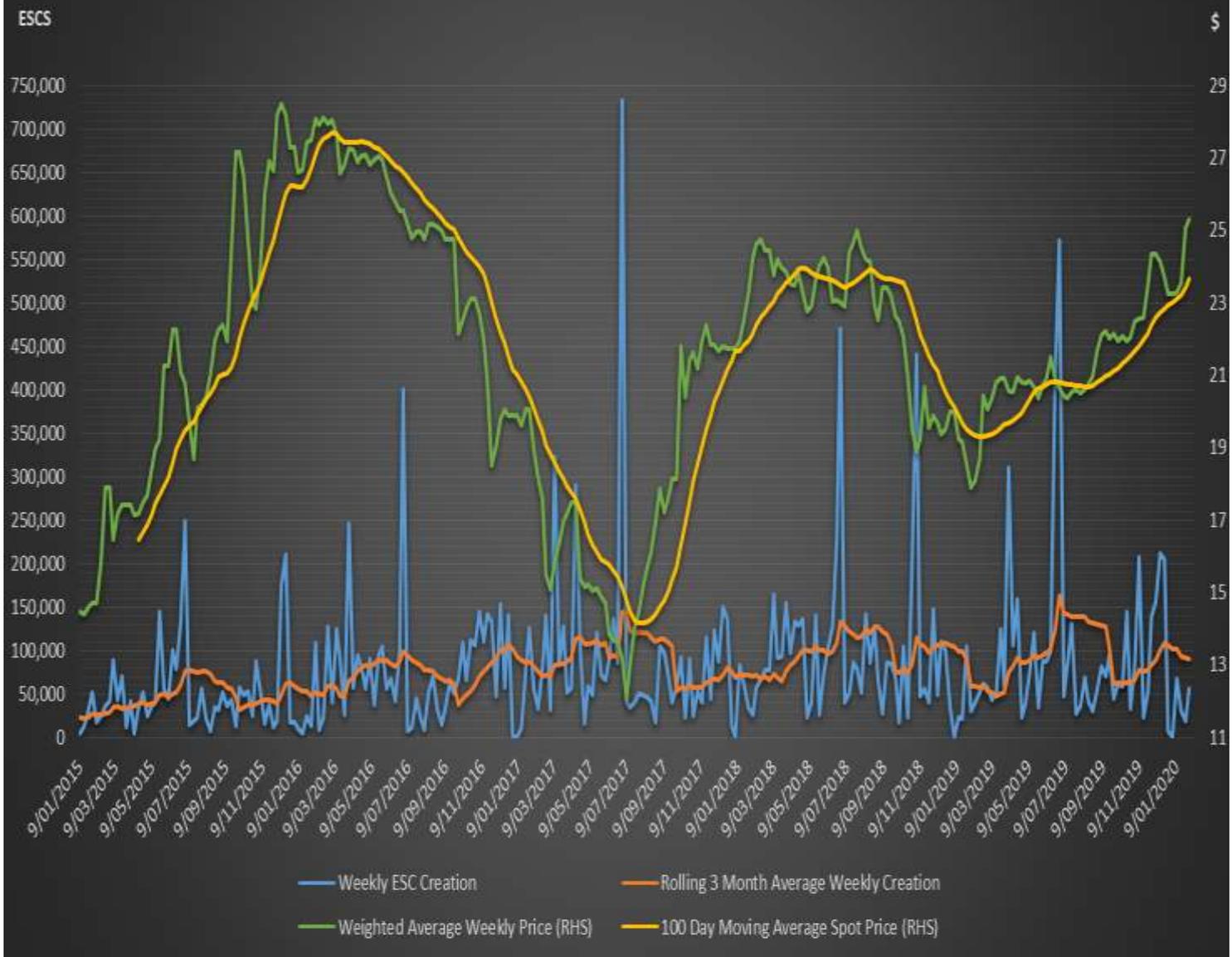
ESC registration came to 56,100 this week bringing the total for the month of January to 172,500 only slightly lower than last January's 179,000.

The spot market actually opened a lot higher than the last close. The first trade was at \$26.50, a jump of \$1.50, but the price came off rapidly from there to close the week at the low of \$25.00 on turnover of 40,000 ESCs.

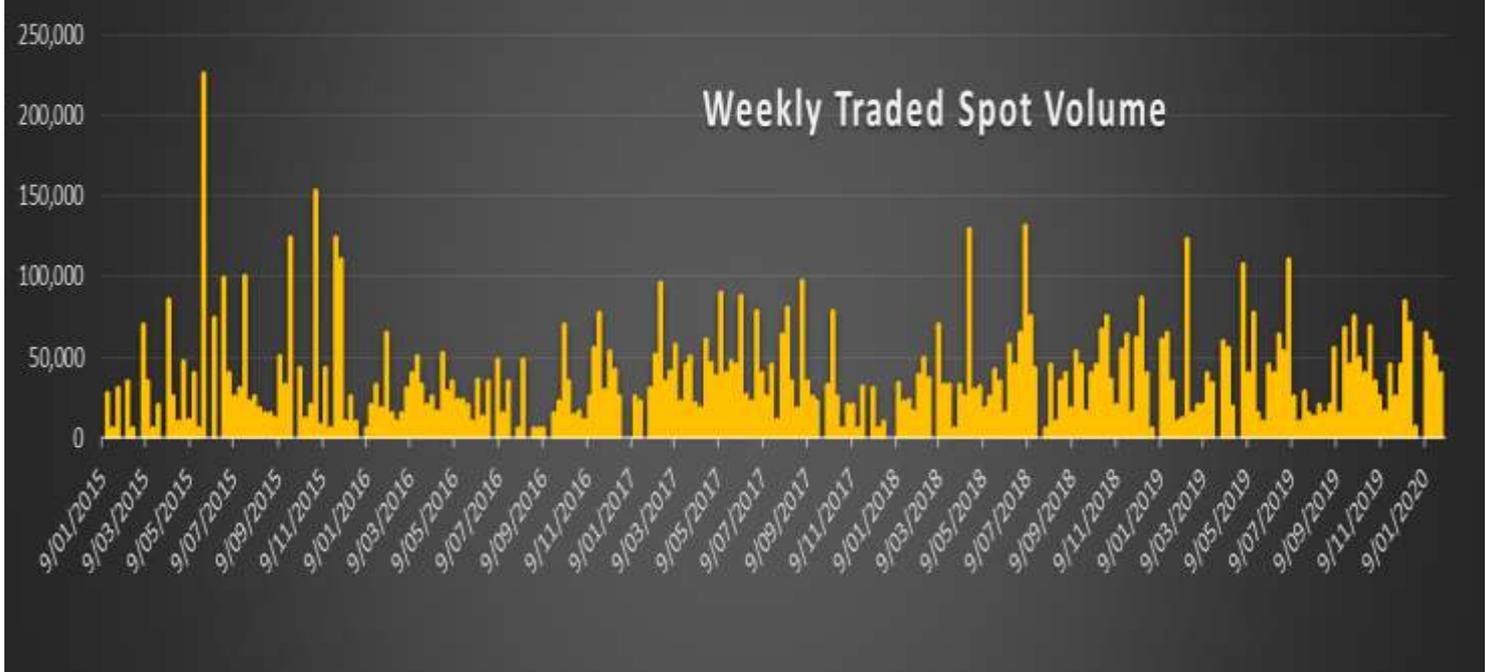
The forward market saw 182,000 certificates trade for settlement between February and December this year. The curve sloped slightly upwards with trades for February dealing in line with the prevailing spot level while March gained a premium of around 10 cents increasing through the year to 35 cents for December.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

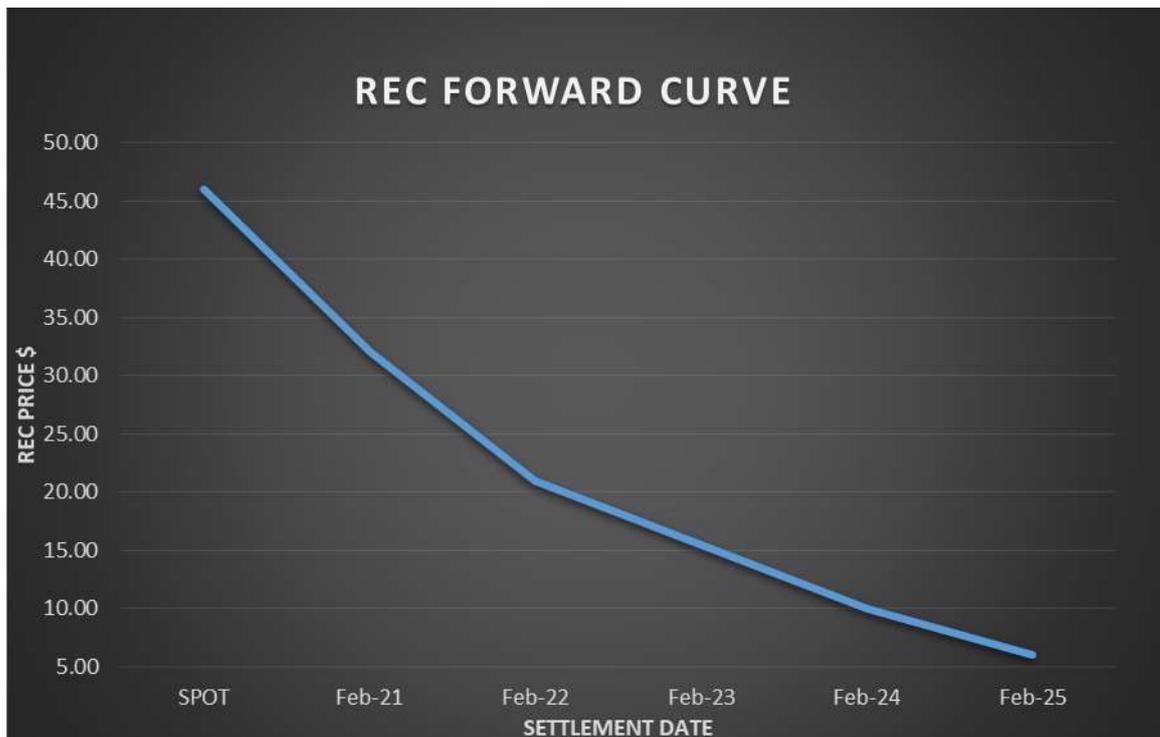


Renewable Energy Certificates

LGC prices rose throughout the curve pulled upwards by a rapid increase in the spot/Calendar 2019 contract.

A squeeze on buyers needing to cover outstanding 2019 surrender obligations saw the spot price climb from an opening \$37.50 to a high of \$47.00 before settling only slightly lower, at \$46.00. Turnover totalled 475,000 LGCs.

The rest of the curve rose on the back of the Calendar 2019 action with Calendar 2020 (February 2021 delivery) adding \$3.25 to close at \$32.00 on volume of 130,000 certificates. Calendar 2021 put on \$1.00 to finish at \$21.00 on turnover of 20,000 LGCs and Calendar 2022 gained \$2.10, closing at \$15.50 on turnover of 172,000 certificates. Calendar 2023 traded 12,000 certificates at \$10.00



Small Technology Certificates (STC)

STC creation dropped due to the holiday shortened week while market prices were mostly unchanged.

New submissions to the CER came in at 582,000 bringing the total for January to 3.139 million, an 11% rise on last January's figures.

Spot trading was broadly in line with last week with certificates eligible for 2019 surrender obligations dealing between \$37.80 and \$37.90 and 2020 certificates fetching between \$37.60 and \$37.70. Volume totalled 214,000 STCs.

In the forward market 199,000 STCs were reported dealing for delivery between February 2020 and February 2021. Deals for February this year traded in line with the spot price while the rest of 2020 dealt between \$37.85 and \$37.90. February 2021 dealt at \$38.00.



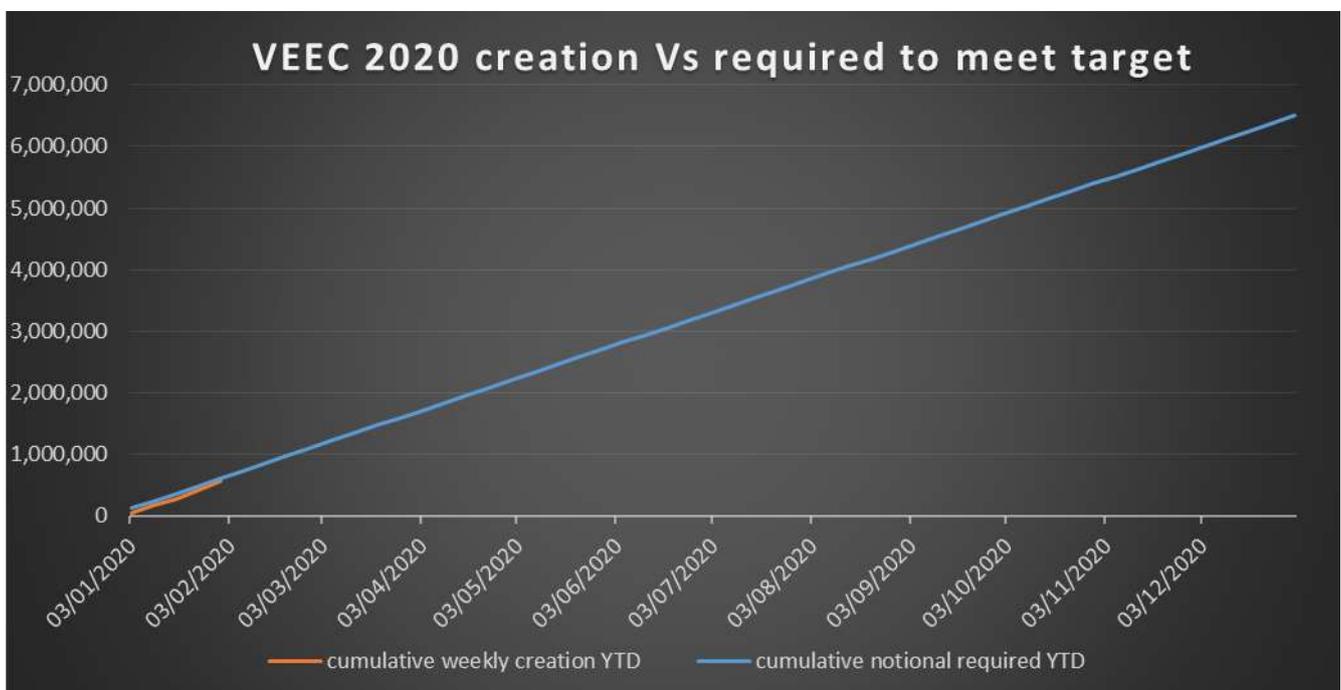
VIC VEECs

VEEC creation was steady while market prices gave up much of their recent gains.

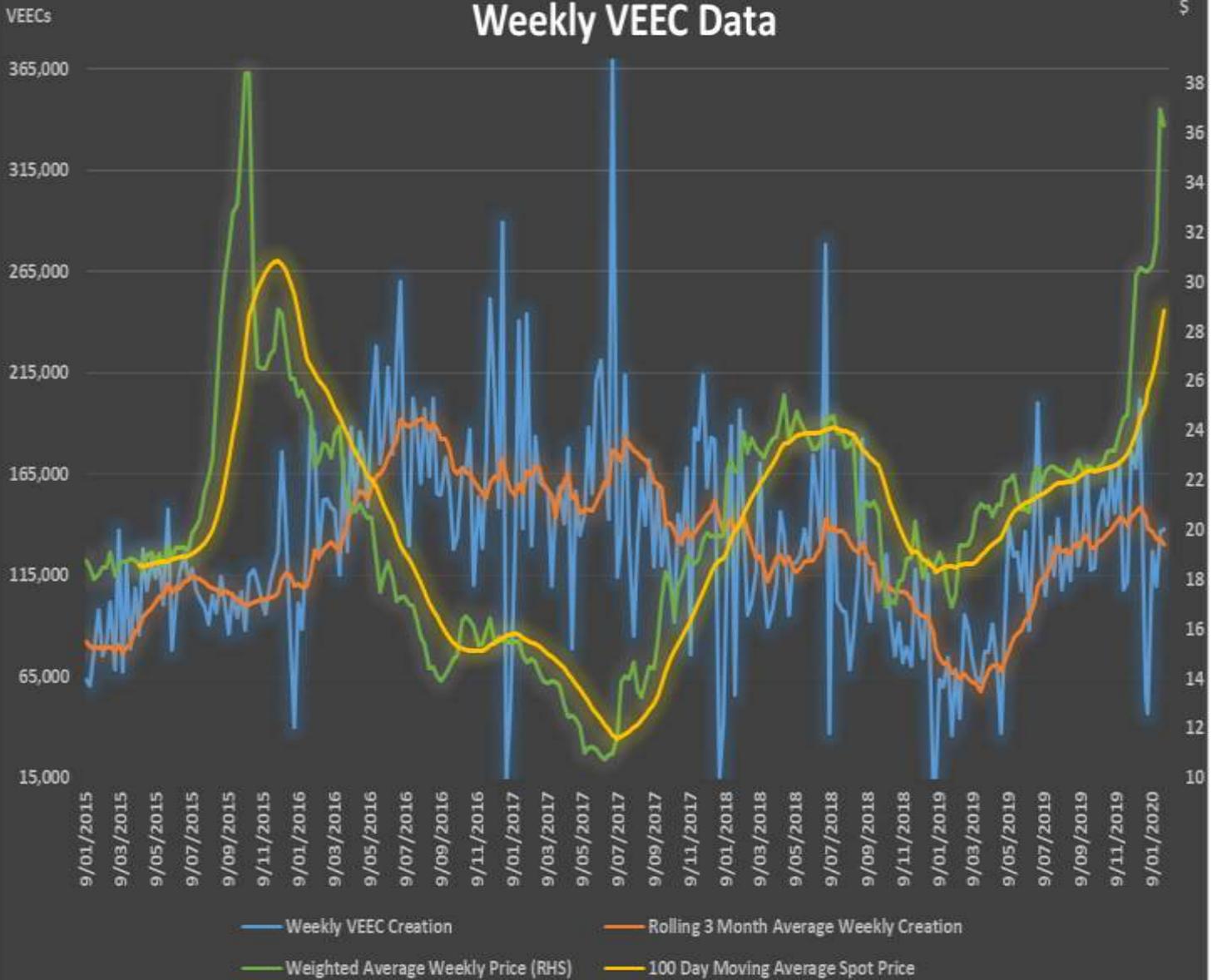
VEEC registrations came to just under 138,000 this week bringing the total for January to 557,700. This is over double last January's 246,500 total.

The spot market opened 10 cents higher, at \$38.60, and was quiet for the first few days until a rapid sell down on Thursday saw the price fall to a low of \$34.00 before closing on Friday at \$34.15 on turnover of 155,000 certificates.

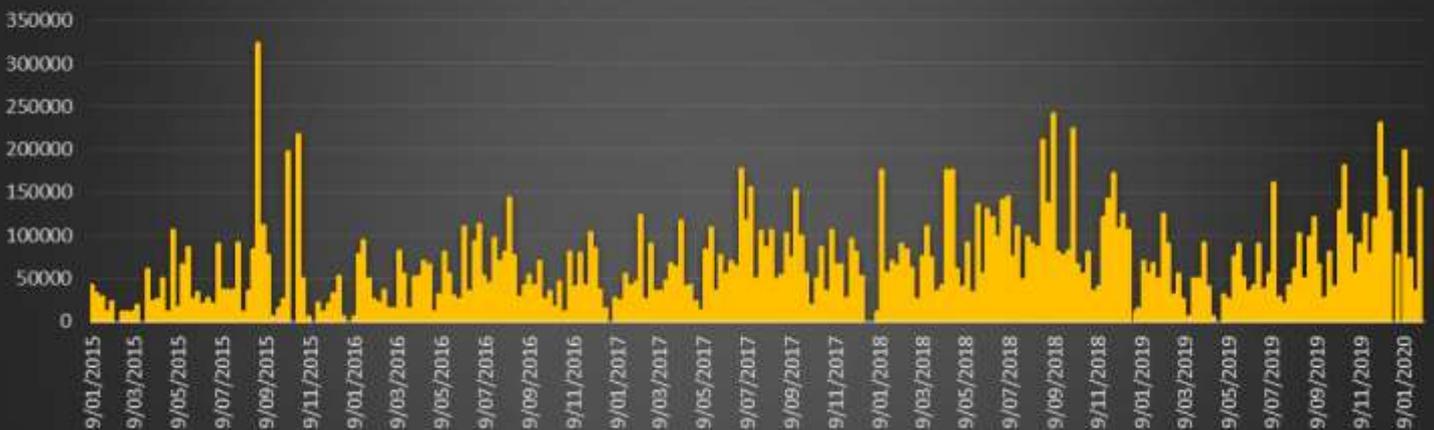
The forward market saw 315,000 VEECs trade for delivery between February and December this year. The curve had an upward slope at the beginning of the week but this rapidly flattened as the spot price plummeted with trades for December dealing at the same price as the spot. However by the end of the week the forward curve sloped upwards again with trades for February dealing flat to the prevailing spot level while March to December added a premium rising from 20 cents to 70 cents by year's end.



Weekly VEEC Data



Weekly Traded Spot Volume



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