

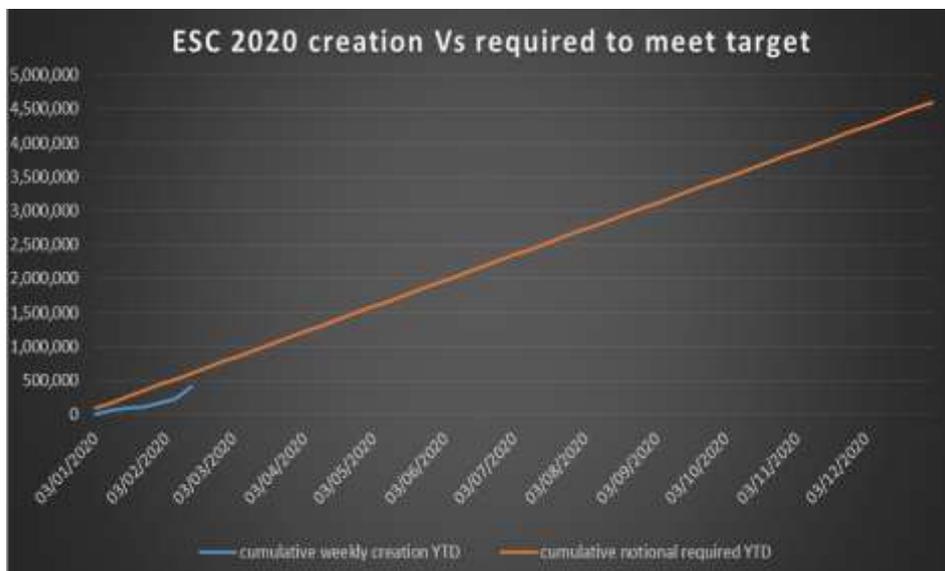
NSW ESCs

ESC creation exploded higher while market prices rose modestly.

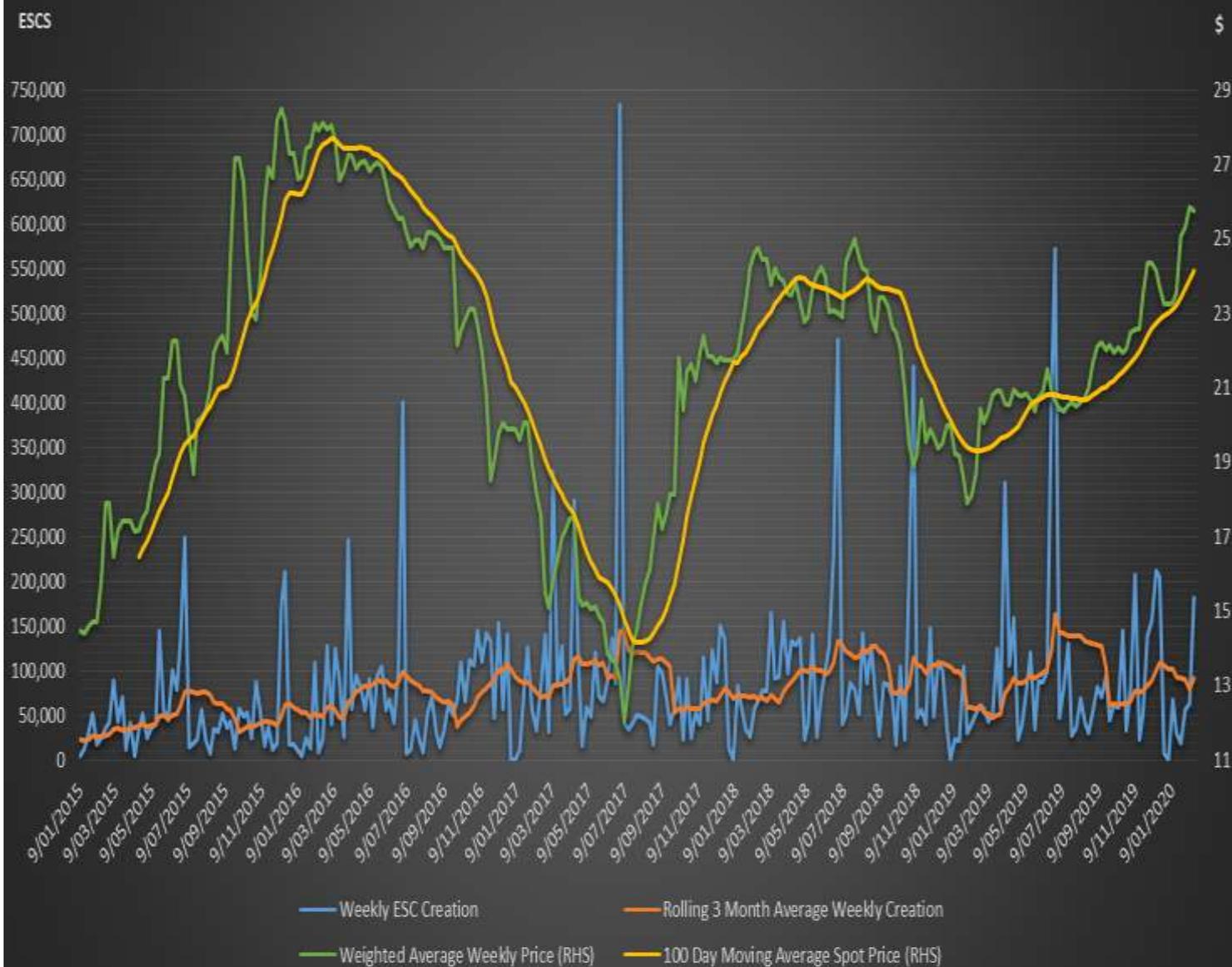
The choppy nature of ESC registration was on display again this week as creation leapt to 181,700, three times last week’s number. This brings the number of certificates in the Registry just 900,000 shy of reaching this year’s surrender target.

Spot trading opened 25 cents lower, at \$25.75, and fell to \$25.50 before climbing to close at the week’s high of \$26.10 on turnover of 40,000 ESCs.

The forward market saw 141,000 certificates contracted for delivery between late February and October this year. The curve had a slight upward tilt with trades settling in March attracting a premium of around 10 cents to the prevailing spot price, rising to 40 cents by year’s end.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

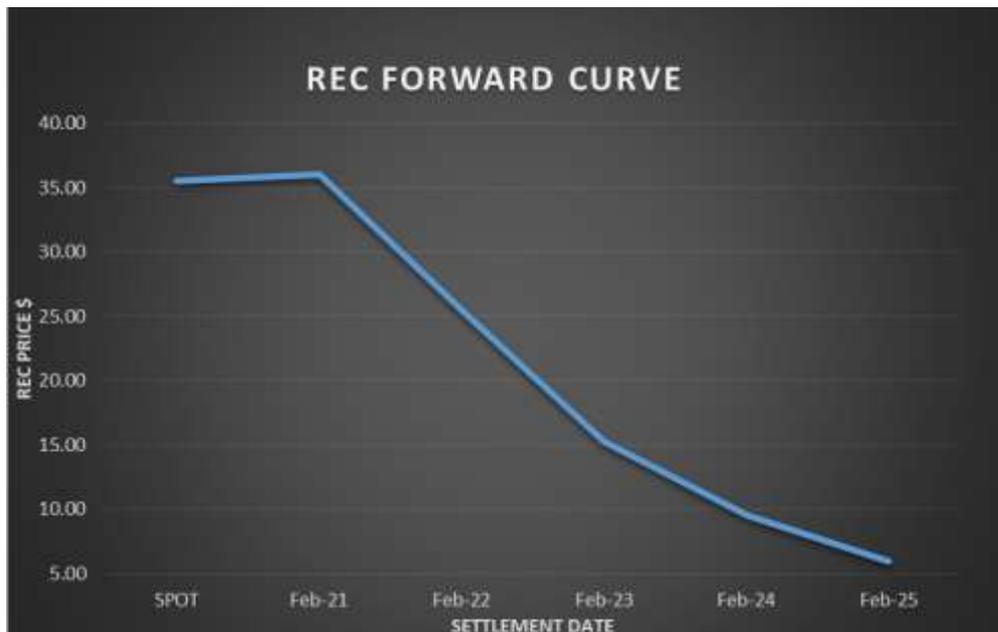


Renewable Energy Certificates

LGC prices rose on reports of renewable systems having problems with financing and grid connections.

Trading in the 2019 contract came to a close this week as the surrender deadline passed on Friday. A total of 56,500 certificates traded, finishing at \$37.00. Spot trading in 2020 compliant certificates opened at an unchanged \$31.00 and initially dropped to \$30.50. However a report that the engineering firm Downer EDI was pulling out of the Solar market, along with ongoing stories of existing renewable systems being forced by grid constraints to lower their production and further reports of systems being delayed in connecting to the grid, caused concerns that the supply of certificates for this year may be insufficient to meet the surrender obligations. This caused an upward move in the spot market with prices rallying to close at \$35.50 on turnover of 111,000 LGCs.

The Calendar 2020 contract (February 2021 delivery) followed suit, also opening at \$31.00 and falling to \$30.50 before closing at \$36.00 on volume of 144,000 certificates. This represented a jump of \$4.50 from last week's finish. Calendar 2021 added \$2.00 to close at \$25.50 on turnover of 215,000 LGCs. Calendar 2022 gained 25 cents, closing at \$15.25 on turnover of 120,000 certificates.



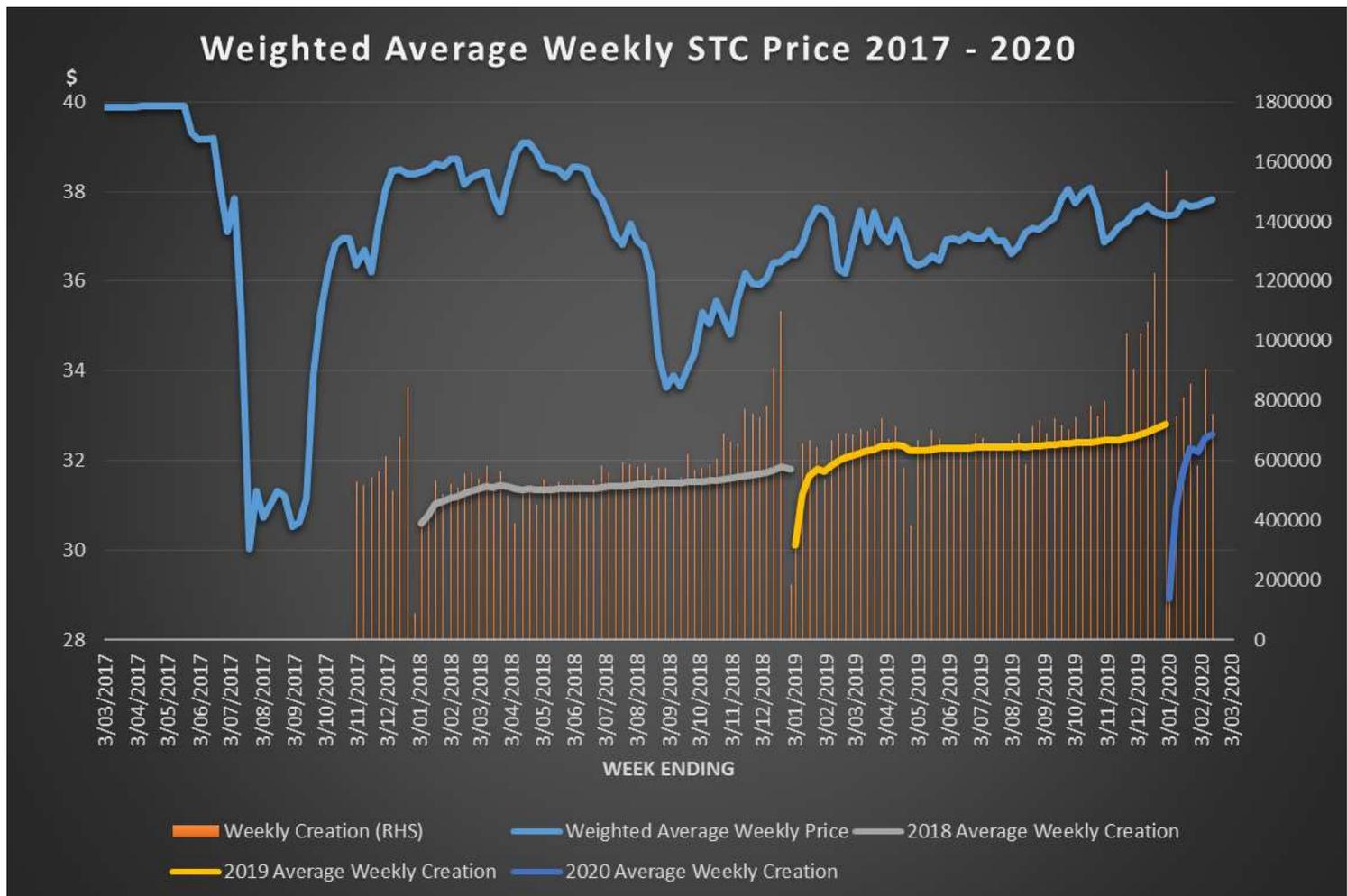
Small Technology Certificates (STC)

STC creation fell slightly while market prices rose very slightly.

New submissions to the CER came to 757,500 this week, a drop of around 150,000 from last week though last week's figures were probably slightly inflated with holdovers from the prior holiday shortened week.

Spot trading opened 10 cents lower, at \$37.75, but recovered and briefly rose to the week's high of \$38.10 before falling back to close at \$37.90 on turnover of 530,000 STCs.

The forward market was very active with 962,000 certificates reported trading for delivery from March to December 2020. Deals for March and April generally traded around 5 cents over the prevailing spot level, while that price was hovering around 37.80, while the majority of the rest of the deals were struck at \$38.00.



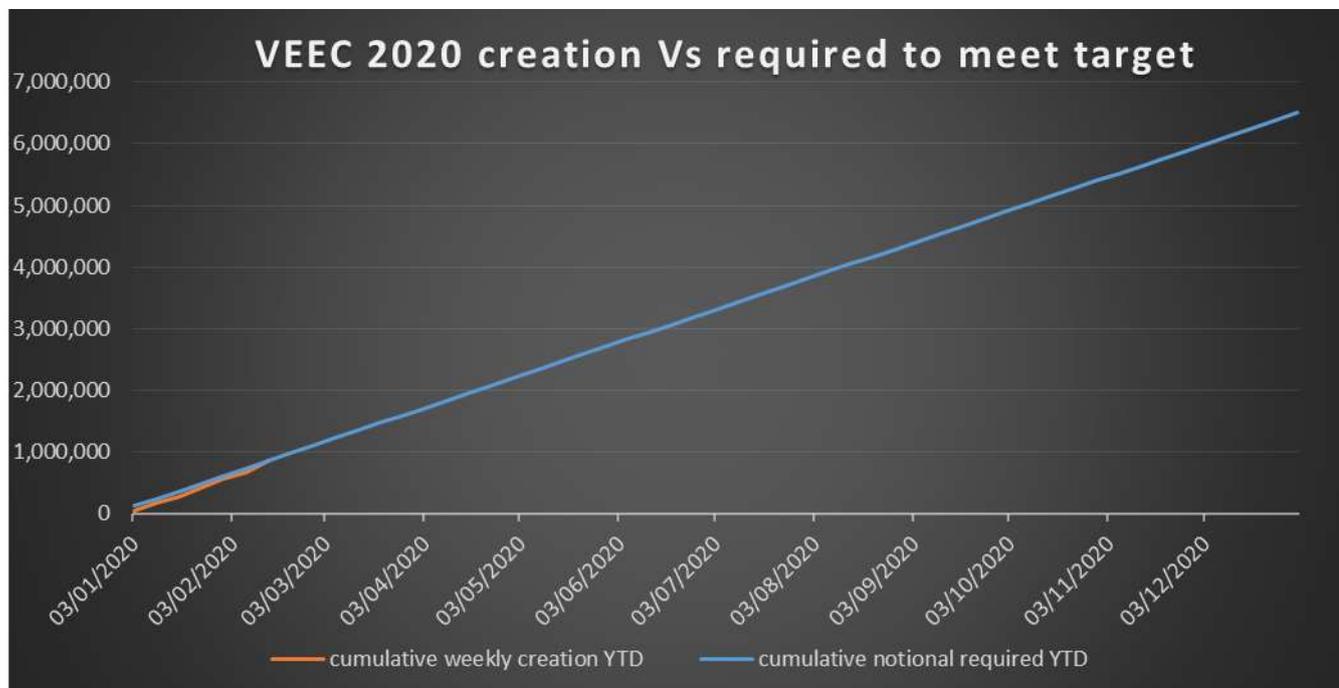
VIC VEECs

VEEC creation leapt this week while market prices rose too.

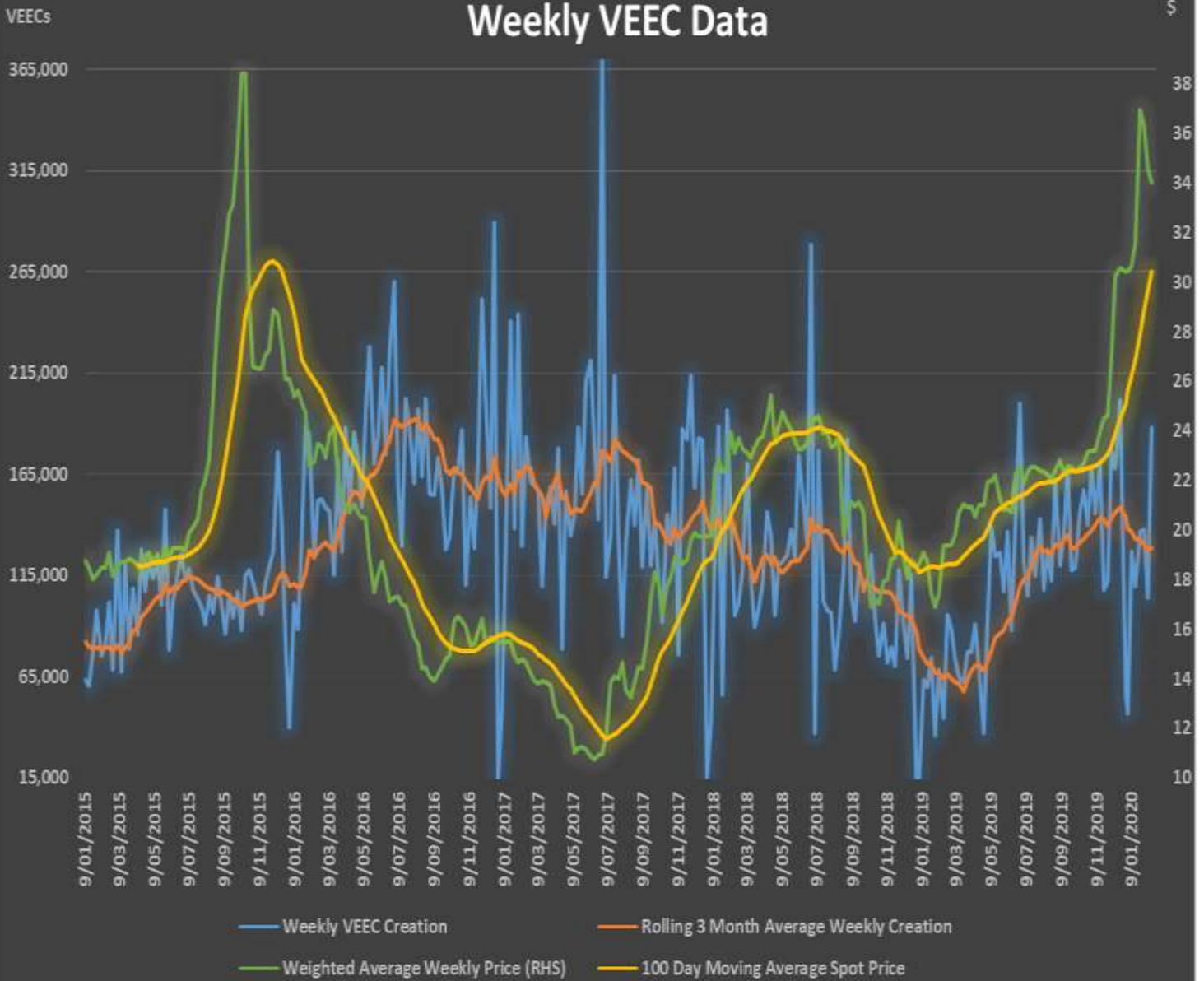
VEEC registrations saw the largest weekly number for the year so far, at 188,150. This brings the Registry to just 1.4 million certificates short of this year's surrender target.

The VEEC market, however, operates without regard to the supply of certificates and thought spot trading opened 50 cents lower, at \$34.00, and fell to a low of \$33.50, subsequent buying saw us close at \$35.15 on volume of 65,000 VEECs.

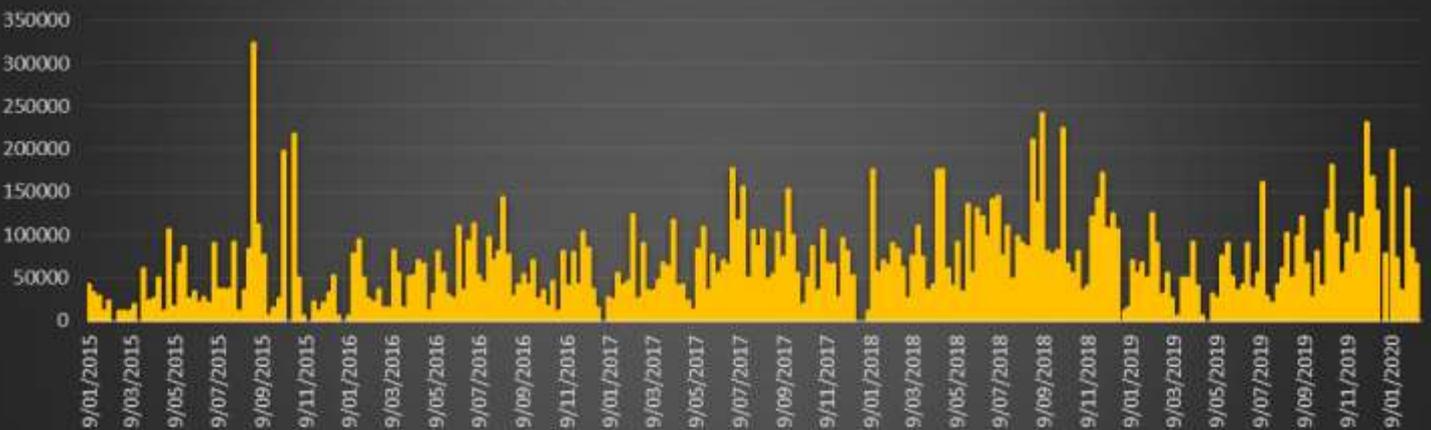
In the forward market 176,000 certificates traded for delivery between March and November this year. The slope of the forward curve fluctuated throughout the week but finished with a slight upward bias. Trades settling in the first half of the year were struck flat to the prevailing spot level while those for late in the year gained a premium of around 40 cents.



Weekly VEEC Data



Weekly Traded Spot Volume



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