

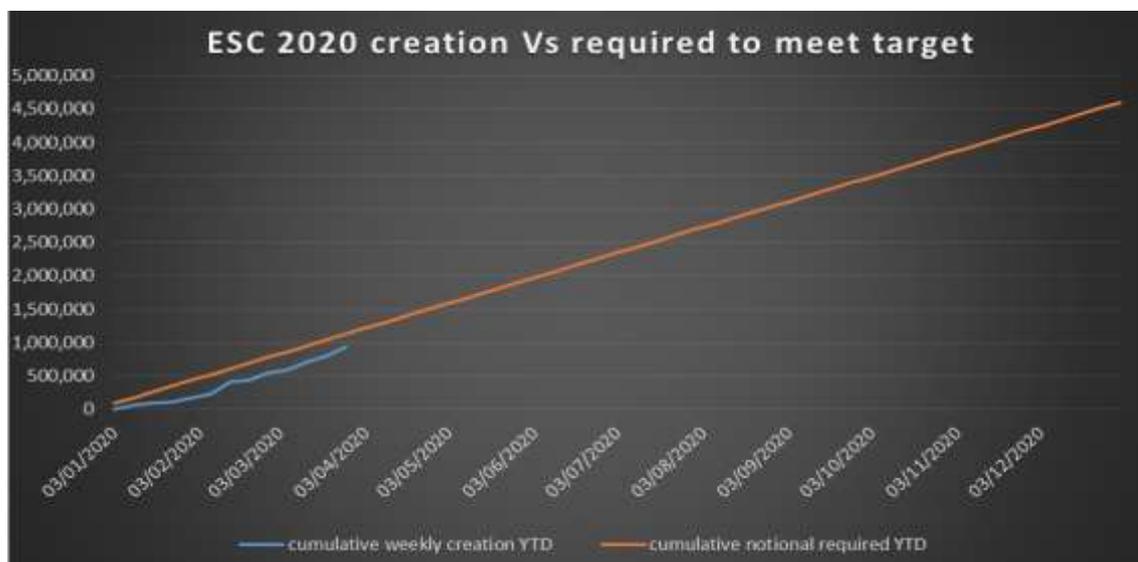
NSW ESCs

ESC creation doubled this week while prices advanced on continued fears of a lessening in the future supply of certificates due to the Corona Virus induced economic slowdown.

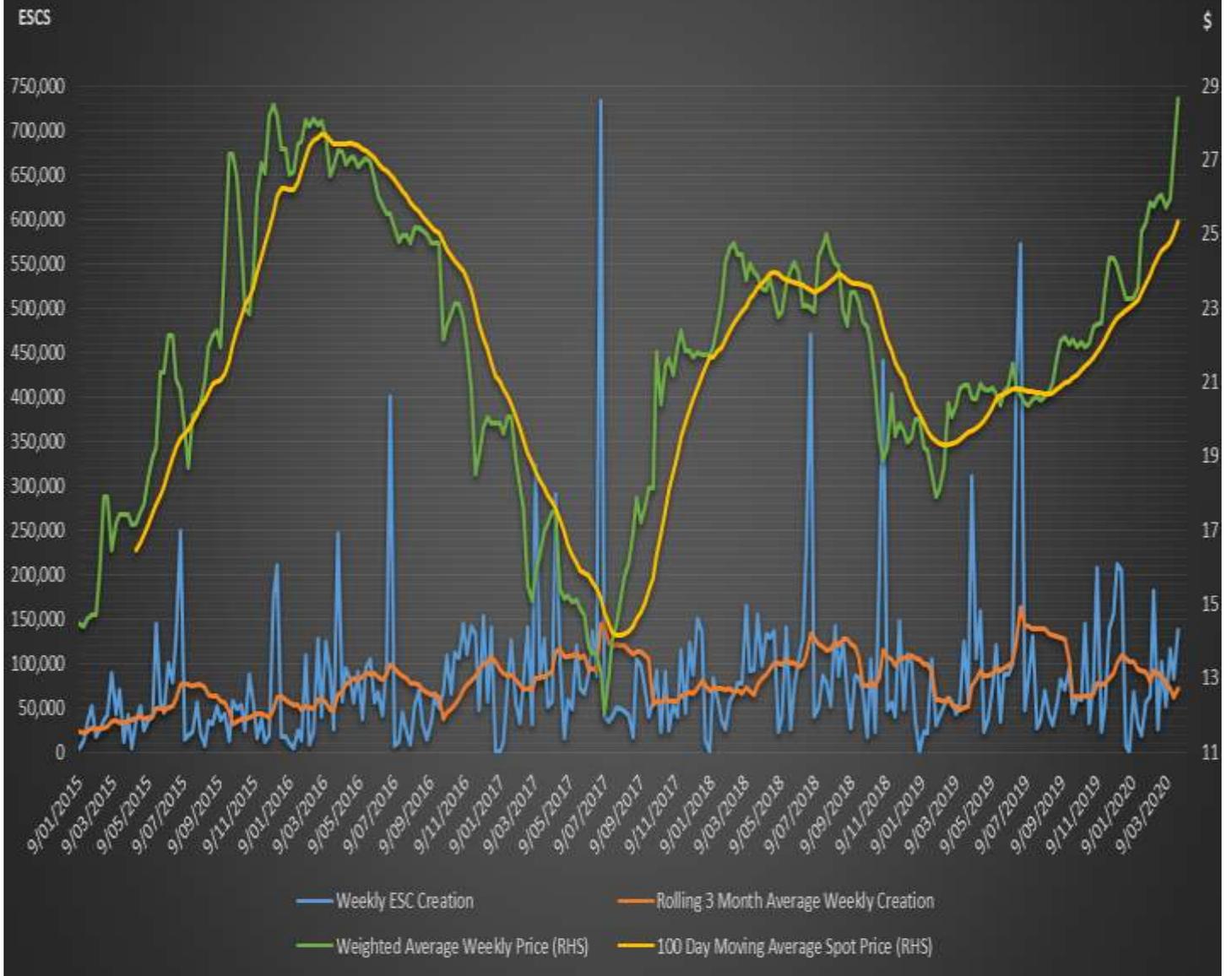
Certificate registration increased to 137,500 this week, bringing the number of ESCs required to meet the 2020 surrender target to under 400,000.

Despite the surge in creation the fear of a possible impending scarcity saw the spot market open 75 cents higher, at \$28.50. We briefly rose from there to reach a mid-week high of \$29.00 but slipped back to close at \$28.40 on turnover of 135,000 ESCs.

In the forward market 91,000 certificates traded for delivery between April and December this year. The curve had a slight upward slope with trades for April trading in line with the prevailing spot price rising to a premium of around 35 cents for December.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

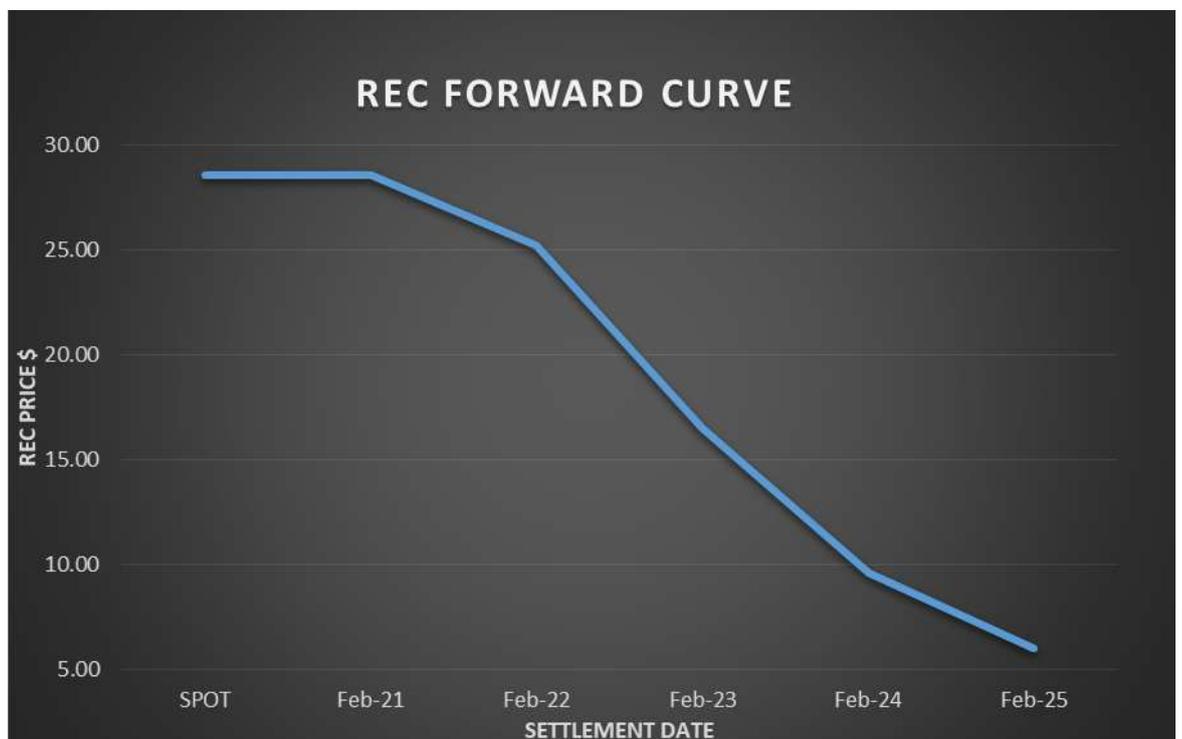


Renewable Energy Certificates

LGC prices at the front of the curve continued to fall while the rest of the curve remained steady.

Continued fears of a drop in electricity sales leading to a reduced demand for LGCs this year weighed again on the spot market which opened unchanged at \$31.25 but fell continuously from there to close at \$28.50 on turnover of 120,000 LGCs.

Calendar 2020 (February 2021 delivery) opened at \$31.00 and fell in line with the spot market, finally giving up \$3.40 to close at \$28.60 on volume of 240,000 certificates. Calendar 2021 lost 55 cents to close at \$25.20 on turnover of 208,000 LGCs. The Calendar 2022 contract bucked the trend, opening at \$16.50 and dealing as high as \$17.00 before closing back at \$16.50 for a gain of 25 cents on turnover of 75,000 certificates.



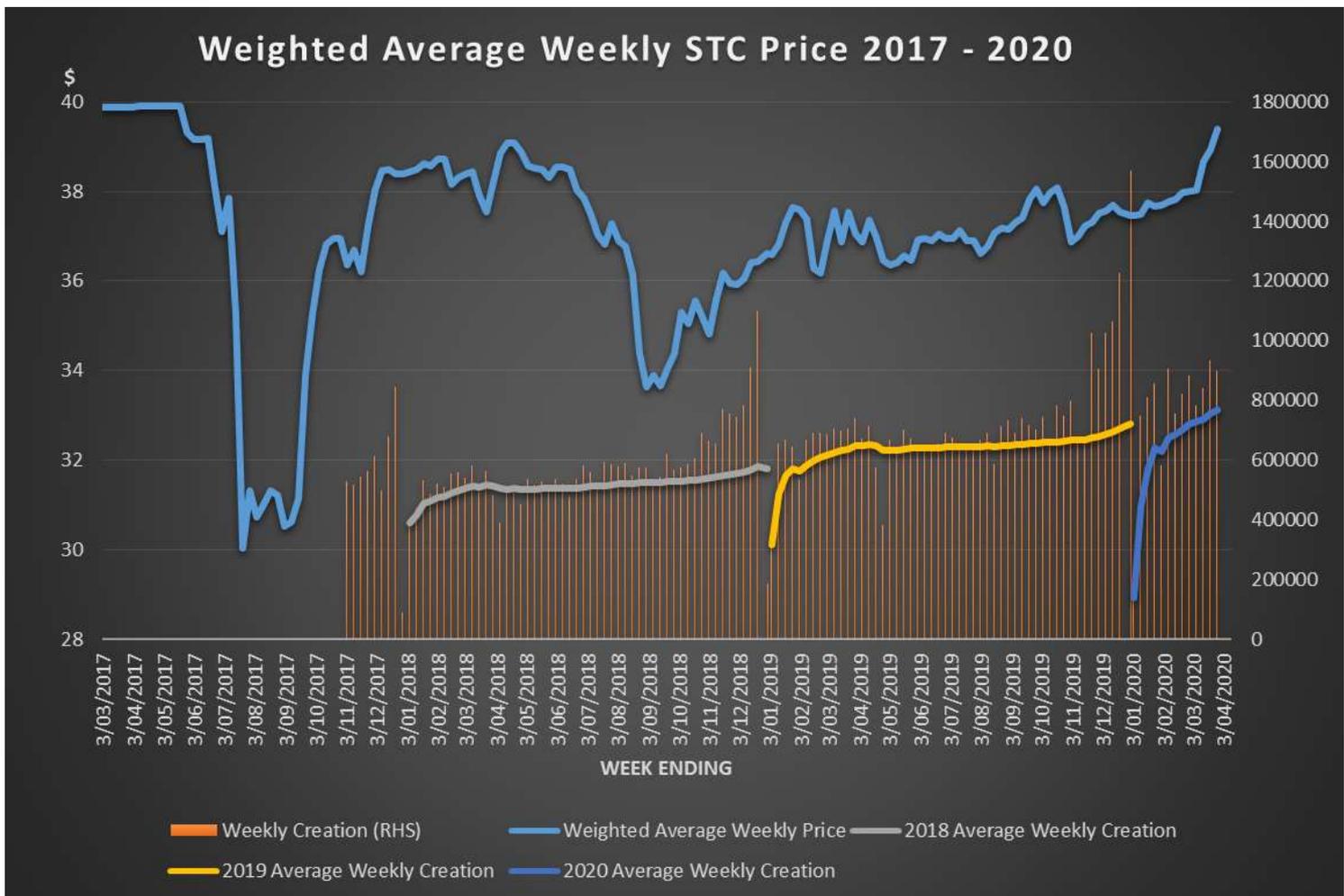
Small Technology Certificates (STC)

STC creation dropped only slightly while prices continued to grind higher.

New submissions to the CER came to 899,200 this week, a drop of around 30,000 from last week.

The spot market opened at an unchanged \$39.10 but moved relentlessly higher throughout the week to close at \$39.50 on volume of 270,000 STCs.

The forward market saw 740,000 certificates trade for delivery between April this year and March 2021. All these trades were struck at prices broadly in line with the prevailing spot level.



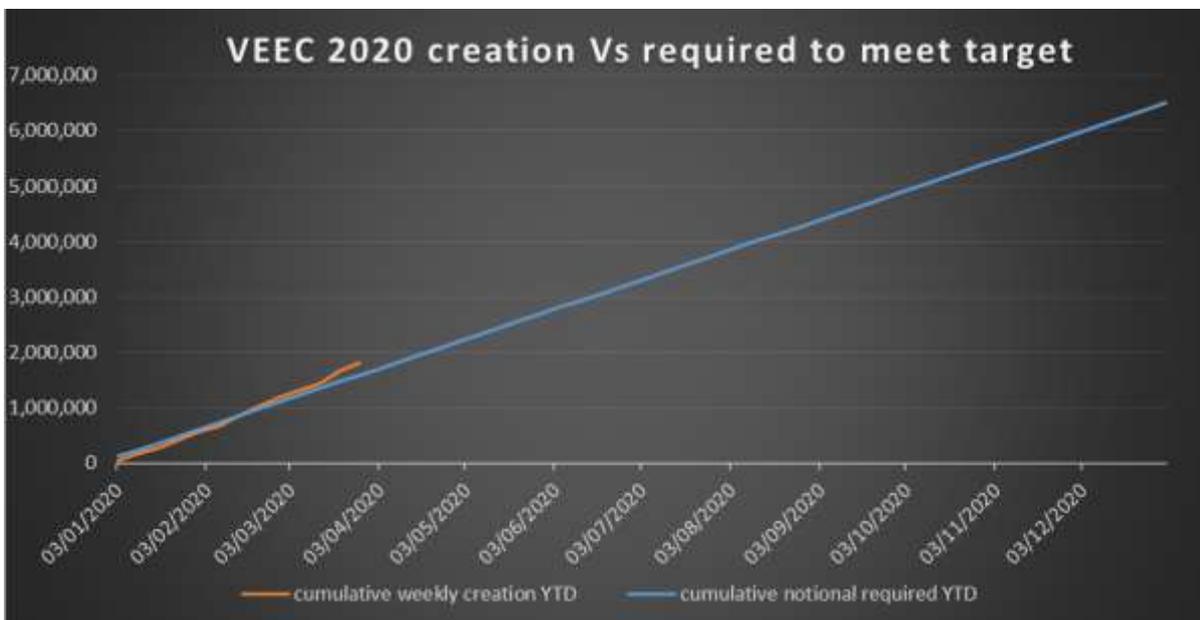
VIC VEECs

VEEC creation dropped from last week's highs but remained robust while market prices gave up much of their recent gains.

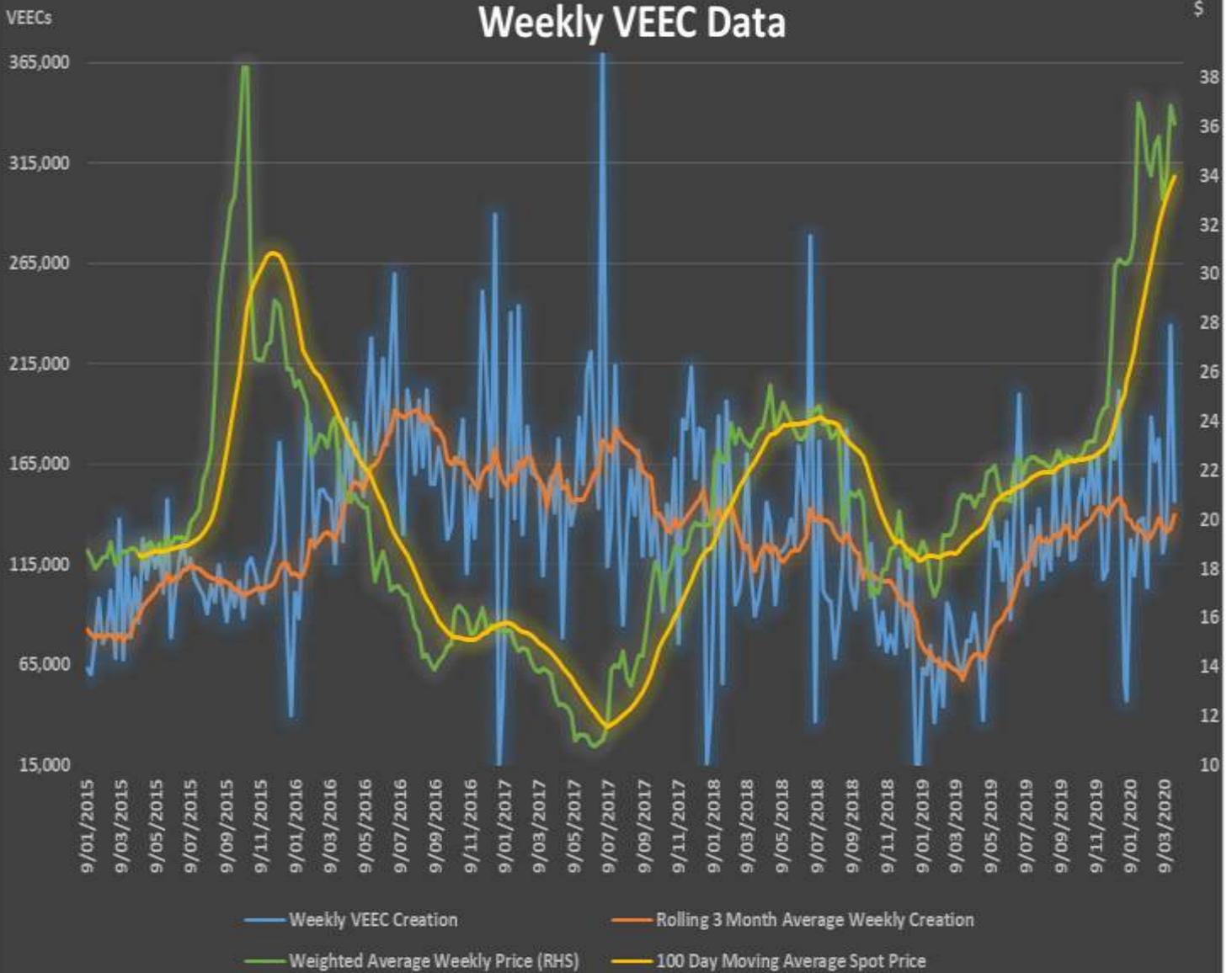
New VEEC registrations came in at 146,700 this week bringing the number of certificates in the Registry to just under 12.4 million and only 400,000 shy of reaching this year's surrender target.

The spot market actually opened 50 cents higher, at \$36.00, and traded to a high of \$37.10. The buyers couldn't keep the upward pressure on, however, and the price slid lower for the rest of week on concerns that the Essential Services Commission may make changes to the scheme in the face of the slowdown caused by the reaction to the Corona Virus. Trading closed at the week's low of \$34.50 on turnover of 85,000 VEECs.

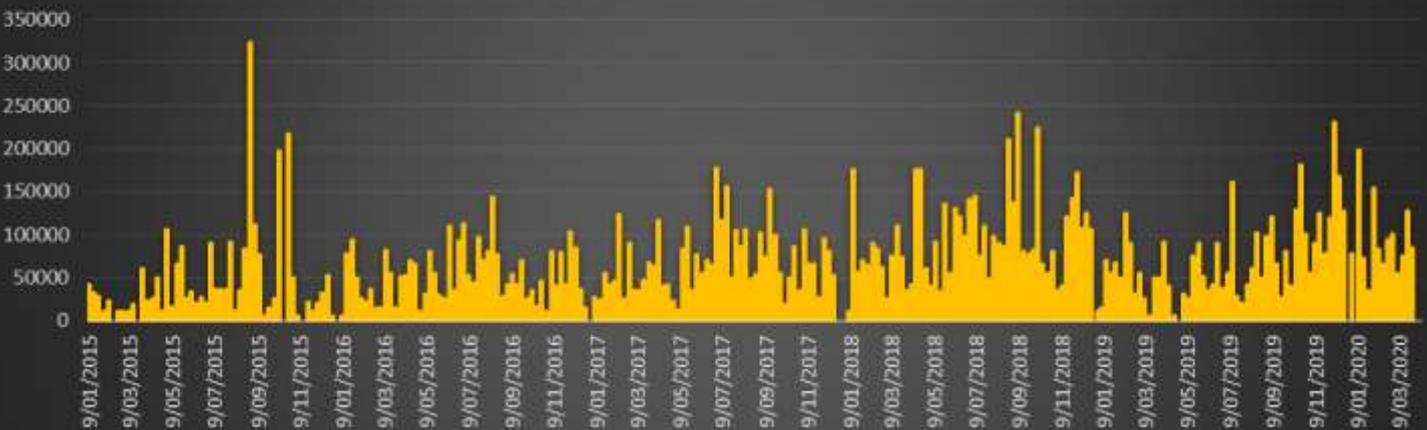
The forward market saw 180,000 certificates trade for delivery between April and December this year, and March 2021. The curve sloped upwards with trades for April dealing in line with the prevailing spot price, rising to a premium of around 80 cents for December 2020. The trade for March 2021 was struck at \$37.60, \$1.00 higher than the spot price at the time.



Weekly VEEC Data



Weekly Traded Spot Volume



PO Box Q1251 QVB Post Office NSW 1230

Suite 506, 66 Hunter Street, Sydney, NSW 2000

Phone +61292794704 www.demandmanager.com.au