

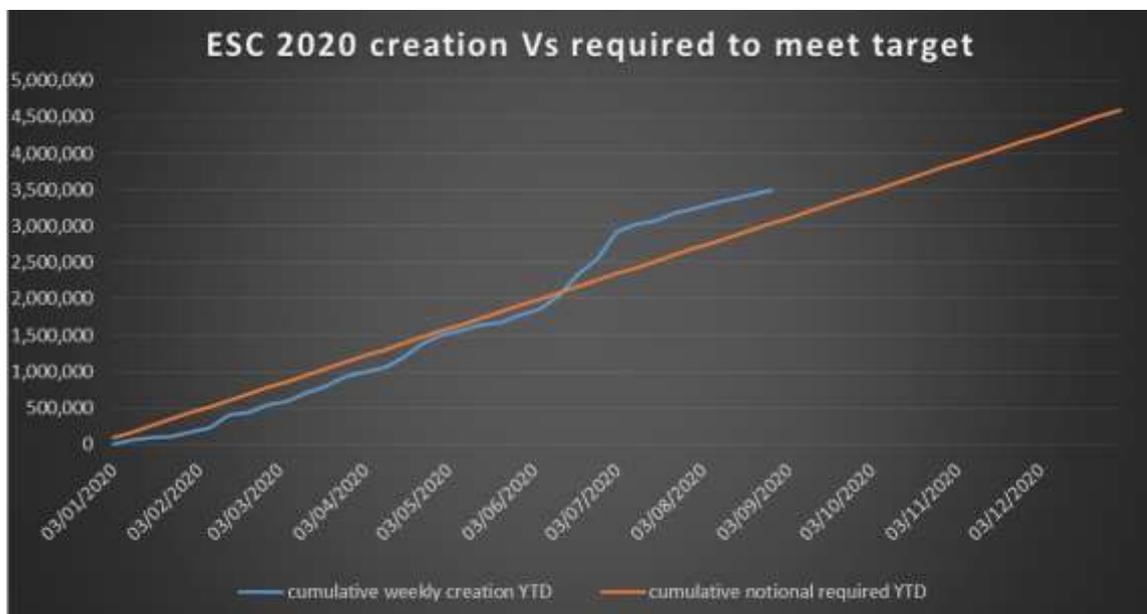
NSW ESCs

ESC creation dropped slightly while certificate prices rose modestly.

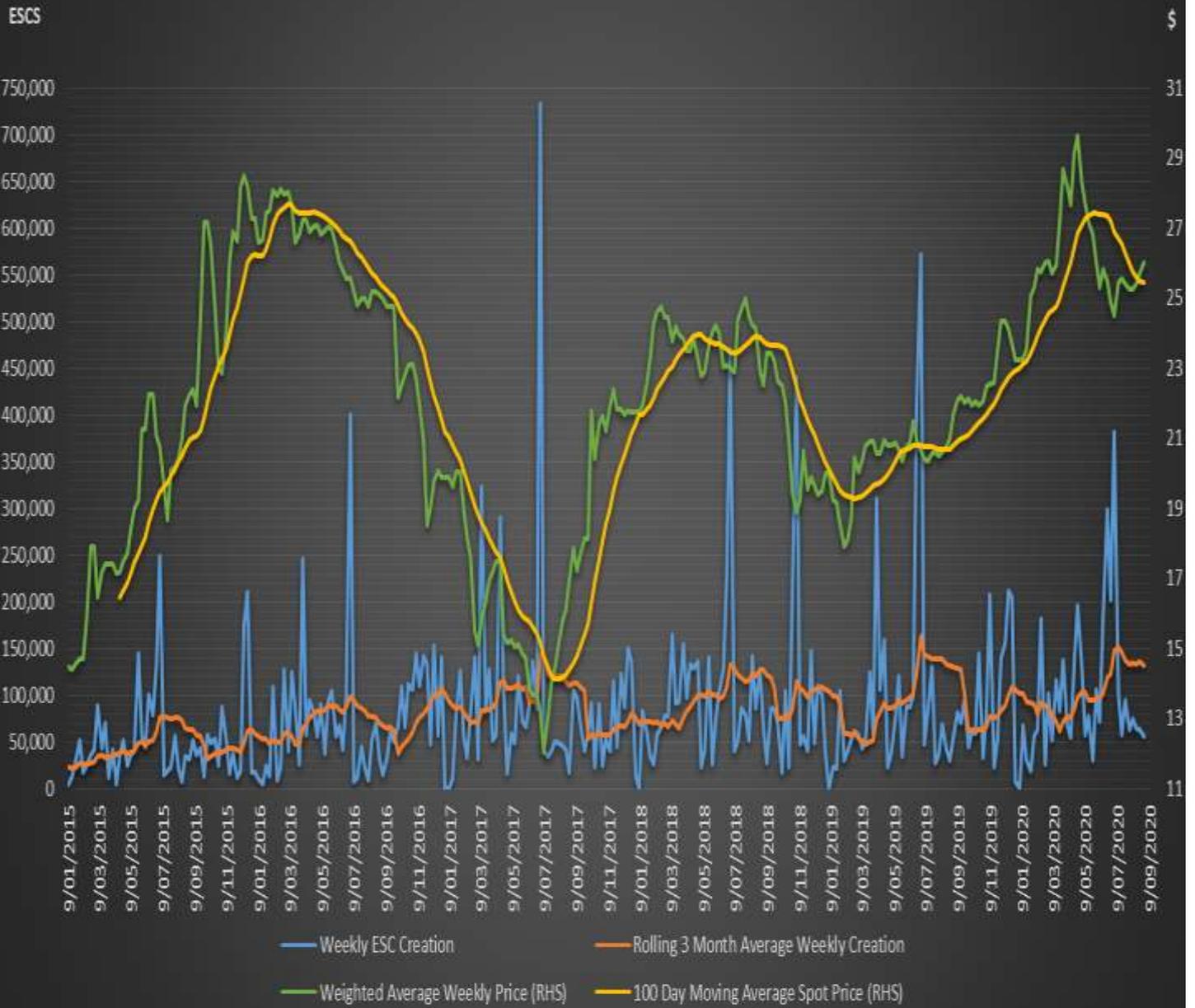
New certificate registrations totalled 56,000 this week, bringing the surplus over this year's surrender target comfortably over two million ESCs.

Spot trading opened proceedings 5 cents lower than last week, at \$25.85, however buyers stepped in from there and the price increased steadily to close at the week's high of \$26.20. Volume was light with reported turnover of 20,000 ESCs.

The forward market was even quieter with only one trade reported – 5,000 certificates dealt for delivery in September this year at \$26.00, the same price as the spot market at the time.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume



Renewable Energy Certificates

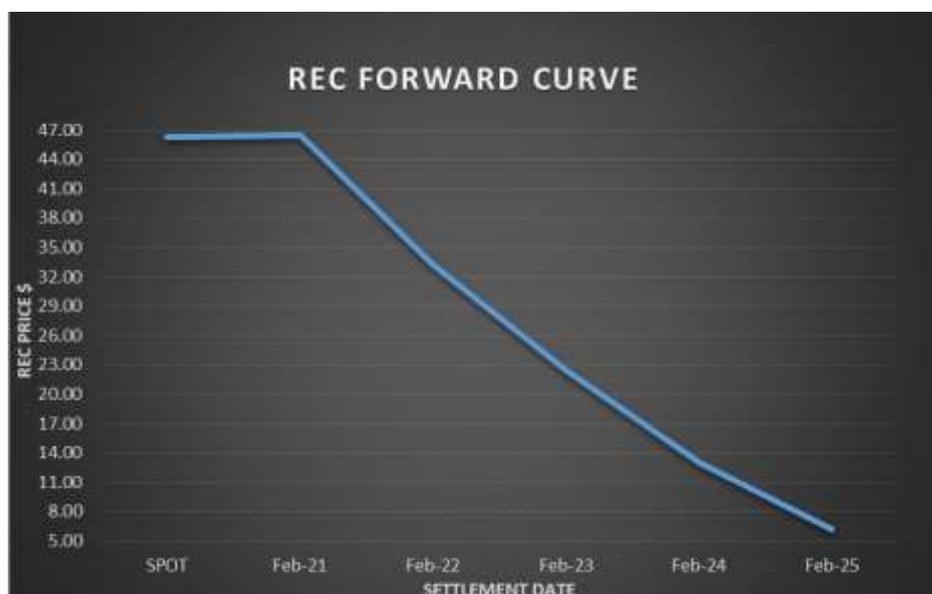
LGC markets were extremely volatile this week with large price moves on high volume.

It appears that some market participants anticipate a potential scarcity of certificates to meet this year's surrender obligations and launched a 'short squeeze' which saw prices rise dramatically at the front of the curve.

The first spot trade of the week was struck at \$42.75, a jump of 75 cents from the prior close, and the market advanced steadily throughout week to close on Thursday at \$45.50. Friday saw a further jump with an initial trade at \$46.00 and a high of \$47.50 before settling back somewhat to a final deal at \$46.75. Subsequent dealing in the Calendar 2020 contract puts the spot level slightly lower, at \$46.26. Turnover was reported as 170,000 LGCs.

Calendar 2020 (February 2021 delivery) followed the trend of the spot market but the price moves were even more extreme with a high of \$49.00 hit on Friday morning before profit taking saw a close at \$46.50. This represented a rise of \$4.25 for the week on volume of 325,000 certificates.

The price moves in the rest of the curve were more subdued with Calendar 2021 hitting a high of \$34.50 before closing \$1.25 higher at \$33.50 on turnover of 288,000 LGCs. Calendar 2022 saw 90,000 certificates trade. This contract saw a high of \$22.75 before closing 60 cents up for the week, at \$22.50.



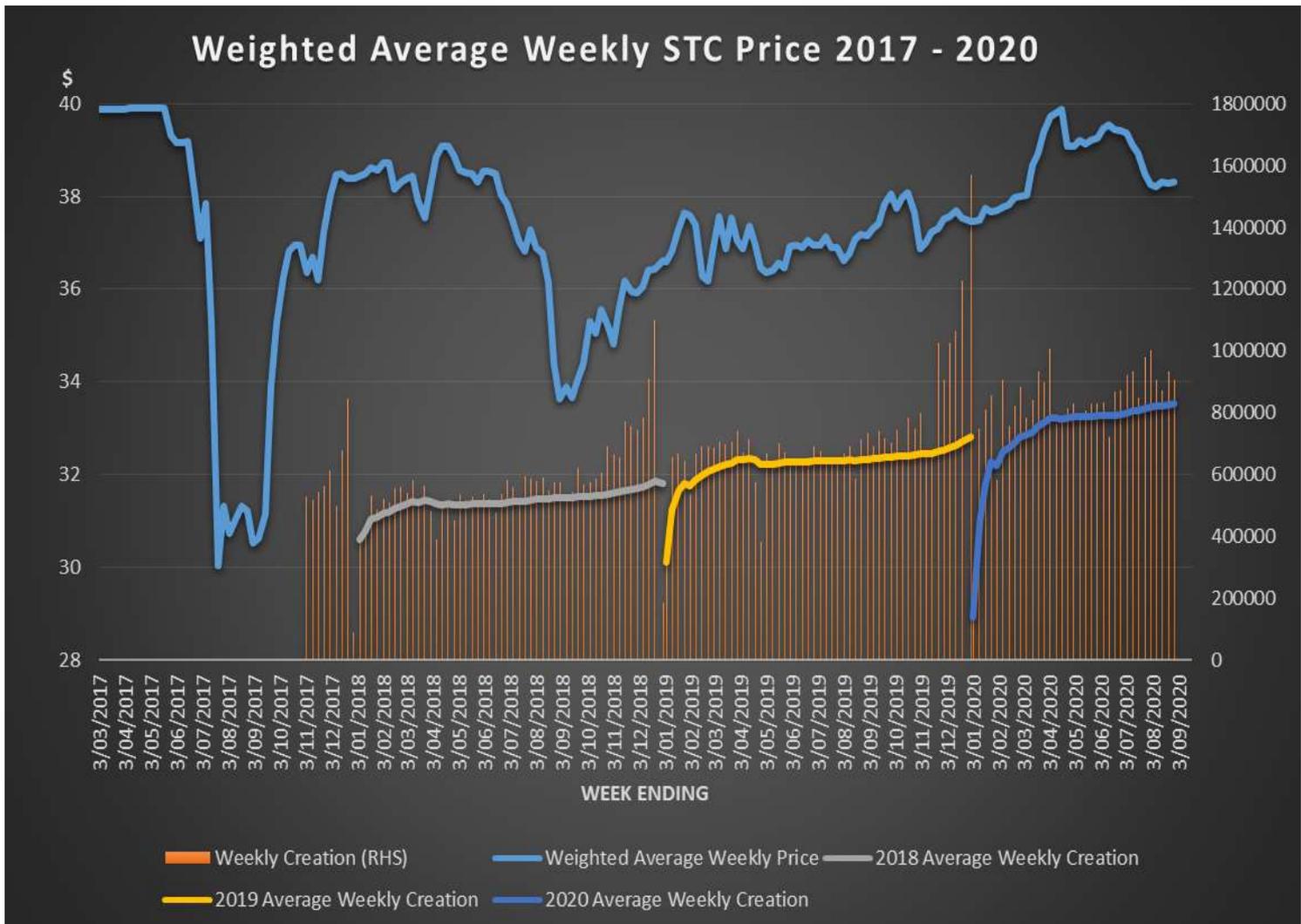
Small Technology Certificates (STC)

STC creation remained high while market prices were little moved.

New STC submissions to the Clean Energy Regulator totalled 906,00 this week, a slight drop from last week.

All the reported spot trades were struck at \$38.30, 5 cents higher than the previous closing level. Turnover totalled 381,000 certificates.

The forward market saw 285,000 STCs trade for delivery between September 2020 and December 2021. Deals settling this year traded between \$38.30 and \$38.35 while those for the first quarter of 2021 dealt at \$38.45 and the rest of the year at \$38.50.



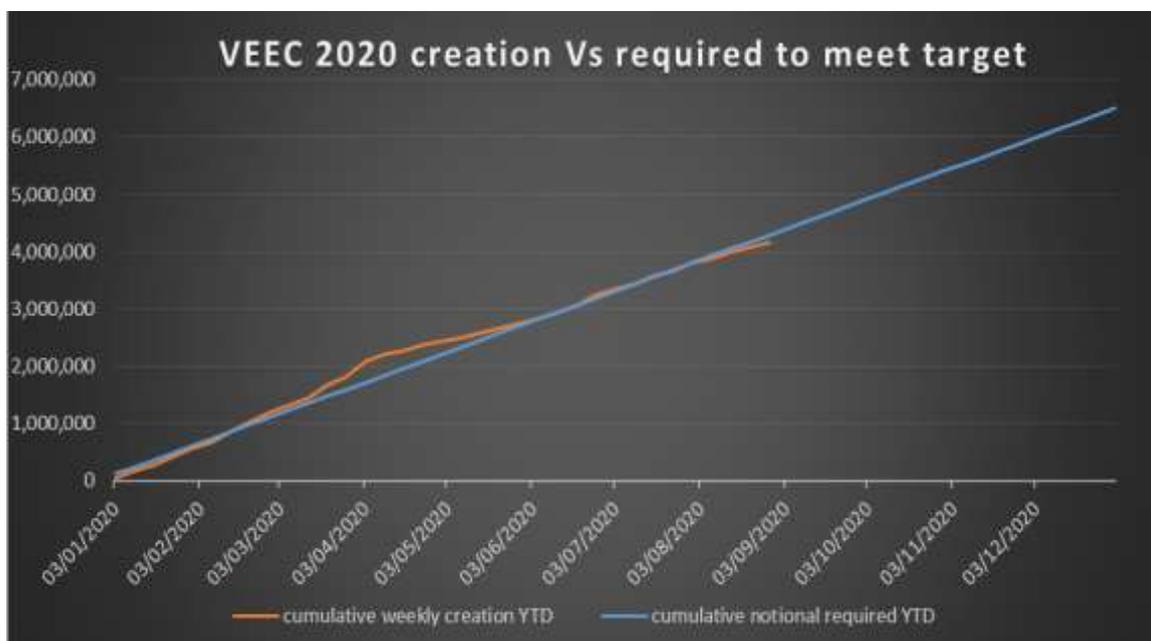
VIC VEECs

VEEC creation was steady while market prices declined.

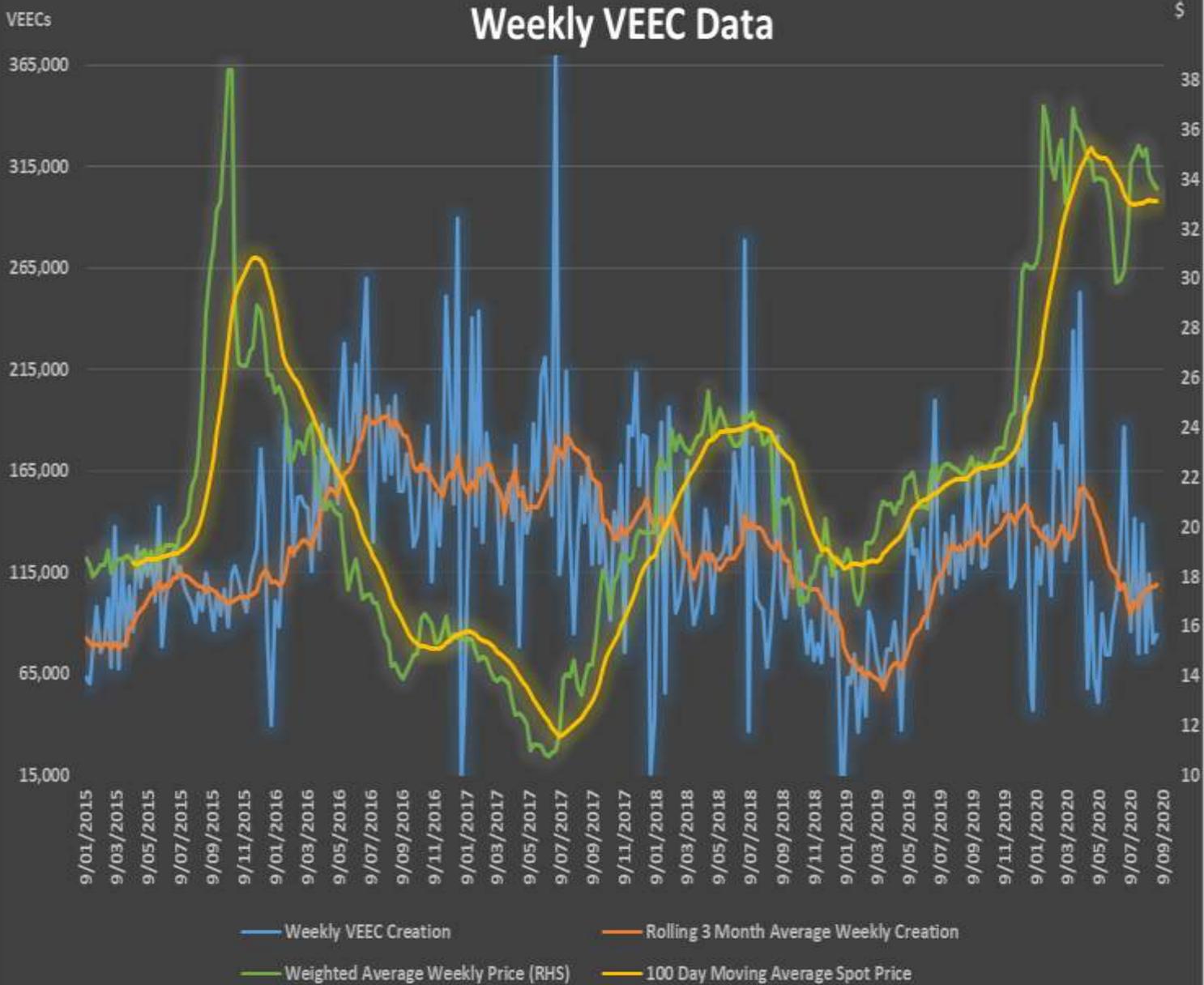
Despite the continued lockdown in Caracas on the Yarra, VEEC creation was slightly higher than last week, at 84,500.

Spot trading commenced 75 cents lower at \$33.75 and fell to a mid-week low of \$33.50 from there. The last trade of the week saw a rise back to that \$33.75 level. Reported turnover was 40,000 VEECs.

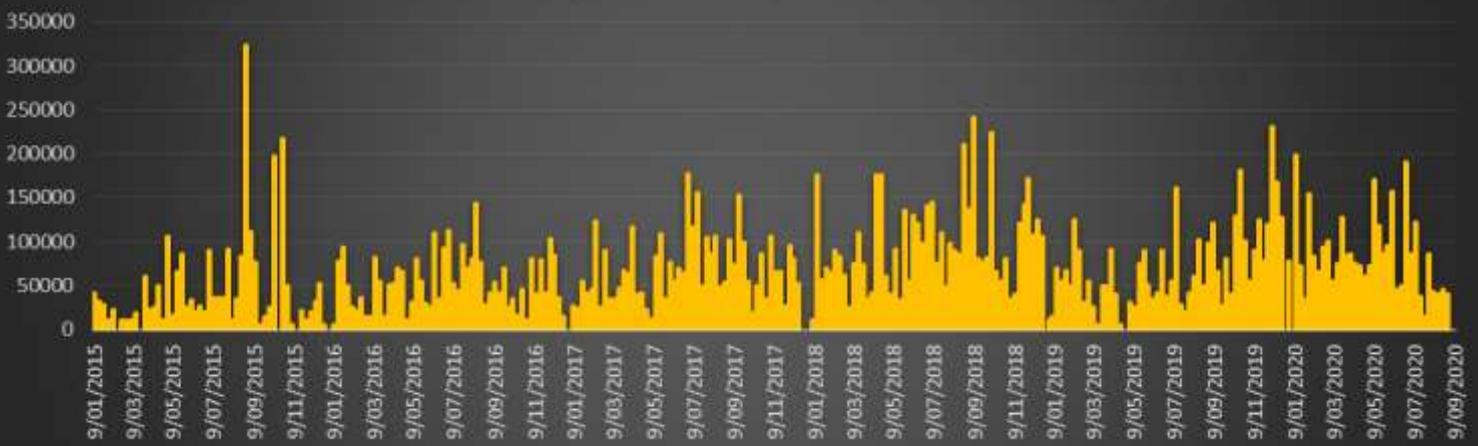
The forward market was positively moribund compared to recent week's activity. We saw 95,000 certificates trade for delivery between November this year and October 2021. Deals settling in 2020 traded in line with the prevailing spot level while those for 2021 actually dealt about 10 cents lower.



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