

**CERTIFICATE REPORT**

**15/01/2021**

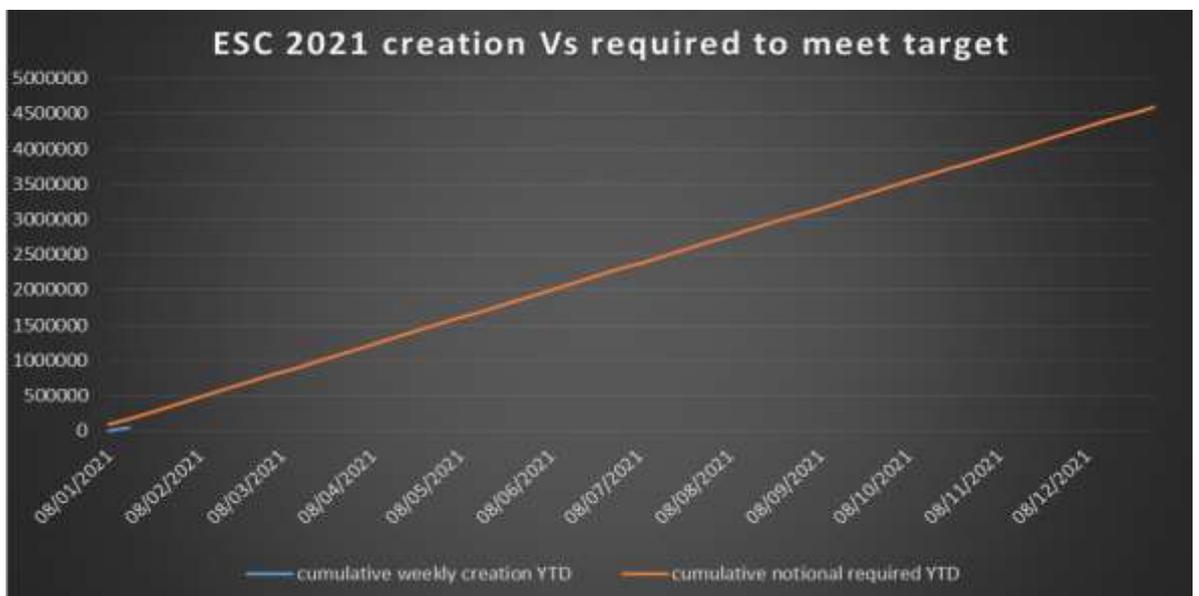
**NSW ESCs**

ESC creation was subdued over the New Year period while prices were little moved.

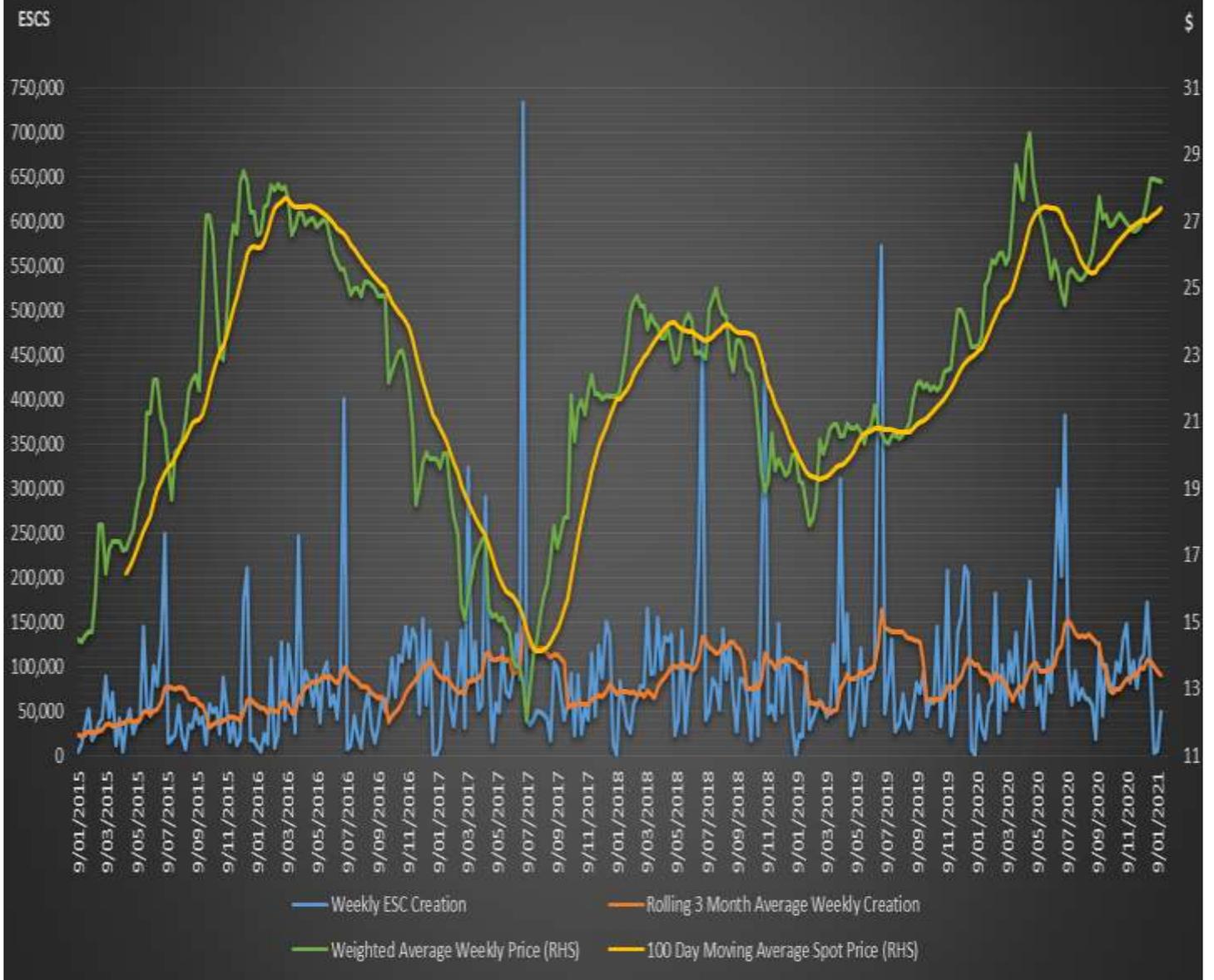
New certificate registration totalled 55,100 over the first two weeks of the year.

The spot market opened at 28.00, a drop of 25 cents, but quickly rallied back, reaching a high of \$28.30 before weakening again to close at \$28.10. Trading volume for the fortnight was 171,000 ESCs.

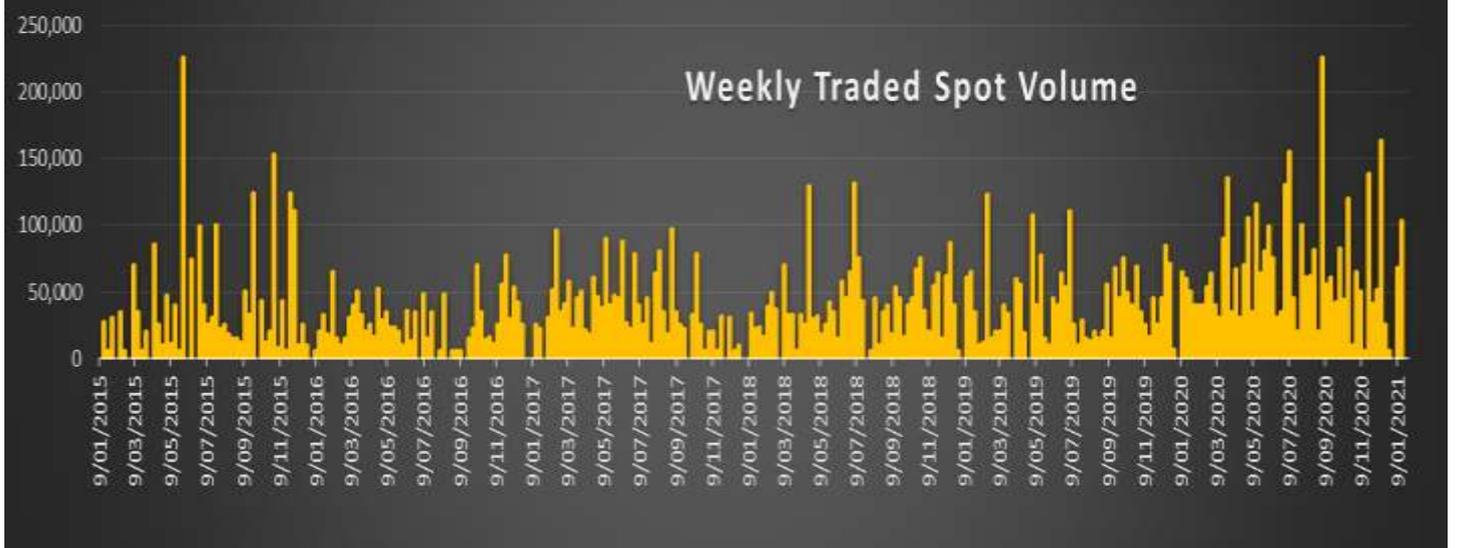
The forward market saw 60,000 certificates trade for delivery from February to May 2021. These deals were struck in line with the prevailing spot price.



# WEEKLY ESC CREATION - ALL SOURCES



# Weekly Traded Spot Volume



# Renewable Energy Certificates

LGC prices rose sharply for Spot and 2020 certificates while the rest of the curve dropped a little.

The spot market opened unchanged at \$39.55 and remained around the same level for the first week of the year. Retail buying for 2020 surrender obligations saw the price rise sharply last week however, with a high of \$41.90 hit on Thursday before a small drop to close at \$41.25 on turnover of 490,000 LGCs over the two weeks.

Calendar 2020 (February 2021 delivery) followed the spot pattern, opening at \$39.90 and rallying to a high of \$42.00 before settling at \$41.25 on turnover of 358,000 certificates.

Calendar 2021 opened at \$37.90 but gradually lost ground from there to finish the fortnight at 36.75, and a loss of 85 cents, on turnover of 280,000 LGCs. Calendar 2022 closed unchanged at \$26.60 on volume of 170,000 certificates while Calendar 2023 was also unchanged at \$19.00 on turnover of 330,000 LGCs.



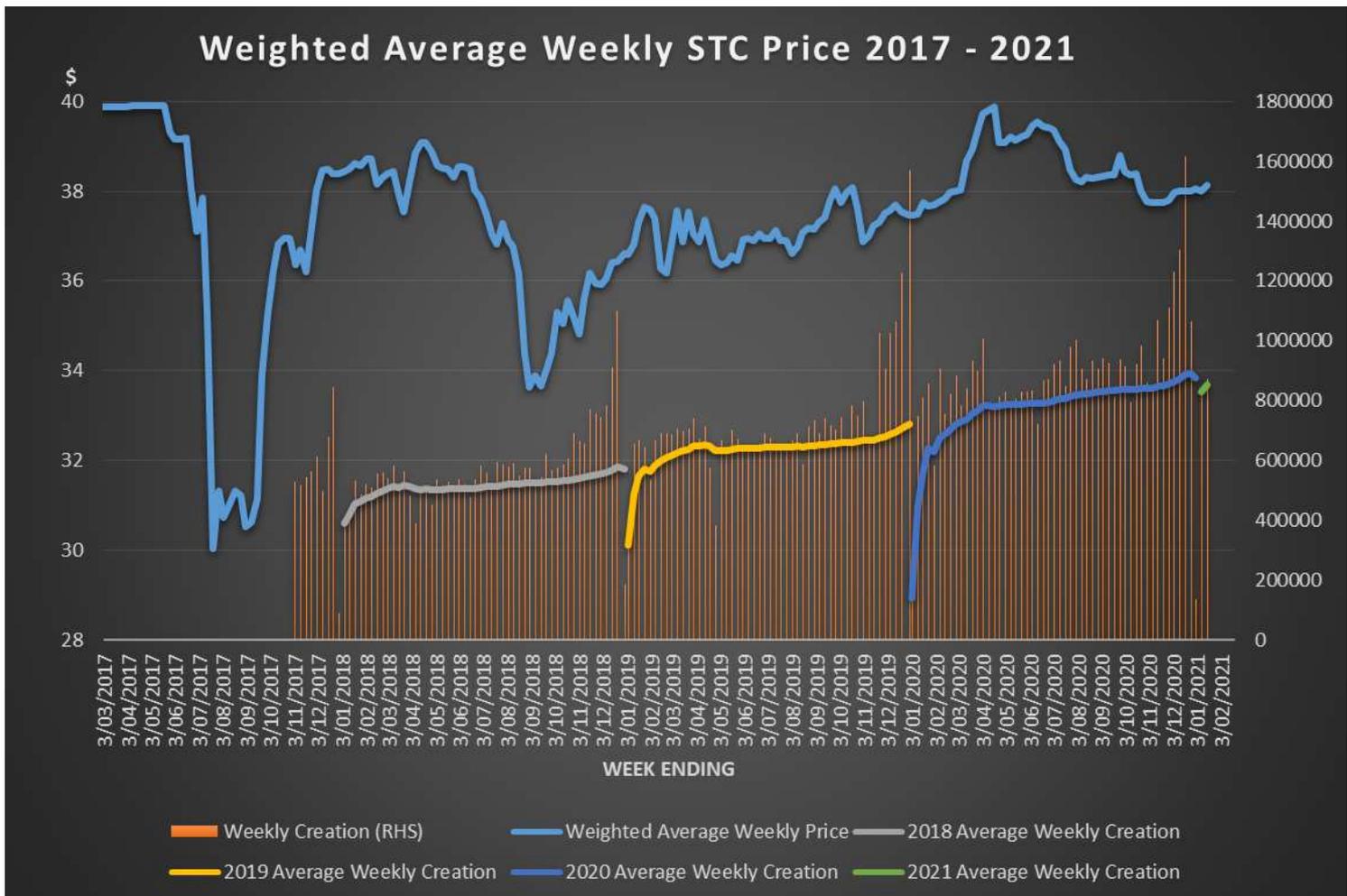
## Small Technology Certificates (STC)

STC registration was strong over the start of the year while spot prices rose on buying to meet surrender obligations.

STC creation has begun the year strongly with 831,000 for the first week and 870,000 for last week. However we will have to wait for the target for 2021 to be announced (anytime from now to the end of March) to determine how the creation numbers look relative to the surrender target for the year.

The spot market opened at an unchanged 38.00 and continued to trade at that level for the first week of the year. Retail buying to meet the surrender target for the fourth quarter of 2020 (due February 14<sup>th</sup>) saw a divergence in price between certificates created in 2020 (and therefore eligible to be used for the Q4 2020 surrender) and those created in 2021. STCs for 2021 continued to trade around \$38.00 while those for 2020 dealt as high as \$38.30 and closed at that level. Trading volume totalled 740,000 for the two week period.

Only 80,000 STCs traded in the forward market, for delivery from February to December 2021. The curve closed the fortnight flat with \$38.25 being quoted for all periods to the end of 2021.



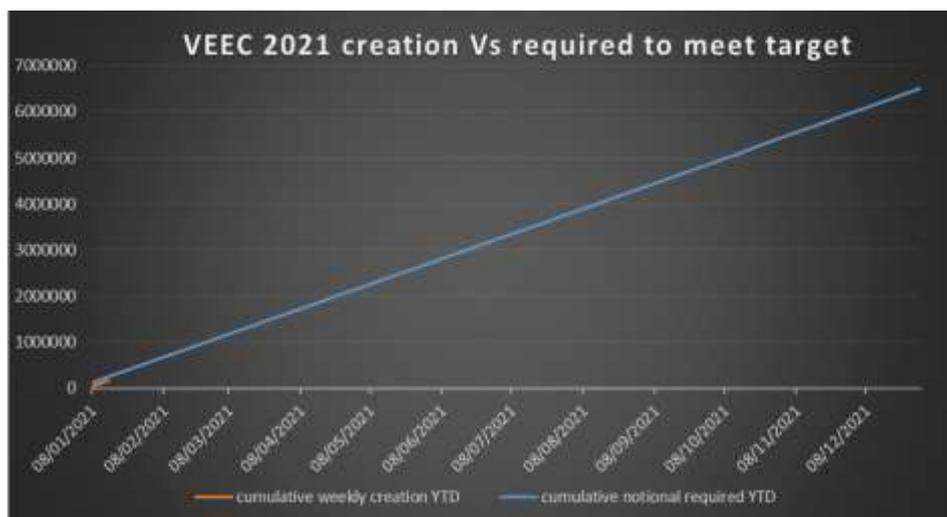
# VIC VEECs

VEEC creation was robust for the start of the year while market prices continued with their upward trajectory.

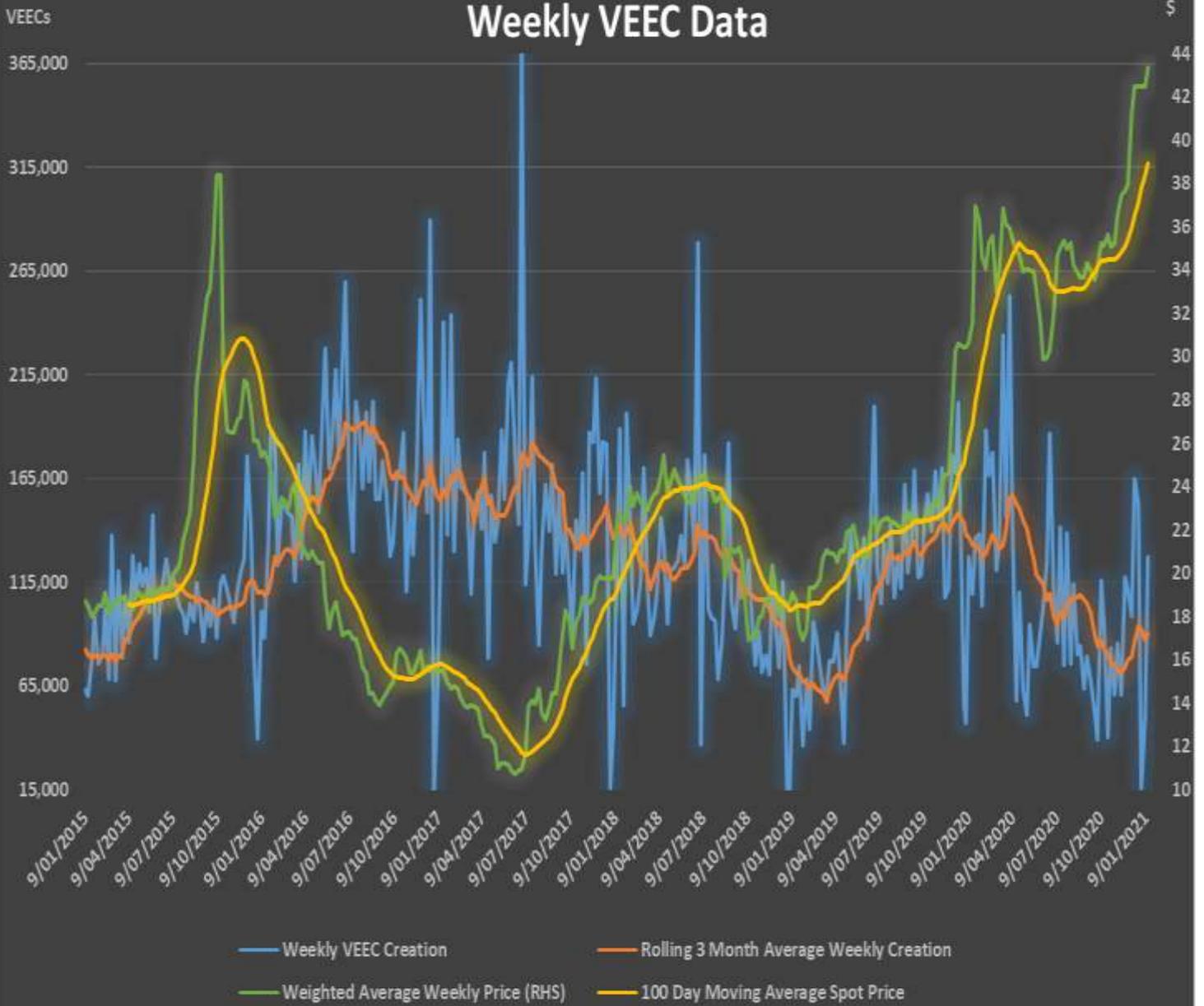
Certificate registration continued to rebound from the COVID induced lockdowns with a total of 178,000 VEECs created for the first two weeks of the year.

Despite the supply of certificates, the upward price momentum from the end of 2020 continued into 2021 with the first trade being struck at \$42.75 and the market rallying to close at the high of \$44.05 on turnover of 78,000 VEECs.

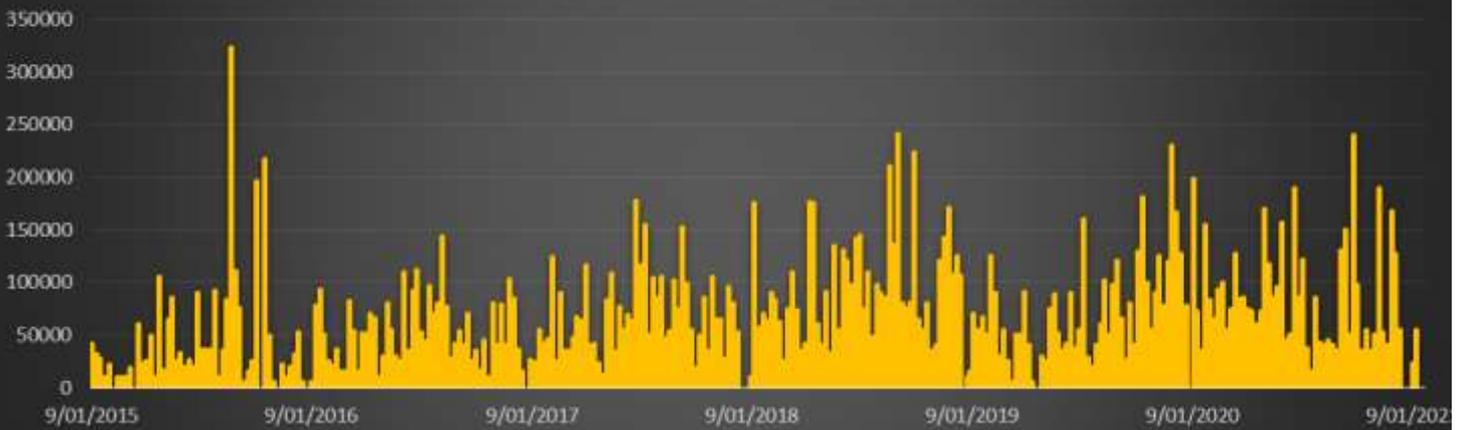
The forward market saw only 20,000 certificates trade, for delivery in February and May 2021. These deals were struck flat to the prevailing spot price.



## Weekly VEEC Data



## Weekly Traded Spot Volume



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