

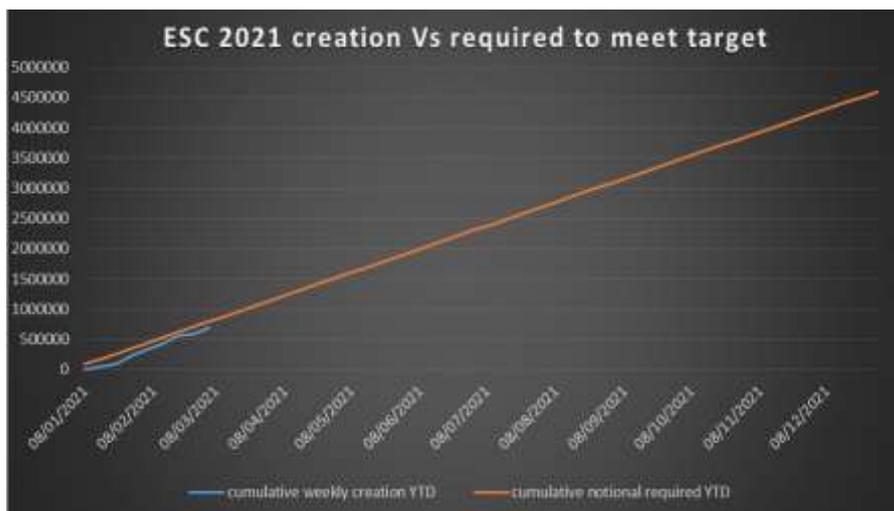
NSW ESCs

ESC creation rose this week, as did certificate prices.

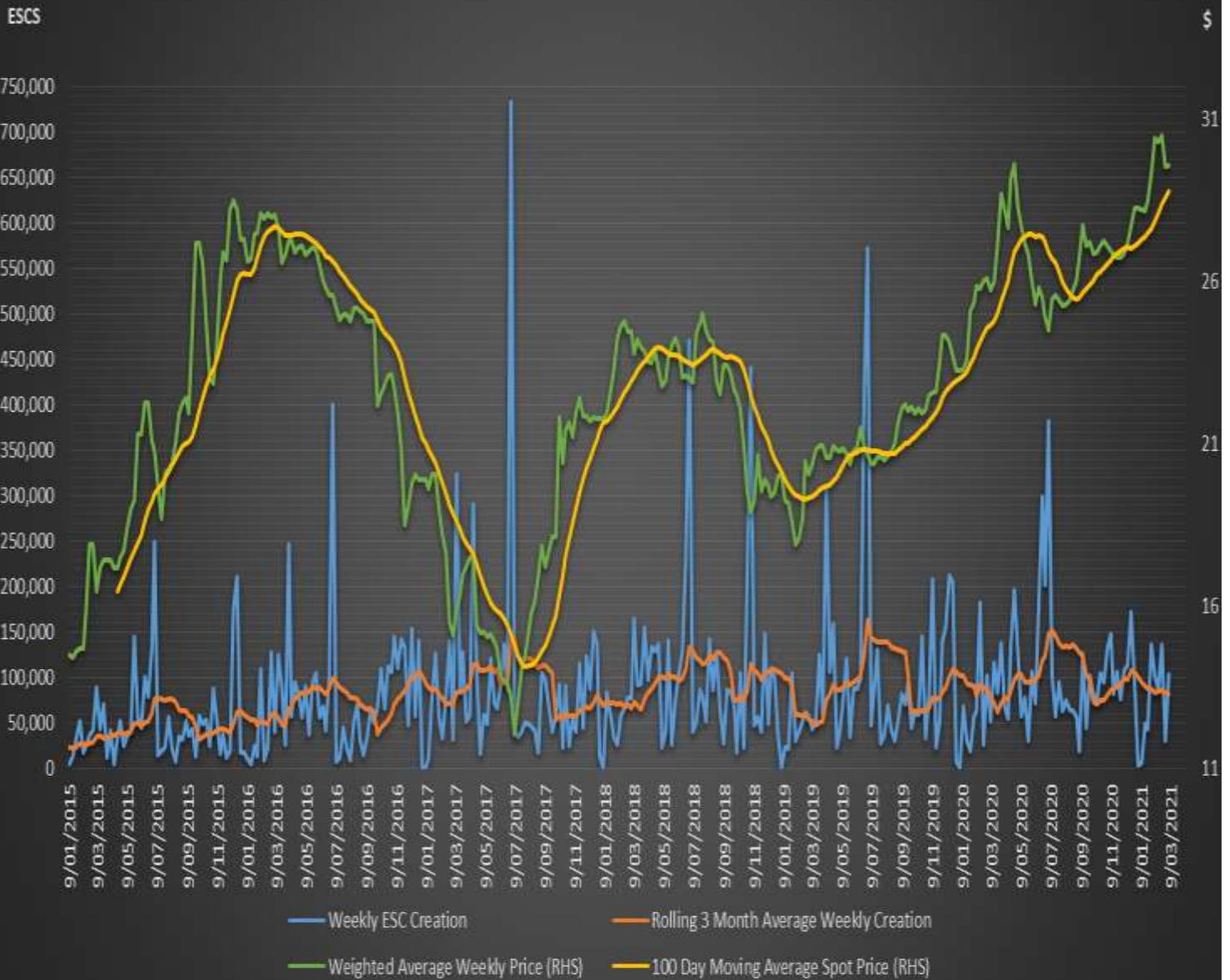
ESC registrations rebounded to 103,100, bringing the number of certificates in the Registry to only about 100,000 short of this year’s surrender target.

The spot market opened 5 cents lower, at \$29.50 and traded there for the first half of the week. Despite the supply of new certificates the price then began to climb, closing at \$29.85 on turnover of 70,000 ESCs.

The forward market also saw 70,000 certificates trade, for delivery between later this month and June 2022. Deals settling in the first half of this year attracted a premium of 10 – 15 cents over the spot price and this rose to around 50 cents by June 2022.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume

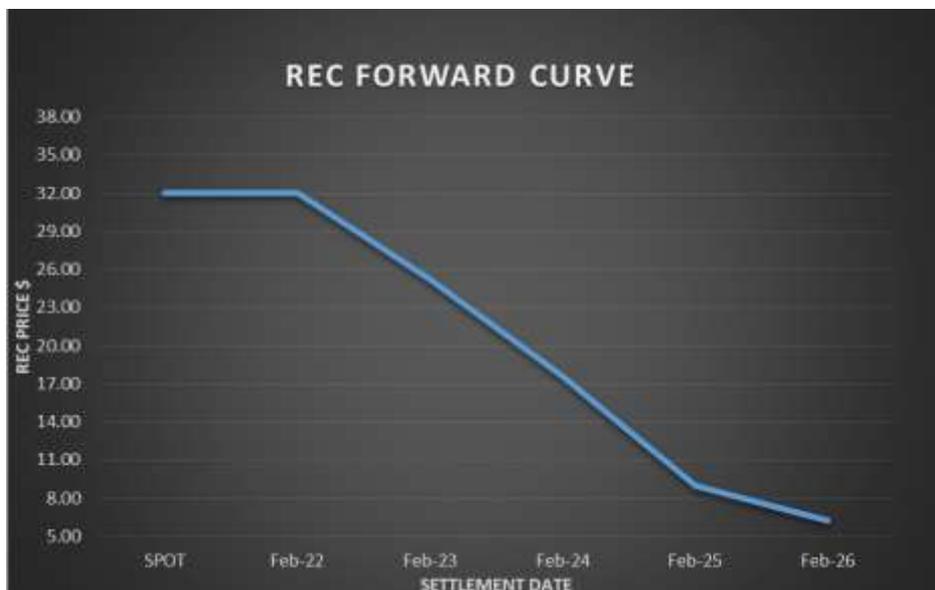
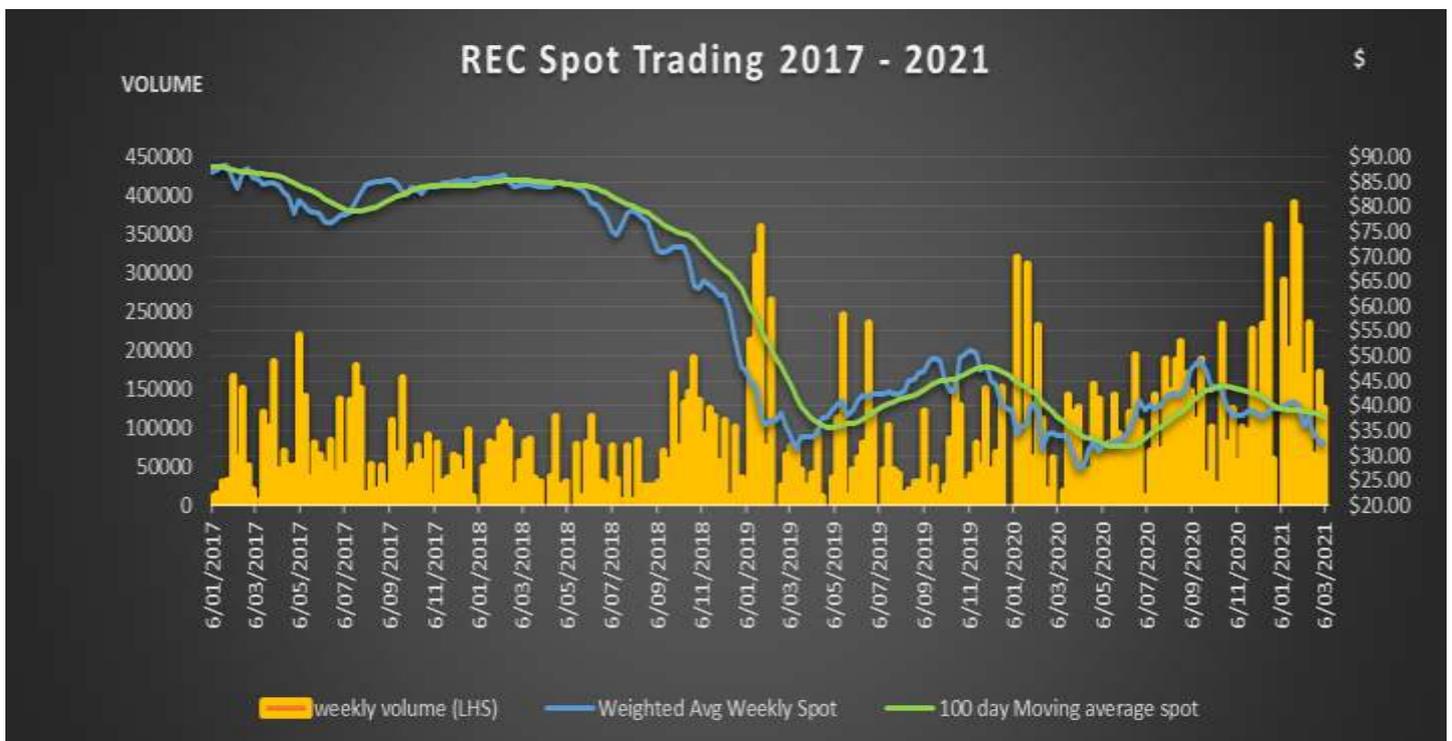


Renewable Energy Certificates

LGC price fell a little further this week.

The first spot trade was struck at \$33.10, unchanged from the previous close, but sellers soon struck and brought the market to the low of \$31.50 before a slight upturn saw a close at \$32.00 on turnover of 125,000 LGCs.

Calendar 2021 (February 2022 delivery) also fell, closing at \$32.00 on volume of 30,000 certificates. This represented a drop of \$1.25. The rest of the curve saw smaller falls with Calendar 2022 declining 25 cents to \$25.25 on volume of 25,000 certificates. Calendar 2023 also lost 25 cents, closing at \$17.60 on turnover of 30,000 LGCs. Calendar 2024 was untraded while Calendar 2025 dealt 5,000 certificates at \$6.25 for a drop of 5 cents.



Small Technology Certificates (STC)

STC creation dropped slightly but the big market mover this week was the announcement of this year's surrender target.

The STP for 2021 was set at 28.8%, a surrender obligation of 50.665 million STCs. With the surplus from last year of 8.565 million being brought forward, that assumes a creation figure of 42.1 million certificates for the year. This comes to around 810,000 per week. So far this year the weekly number is about 960,000 so this would imply a comfortable surplus of just under 8 million for the year, not far from last year's figure. The target was as expected but the market reaction saw prices rally across the curve.

The spot market opened unchanged at \$38.70 and traded there until the mid-week announcement of the 2021 STP. Once this was public the price rose sharply to finish the day trading at \$39.30, where it stayed for the remainder of the week. Turnover totalled 725,000 STCs.

In the forward market 1.045 million certificates were contracted for delivery from later this month to April 2022. By the end of the week all forward trades were dealing at \$39.00, a 30 cents discount to the spot market.



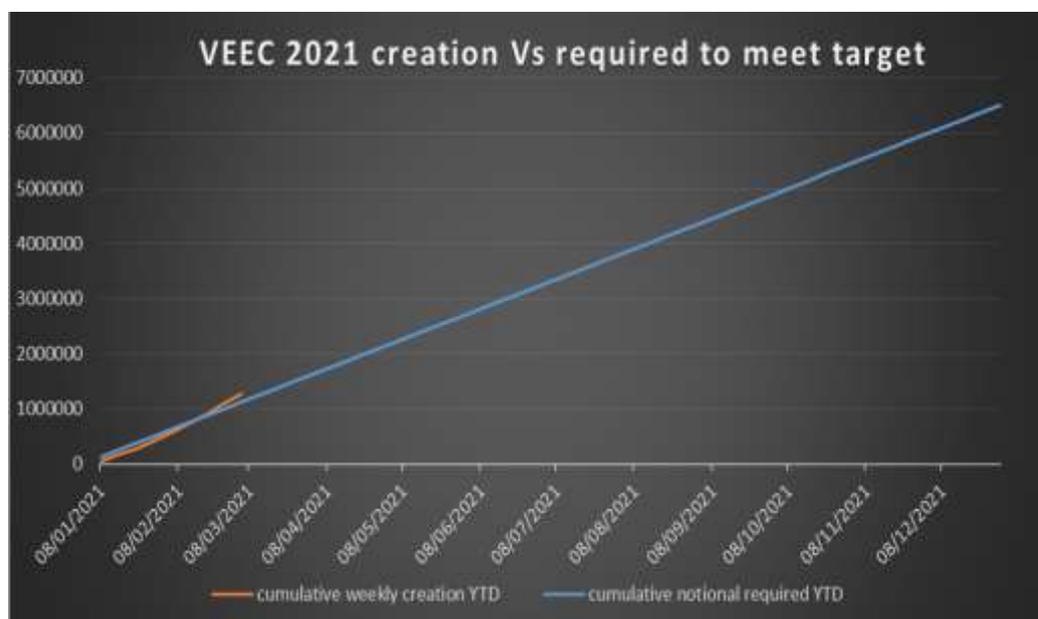
VIC VEECs

VEEC creation remained elevated while certificate prices closed little changed following an early drop.

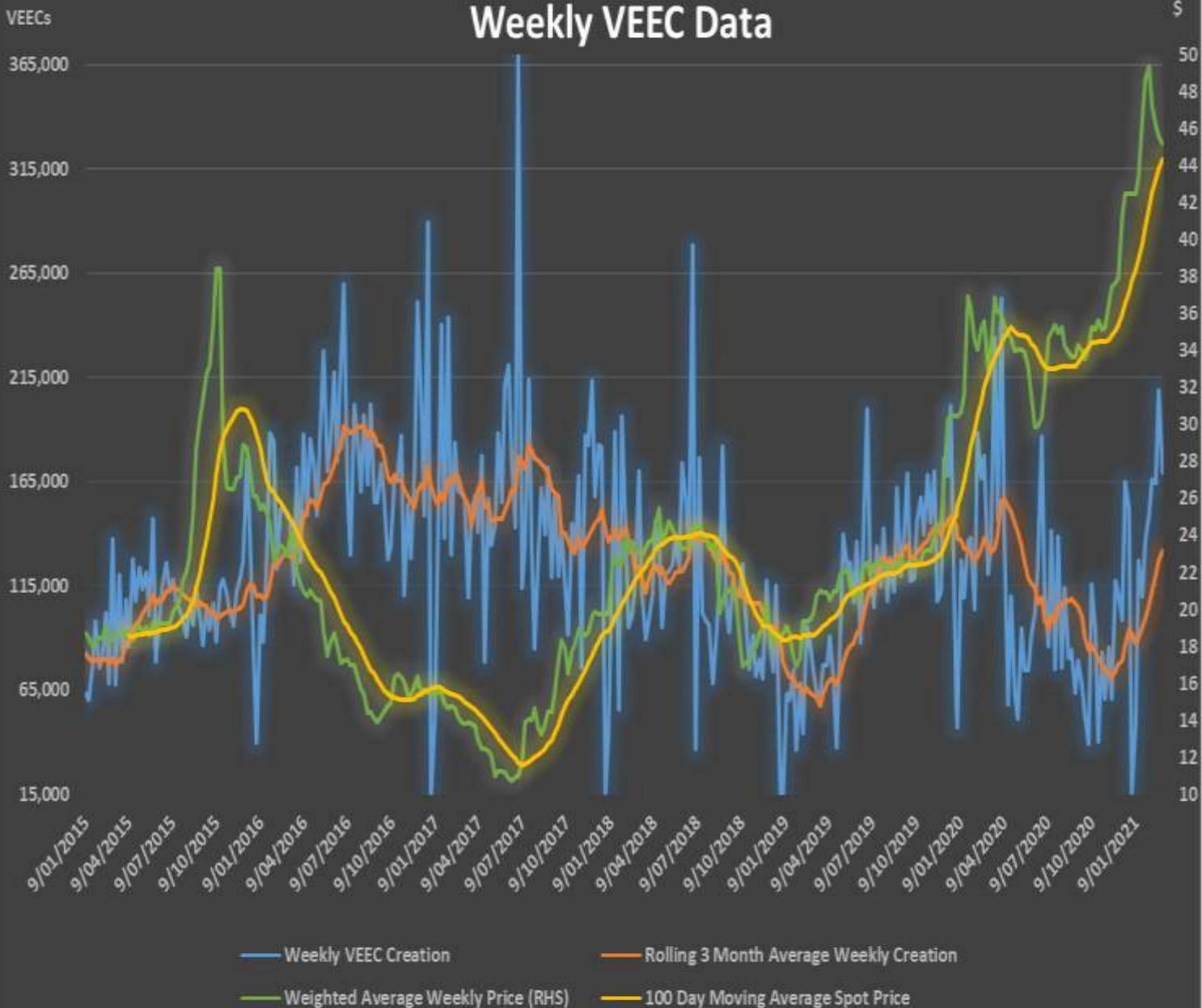
New VEEC registration came in at 169,500, similar to last week's figure.

The spot market opened 60 cents lower, at \$44.90, but steadily clawed back the loss to close at \$45.60. Turnover was light at 20,000 certificates.

The forward market was also moribund with only 20,000 VEECs reported trading for delivery from June to August this year. These deals were all struck at a premium of around 20 cents to the prevailing spot price.



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