

European Daily Electricity Markets

1 News

Section 1 Belgium facing supply shortages **3**
 French parliament votes to phase-out coal by 2022 **3**

2 Markets

Section 2 UK **6**
 Germany **8**
 France/Netherlands **10**
 Italy **12**
 CEE/SEE **13**
 Turkey **16**

3 Back pages

Section 3 Renewable forecasts **17**
 Across the Markets **19**
 Trades **20**
 Weather **21**
 Contacts **21**

HEREN® UK INDICES €/MWh

July	£38.429/MWh
Day Ahead	£35.447/MWh Volume: 2120 MW
Day Ahead Peaks	£37.615/MWh Volume: 1055 MW
Weekend	£35.359/MWh Volume: 3235 MW

HEREN® GERMAN INDICES €/MWh

July	€37.322/MWh
Day Ahead	€33.886/MWh Volume: 3050 MW
Day Ahead Peaks	€34.938/MWh Volume: 200 MW
Weekend	€25.092/MWh Volume: 18520 MW

HEREN® FRENCH INDICES €/MWh

July	€35.478/MWh
Day Ahead	€30.231/MWh Volume: 325 MW
Day Ahead Peaks	€34.500/MWh Volume: 100 MW
Weekend	€23.963/MWh Volume: 4175 MW

WIDER ENERGY COMPLEX PRICES

	Price	Day-on-day diff
ICE Brent 16:30 UTC (\$/bbl)	66.76	0.45
ICE EUA Future Dec 19 closing price (€/tCO2e)	26.28	-0.61
ICE Rotterdam Future Cal 20 closing price (\$/tonne)	64.65	0.35

German PPA growth expected

- End of German feed-in tariff scheme imminent for some projects
- German PPA growth to ramp up
- Germany likely to miss 2030 climate targets

Power market stakeholders expect [the growth of power purchase agreements \(PPAs\)](#) as a means of financing renewable projects in Germany as the country prepares for the end of its subsidy scheme.

With the German feed-in-tariff subsidy (EEG) due to end for some projects from 2021, most market participants expect PPAs to surge due to the need for alternative financing.

POST-EEG GERMANY

The BWE, a German wind power association, estimates that approximately 4GW of capacity will leave the EEG scheme at the end of 2020 and in the following years up until 2025 an average of 2.4GW will follow each year.

"PPAs can become a valid option for post-EEG plants. We expect the market to grow rapidly," a spokesman for BWE told ICIS.

"But we are waiting to see if PPAs will be the preferred option for the extension of the lifespan

of older wind turbines."

The German feed-in tariff system subsidises smaller renewable generators for electricity provided to the grid. The tariff payment period is 20 years from the day of commissioning of each project. Several older renewable plants will no longer receive the subsidy from the end of 2020 as a result.

ROLE OF UTILITIES

While several high-profile PPA contracts have been signed [by large corporations](#), utilities are expected to play a key role in PPA expansion in Germany. Uniper told ICIS that it considered PPAs to be a "growth market" and that it was monitoring the market "very closely".

RWE has already entered the market and said that its ongoing asset swap deal with E.ON would facilitate its PPA growth.

"Utility PPAs are definitely an important part of the PPA market. Utilities are generally more familiar with the electricity market and know how to manage the risks," Viviana Ciancibello, business developer for European power derivatives at EEX, told ICIS.

» Page 2

Italian capacity market auctions could start in Q3 '19

Italian power markets lobby Elettricità Futura expects the country's first round of capacity markets could start by the end of the third quarter of 2019.

The scheme, which was approved by the European Commission on [14 June](#), needs to be published in the Italian official gazette before implementation. This could happen as early as 3 July, according to Marco Campagna from the lobby group's regulatory affairs and energy policy division.

Auctions to subsidise photovoltaic solar and wind-power plants could start by the beginning

of the fourth quarter, Campagna added. This is more than [a year](#) after initial plans.

The Italian decree to subsidise renewables was also approved by the EU on 14 June and it could be published in the official gazette in the next couple of weeks.

CAPACITY AUCTION TYPE

After the capacity market decree is published officially, Italian Transmission System Operator (TSO) Terna should publish the auction specifications on its website. This should be done 60 days prior to the auction date.

» Page 3

German power purchase agreement growth expected

» Continued from page 1

MULTI-BUYER CONTRACTS

The PPA market is currently dominated by several large technology and industrial companies, which have high electricity demand and a strong credit rating.

However, participants expect a diversification in the types of agreement over the next few years.

"We may see an increase in multi-buyer contracts signed involving medium-sized companies, perhaps without the resources to sign a contract alone, that may want to combine with other companies to secure their energy supply," Ciancibello said.

Corporate PPAs are long-term contracts signed between a renewable generator and a company for the supply of electricity.

Utility PPAs are long-term contracts signed between a renewable generator and a utility that typically looks to resell the power back into the electricity grid.

PPAs gained significant traction in Europe in 2018. [ICIS calculates](#) that 2.3GW in corporate PPAs were signed in 2018 in Europe across all renewable power sources. The vast majority of these deals were for new capacity to come on-line over the next few years. This marked a jump of just under 1GW from 2017's total.

Spain is among [the fastest-developing](#) PPA markets. This is due in part to the termination of subsidy schemes for Spanish renewable projects which has encouraged alternative financing such as PPAs. Germany in comparison has seen slower PPA growth.

Germany is under increasing pressure to rapidly expand renewable capacity in order to meet climate targets that include 65% renewable generation by 2030. Its current rate is too slow, [ICIS has reported](#). **Roy Manuelli**

ANALYST VIEW

Germany has so far seen only six corporate power purchase agreement (PPA) deals, accounting for 268MW of capacity as uptake has been hindered by subsidy design and regulations.

The leading corporate PPA markets in Europe (Norway, Sweden, UK and Netherlands) have all had renewable subsidy schemes that leave generators with at least partial market price exposure and therefore the desire to hedge against this by signing PPAs. However, generous feed-in tariffs in Germany have shielded generators from this risk.

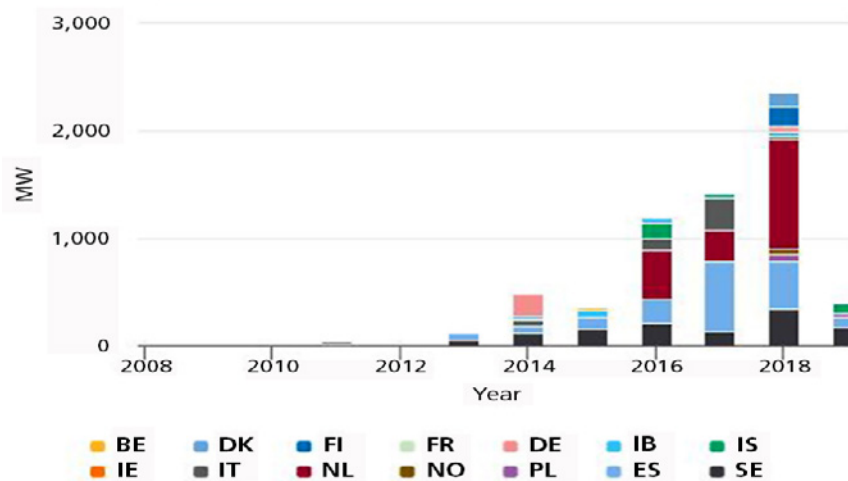
The corporate PPA market in Germany is starting to take off, driven by projects dropping out of the feed-in tariffs subsidy scheme called the EEG and requiring alternative funding arrangements to remain online.

ICIS expects almost 5GW of capacity will drop out of the scheme in 2020, followed by an average of 2.5GW/year until 2025. Cumulatively, 25.9GW are expected to drop out by 2030, which will create significant opportunities for both corporates and utilities to sign PPA deals.

Initial growth in PPAs will be driven by post-subsidy projects, with new projects continuing to be funded via auctions until 2021. However, it remains unclear if the government will pull the plug on subsidies after this, looking to the private sector to fund new renewable developments.

The private sector can play a role in bringing new projects to fruition, though given the scale of capacity additions required to reach 2030 targets and limits on the number of companies with the ability to sign PPAs, government subsidy will continue to underpin the majority of new capacity through the 2020s. **Matthew Jones**

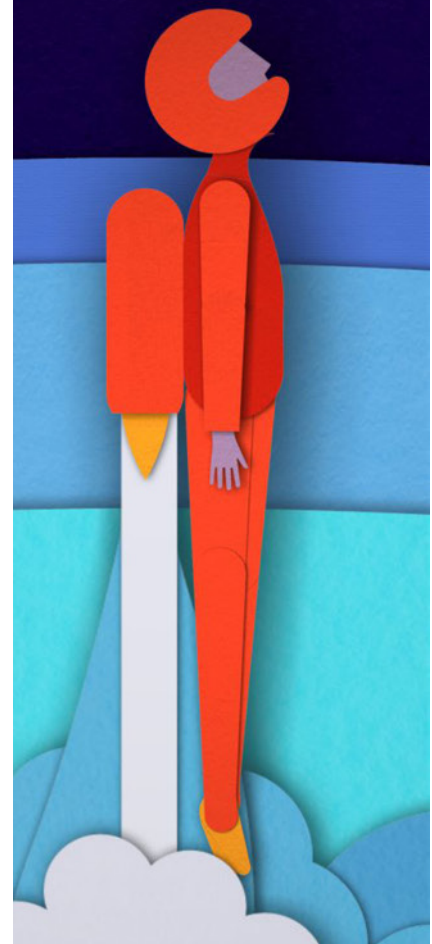
Corporate PPA Volume by Country



Back to contents

**NEXT-LEVEL
DATA, INSIGHT
AND EXPERTISE**

Experience your new
platform ICIS.com



POWER
**YOUR
DECISIONS**
WITH ICIS.COM

Belgium facing supply shortages in 2022-2025 - Elia

Belgium is facing power supply shortages between 2022-2025 due to a planned coal phase-out in neighbouring markets, according to grid operator Elia.

Separately, Belgium will need an extra 3.9GW of capacity to ensure security of supply post its 2025 planned nuclear phase-out, the grid operator said in a report published on Friday.

The extra capacity needed was revised up by 300MW compared with an equivalent report from 2017.

The country will be particularly vulnerable in winters 2022-2023, 2023-2024 and 2024-2025 due to the accelerated coal exit in neighbouring countries which will limit imports into Belgium. Elia estimated demand for 2022-2025 would exceed 1GW.

Winter 2022-2023 is considered particularly risky as the current strategy reserve mechanism which gives Elia power to organise and manage power supply shortages expires in winter 2021-2022.

CAPACITY MECHANISM NEEDED

Elia urged the government to implement

the [planned capacity mechanism \(CRM\)](#) it signed into law in April, so that Belgium has a "robust safety net" in 2025.

Financial backing for the CRM is yet to be secured, crucial to its development. The scheme also needs to be approved by the European Commission.

Belgium held elections in May 2019 but it has not yet formed a government which may delay the process.

The first auctions are currently expected to take place in 2021. If this deadline is kept, the extra capacity secured will only kick in from 2025, however.

NUCLEAR EXTENSIONS?

Elia even explored the option of extending the lifespan of 1GW Doel 4 and 1GW Tihange 3 nuclear plants beyond 2025 which would make a significant difference to the long-term security of supply.

If lifespan extensions are to be considered, it would be important to start talks with the owners of the power plants soon, the grid operator added.

Rebecca Gualandi

Italian capacity market auctions could start in Q3 '19

» Continued from page 1

Terna did not confirm any timeline for the first round of auctions by the time of writing.

The first type of products auctioned will be reliability call options, which will be run on an annual basis and will have a planning horizon of four years. Owners will be paid for the available capacity of their plants rather than their actual electricity output.

A second annual auction, called adjustment auction, will have a planning horizon not higher than one year and will allow bidders to renegotiate contracts signed in the first auction.

EFET CRITICISM

The European Federation for Energy Traders (EFET) [said](#) the Italian capacity remuneration mechanism (CRM) could distort bidding behaviour.

This is because it obliges producers to offer electricity when the wholesale price breaches a predetermined strike price.

Campagna said the mechanism and the strike price have been designed taking into account current market dynamics and price thresholds, including the marginal price, and it is unlikely that it will trigger any market distortions.

The system was also deemed efficient and competitive by the EU commission when approved. **Marta Del Buono**

French parliament votes to phase-out coal by 2022

The French National Assembly has approved the closure of all of France's 2.3GW coal-fired power capacity by 2022, as part of the government's future energy and climate law.

The law will introduce a cap on the level of emissions from coal-fired plants so as to gradually shut them down.

Earlier this year, the French Year 2022 Baseload was trading at a discount to the Year 2021 Baseload but the spread has been tightening as a result of the expected supply reduction. On Friday the Cal '22 was assessed marginally above Cal '21 contract. The trend is likely to continue.

EDF announced in early June that it would close its 580MW Le Havre coal plant in spring 2021.

Adding to supply woes, French regulator ASN told EDF in mid-June it must repair 1.65GW Flamanville 3 nuclear power plant's eight defective welds which will delay the plant's commissioning by two years or more. It was meant to come online in early 2020.

Finally, 1.76GW Fessenheim nuclear unit is also scheduled to shutter in 2020.

Rebecca Gualandi

DAILY OIL SUMMARY

G20 jitters and weak equity trading pulled crude futures sideways during Friday's session, while large sell offs on the US dollar supported late gains. The August ICE Brent future contract was due to expire at market close.

Global shares were trading hesitantly during Asian trade hours as active players failed to seek direction ahead of trade talks between the US and China.

The two economic powerhouses will meet in Geneva this weekend, and any clear outcome will give long-term market direction to crude futures.

The current trade tariffs in place have dampened equity markets due to a drop-in demand from China that comes with a faltering economic outlook.

Elsewhere across North America, the US dollar was dealing at its lowest value since early 2018 which provided a floor to both Brent and WTI.

The spread between the two benchmarks has narrowed considerably in recent months, mostly due to gains on WTI outpacing that of the European counterpart.

As the European session matured, volatility in the market remained low with Brent hovering around \$0.10/bbl above its 50-day moving average.

The US rig count was up by four units, to 793 active rigs in the week to 28 June.

Weekly Outlook and Review

UNITED KINGDOM

Languishing wind output to boost prompt, gas to weigh on curve

Outlook

Low wind output is set to support UK power prompt contracts during week 27, while bearish gas is likely to continue to weigh on curve values.

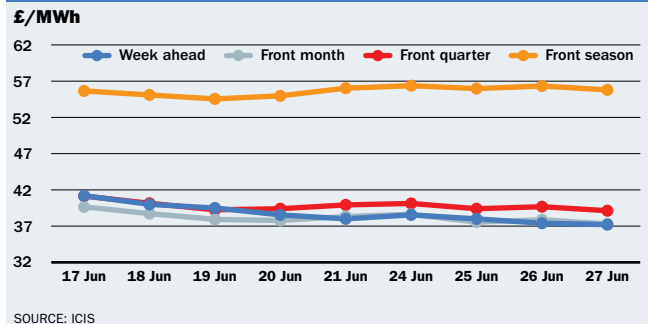
Forecasts from transmission system operator (TSO) National Grid indicated that output from British wind farms will not exceed 1.7GW on average on any days of the week. Extremely low wind power will mean that more expensive forms of electricity generation, namely gas-fired CCGT units, will be called upon to meet system demand.

The latest forecast from MetDesk showed that temperatures across Britain are set to return in line with seasonal norms over the period, following a sweltering weekend.

On the curve, ongoing bearishness at the NBP gas market is set to pressure forward power prices. Comfortable supply margins, helped by the expected arrival of two further LNG cargoes by Friday, will continue to drain premium from the gas hub.

Forecasts for low wind generation could offer some upside to day-ahead gas prices. **Christopher Somers**

UK POWER PRICE ASSESSMENTS



Back to contents

Weekly review

- Temperatures across Britain soared during week 26, leading to a sharp and dramatic selloff on NBP gas and subsequently UK power contracts
- Low wind offered support to the prompt, but strength was limited by healthy solar output
- A partial outage on the 2GW IFA interconnector ended on Friday

GERMANY

Carbon strength to keep supporting German curve

Outlook

German power forward curve contracts could retain support from a bullish carbon market during week 27, offsetting a bearish outlook for coal and gas futures.

The benchmark Dec '19 EUA was relatively stable around €25/tCO₂e until week 26 when it surged, trading above €27/tCO₂e for the first time since April, ICE data showed. While there was no fundamental provocation for the gains, traders told ICIS they expected carbon to retain strength.

High carbon prices support German power as coal, lignite and gas-fired generation make up around half of the power mix.

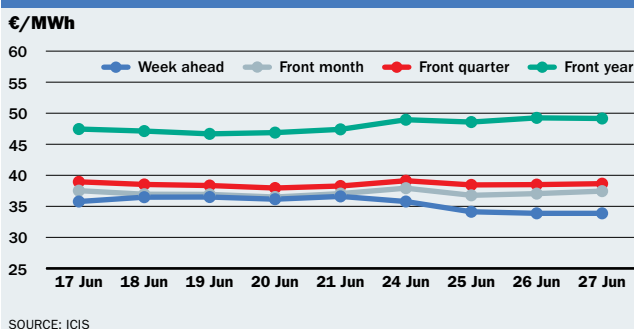
Carbon will continue to tussle with bearish coal and gas. Both fuels are unlikely to experience significant upside. Gas storage levels in Germany are close to twice as full as in each of the previous two years and global demand for coal has weakened in recent months.

A relatively strong wind forecast and cooling temperatures in week 27 will ease prompt contracts. **Ray Manuel**

Weekly review

- The German front year climbed following bullish EUAs
- High wind forecasts pressured week 27 products
- An unusually hot spell propped up Day-ahead contracts

GERMAN POWER PRICE ASSESSMENTS



FRANCE

Bearish fundamentals can push down the prompt in week 27

Outlook

Less hot weather and multi-year high nuclear availability combined with wind power could push down the French power prompt in week 27.

Temperatures will gradually drop closer to norms and some precipitation will help stabilise river levels and temperatures in weeks 27 and 28, meteorologist MetDesk showed. This in turn will reduce the risk of nuclear reactors being shut down due to high river temperatures.

Nuclear availability will rise to almost 75% in week 27, from less than 71% in week 26. This will also be higher than the 2014-18 average of 68% for week 27.

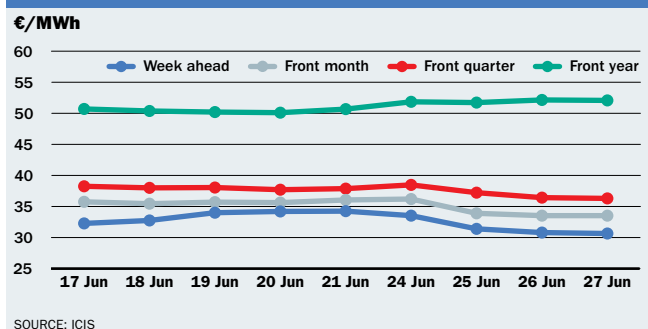
ICIS analyst forecasts showed wind power will reach an average of 2.5GW in week 27 compared to the 2015-18 average of 1.6GW for the same week.

Above-normal wind power was also expected in Germany, which could send more bearish signals to the French prompt as the two neighbours share a lot of border capacity. **Diane Pallardy**

Weekly review

- Week 27 dropped on lower temperatures, strong nuclear availability
- Front month fell on lower risk of prolonged heatwave
- The week-long heatwave reduced river levels and increased their

FRENCH POWER PRICE ASSESSMENTS



Weekly Outlook and Review

ITALY

Ongoing hot weather, low hydro expectations to support prompt

Outlook

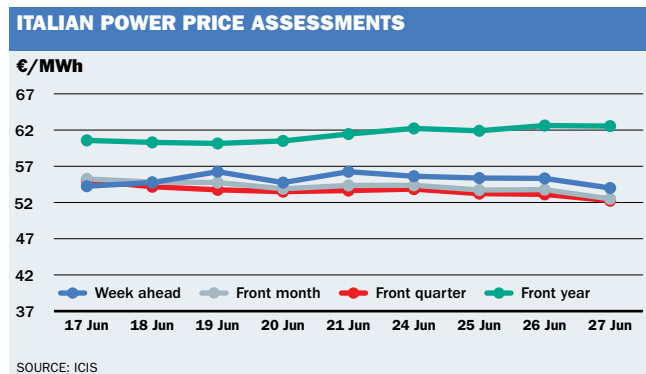
The Italian power prompt could see some support in week 27 due to lower solar output expectation and temperatures up to 4°C above the seasonal norm, according to MetDesk.

Solar generation should be in a 0.27-3GW range until 8 July, according to ICIS analysts, but it is set to remain mostly below 1GW between 1 and 5 July. Mainly dry conditions should reduce hydro production across the country with the exception of the northern regions where some showers and thunderstorm are expected in week 27 and 28, according to MetDesk.

Further out, a mostly bearish gas in the domestic PSV hub due to a busy LNG schedule could provide further pressure to the far curve contracts. Gas is an important price driver due to the large share of electricity produced from gas-fired plans. **Marta DelBuono**

Weekly review

- Bearish energy complex pressured the curve towards the end of the week
- Good hydro and solar generation pushed prompt down
- Temperatures above seasonal norm supported spot in the second part of week 26



CEE/SEE

High demand to support Hungarian power in week 27

Outlook

Rising temperatures and regional tightness are likely to support Hungarian power prices in week 27 and throughout July, although supply should improve in the second half of the month. Forecaster MetDesk said that temperatures in Hungary and the Balkans would be above normal in weeks 28-31 bringing dry conditions.

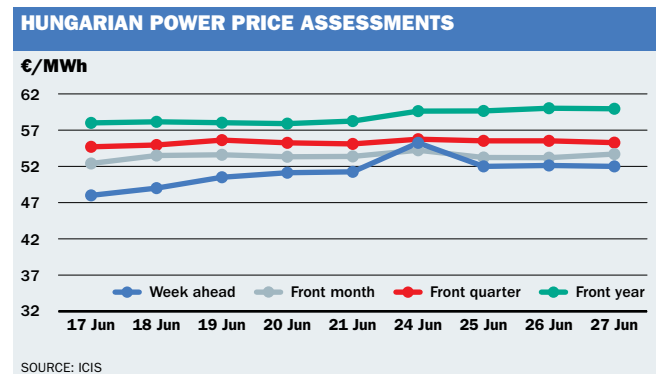
Danube flows through Romania's Bazias point are forecast to drop in the coming days and reach 5,600cbm/s by 4 July, according to the Romanian hydrology institute INHGA. However, this will still be above the multiyear average of 5,350cbm/s for July. Romanian reservoirs stood over 96% full on Sunday.

The conventional supply is currently tighter due regional outages, with Czech 470MW Dukovany 2 nuclear unit going into unplanned outage earlier this week and is expected to return on 13 July, according to REMIT information. This is running alongside a planned 1GW outage at the other Czech nuclear plant, Temelin. One 500MW Bohunice nuclear unit in Slovakia is due back from maintenance on 14 July.

Karolina Zagrodna

Weekly review

- Unplanned outages, high Italy supported Hungarian prompt
- Danube flows into Romania have been declining



Back to contents

YOUR DECISIONS WITH ICIS.COM

New platform, same expert insights
Experience ICIS.com

ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of European Daily Electricity Markets in either its electronic or hard copy format is illegal. Should you require a licence or additional copies, please contact ICIS at energyinfo@icis.com.

UNITED KINGDOM

Weaker gas drags power curve contracts lower

Outlook

- MetDesk forecasts show temperatures returning to seasonal norms
- Wind expected to increase at the start of week 27
- Further LNG delivery to keep pressure on wholesale gas prices

Bearish trade on the NBP gas hub weighed on contracts across the curve of the UK wholesale electricity market during Friday's session, while forecasts for improved wind generation pressured the prompt.

Wholesale gas prices continued to slide during the day, marking a bearish end to a week of strong weather-led losses.

Comfortable gas supply margins and a barrage of LNG deliveries have contributed to weakness on the gas market, leading to near-decade-low prices.

Data from LNG Edge showed that Britain was set to receive a further Qatari LNG delivery on Friday 5 July to the South Hook terminal, which will keep pressure on contracts.

Movement on the NBP market continues to be a key driver of the UK power market due to the ongoing marginal role of the fuel in the country's electricity generation mix.

Further bearish influence for curve contracts stemmed from the European carbon market, with the benchmark December '19 product trading around €0.40/tCO₂e below

Thursday's settlement at the time of the 16:30 UK power market close.

Little direction was given by the Brent crude oil and European carbon benchmarks, which traded broadly sideways throughout the session.

On the prompt, forecasts for higher wind generation on Monday weighed on the Day-ahead Baseload contract.

Data from system operator National Grid showed that low-cost wind output will average over 5.5GW throughout the day, having dipped below 4GW for a period on Friday.

The delivery of lower wind volumes to the market will mean that more expensive forms of power generation, namely gas-fired CCGT plants, will be called upon to meet system demand.

Looking ahead to the rest of week 27, wind output is set to fall to a low of 3GW on Thursday before climbing to above 4GW throughout the day on Thursday.

Temperatures are set to return more closely in line with seasonal norms over the period, with an update from meteorologist MetDesk showing values will be average, or just below average, for the time of year.

Planned maintenance on the 2GW IFA Interconnector, which connects Britain to the French market, was scheduled to come to an end on Friday, National Grid data showed. The outage had restricted the asset's capacity by half. **Christopher Somers**

UK OTC POWER PRICE ASSESSMENTS 28 JUNE 2019									£/MWh
	Baseload						Peaks		
Period	Bid	Offer	Diff	Change %	Data used	Bid	Offer	Diff	Data used
Day-ahead	34.90	35.10	-2.250	-6.04	T	36.90	37.10	-2.250	T
Weekend	34.40	34.60	-1.100	-3.09	T	n/a	n/a	n/a	n/a
Week 27 '19	36.05*	36.55*	-0.900	-2.42	T	39.35*	40.35*	-1.000	I
Week 28 '19	36.45*	37.45*	-0.650	-1.73	I	40.15*	41.15*	-0.650	I
July '19	36.80	36.90	-0.450	-1.21	B	40.50	40.75	-0.325	B
August '19	37.55	37.70	-0.375	-0.99	B	40.80	41.05	-0.500	B
September '19	41.45	41.95	-0.350	-0.83	T	43.65*	44.65*	-0.650	I
October '19	45.40*	46.40*	-0.600	-1.29	I	50.40*	51.40*	-0.700	I
Q3 '19	38.65	38.75	-0.425	-1.09	B	41.75	42.05	-0.500	B
Q4 '19	52.25*	52.75*	-0.700	-1.32	T	58.65*	59.65*	-0.800	I
Q1 '20	57.25*	58.25*	-0.650	-1.11	I	63.45*	64.45*	-0.800	I
Q2 '20	48.55*	49.55*	-0.550	-1.11	I	52.50*	53.50*	-0.550	I
October 19 Annual	51.65*	51.78*	-0.600	-1.15	I	57.10*	57.38*	-0.663	I
Winter 19	55.10	55.15	-0.675	-1.21	B	61.35	61.75	-0.800	B
Summer 20	48.20	48.40	-0.525	-1.08	B	52.85	53.00	-0.525	B
Winter 20	55.95	56.05	-0.550	-0.97	B	63.30	63.90	-0.650	B
Summer 21	47.00	47.25	-0.500	-1.05	B	52.45*	53.45*	-0.550	I
Winter 21	54.50	55.00	-0.450	-0.82	B	62.10*	63.10*	-0.500	I
Summer 22	44.10*	45.10*	-0.475	-1.05	I	50.05*	51.05*	-0.550	I
Winter 22	51.00	52.00	-0.300	-0.58	B	61.50*	62.50*	-0.350	I

*Indicative bid/offers

Data used key: B – Bid/offer, T – Transaction, S – Spread, F – Fundamentals, I – Interpolation/extrapolation
The key codes represent the primary data type used to make the assessment.

“Temperatures are set to fall more closely in line with seasonal norms”

UK CLEAN SPARK AND DARK SPREADS INCLUDING CARBON PRICE SUPPORT 28 JUNE 2019

£/MWh

Period	Baseload	Clean spark spread CPS 49.13%			Clean dark spread CPS 35%	
		Diff	Peakload	Diff	Baseload	Diff
Day-ahead	3.30	-1.19	5.47	-0.92	n/a	n/a
July '19	4.68	-0.22	8.46	-0.09	-19.54	0.07
August '19	4.41	-0.04	7.71	-0.16	-19.49	0.15
Q3 '19	4.75	-0.12	7.95	-0.19	-18.40	0.08
Q4 '19	5.21	0.13	11.86	0.03	-6.30	-0.19
Winter 19	4.97	0.15	11.39	0.02	-4.43	-0.15
Summer 20	2.07	0.31	6.70	0.31	-13.23	0.04
Winter 20	2.67	0.17	10.27	0.07	-7.18	-0.02
Summer 21	0.25	0.22	6.07	0.17	-16.21	0.12

UK SPARK SPREADS FOR 49.13% GAS PLANT EFFICIENCY 28 JUNE 2019

£/MWh

Period	Spark spread	Diff	Clean spark spread		Peak spark spread		Clean peak spark spread		Clean baseload spark - clean 35% dark
			Diff	Diff	Diff	Diff	Diff	Diff	
Day-ahead	18.86	-1.41	10.04	-1.20	21.03	-1.13	12.21	-0.92	n/a
July '19	20.25	-0.43	11.43	-0.21	24.03	-0.30	15.20	-0.09	13.45
August '19	19.98	-0.26	11.16	-0.03	23.28	-0.38	14.46	-0.15	13.13
Q3 '19	20.32	-0.34	11.49	-0.12	23.52	-0.41	14.69	-0.20	12.37
Q4 '19	20.81	-0.10	11.95	0.12	27.46	-0.20	18.60	0.02	0.74
Winter 19	20.64	-0.07	11.71	0.15	27.07	-0.19	18.14	0.03	-1.37
Summer 20	17.86	0.08	8.81	0.30	22.49	0.08	13.44	0.31	4.53
Winter 20	18.60	-0.06	9.41	0.17	26.20	-0.16	17.01	0.07	-0.92
Summer 21	16.32	-0.02	6.99	0.22	22.15	-0.06	12.82	0.17	5.69
Winter 21	17.25	-0.08	7.77	0.15	25.10	-0.13	15.62	0.10	-0.22

UK SPARK SPREADS FOR 52.11% GAS PLANT EFFICIENCY 28 JUNE 2019

£/MWh

Period	Spark spread	Diff	Clean spark spread		Peak spark spread		Clean peak spark spread		Diff
			Diff	Diff	Diff	Diff	Diff	Diff	
Day-ahead	19.81	-1.44	11.49	-1.24	21.97	-1.17	13.66	-0.97	
July '19	21.20	-0.43	12.88	-0.23	24.98	-0.30	16.66	-0.10	
August '19	20.99	-0.26	12.67	-0.05	24.29	-0.39	15.97	-0.18	
Q3 '19	21.37	-0.35	13.05	-0.14	24.57	-0.42	16.25	-0.21	
Q4 '19	22.62	-0.13	14.27	0.08	29.27	-0.23	20.92	-0.02	
Winter 19	22.61	-0.11	14.19	0.10	29.04	-0.23	20.62	-0.02	
Summer 20	19.60	0.04	11.07	0.26	24.23	0.05	15.70	0.26	
Winter 20	20.74	-0.09	12.07	0.12	28.34	-0.19	19.67	0.02	
Summer 21	18.08	-0.05	9.29	0.18	23.91	-0.09	15.11	0.13	
Winter 21	19.39	-0.11	10.46	0.12	27.24	-0.16	18.31	0.07	

UK DARK SPREADS FOR 35% AND 38% COAL PLANT EFFICIENCY 28 JUNE 2019

£/MWh

Period	Dark spread 35%		Clean dark spread 35%		Dark spread 38%		Clean dark spread 38%	
	Diff	Diff	Diff	Diff	Diff	Diff	Diff	Diff
July '19	20.89	-0.51	-2.03	0.06	22.15	-0.50	1.04	0.02
August '19	20.95	-0.43	-1.98	0.14	22.27	-0.42	1.15	0.10
Q3 '19	22.05	-0.49	-0.88	0.08	23.37	-0.48	2.24	0.04
Q4 '19	34.22	-0.76	11.21	-0.19	35.66	-0.76	14.47	-0.23
Winter 19	36.28	-0.72	13.08	-0.15	37.77	-0.72	16.40	-0.19
Summer 20	27.79	-0.55	4.28	0.03	29.41	-0.54	7.76	-0.01
Winter 20	34.20	-0.62	10.33	-0.02	35.92	-0.61	13.94	-0.06
Summer 21	25.54	-0.49	1.31	0.13	27.25	-0.49	4.92	0.07
Winter 21	32.61	-0.43	7.99	0.18	34.36	-0.43	11.68	0.12

GERMANY

Milder weather forecasts drive down market

[Back to contents](#)

Outlook

- Some more room to move down for gas and power
- Heatwave risk could return
- Coal has further to fall

The German wholesale power market shed value on Friday, due to easing heatwave risk and weakness in the carbon price.

MetDesk forecast milder temperatures widely across Europe, especially in week 28. This is crucial, because heatwaves can have a cumulative effect on power price deliveries, eventually affecting the supply side as rivers warm and evaporate, restricting nuclear and hydropower output.

Temperatures are now expected to return to the seasonal norm in northern European demand centres in week 28, having been well in excess of this in week 26.

This would reduce power demand from cooling appliances, although these are more prevalent in other regions, including the southern part of the continent.

MetDesk forecast German wind output averaging 13.1GW over the 14 days from Monday, up from 11.3GW anticipated on Thursday. Total wind generation across July 2018 averaged just 6GW, so this is well above normal for the time of year.

The milder, windier forecasts reduced expectations of fuel burn in the power mix. European power generators must purchase EUA certificates in order to emit carbon, and the EUA price accordingly led the wider energy complex downward. This traded at €26.44/tCO₂e at 16:00 London time, down 2.4% session on session.

With moves in fuels limited, carbon drove losses right through the German power curve.

Carbon has now mostly remained within a sideways channel between €24/tCO₂e and €28/tCO₂e for 12 consecutive weeks.

The gas prompt may have held up somewhat due to traders exiting positions ahead of July's expiry following weeks of strong losses.

ICIS assessed the TTF August at €10.03/MWh, more than €0.70/MWh above July. This suggests some room to move down for the new front month, but in general gas is at the bottom end of its historical trading range.

There was no transaction or bid-offer spread data for Tuesday or Wednesday peaks delivery, so these periods were assessed using an ICIS fundamentals model. This method was chosen because of the rapidly shifting fundamental picture, which means interpolation based on spreads to other contracts was not considered viable. **William Peck**

GERMAN MARKET 28 JUNE 2019						€/MWh			
Period	Bid	Baseload			Data Used	Bid	Peaks		
		Offer	Diff	Change %			Offer	Diff	Data Used
Day-ahead	34.00	34.50	-7.750	-18.45	B	34.75	35.25	-7.500	T
Monday	34.00	34.50	0.250	0.74	B	34.75	35.25	0.500	T
Tuesday	33.50	34.00	-0.250	-0.74	B	34.25*	35.25*	0.250	F
Wednesday	40.00	40.50	n/a	n/a	B	41.50*	42.50*	n/a	F
Weekend	21.40	21.60	-2.000	-8.51	T	n/a	n/a	n/a	n/a
Week 27 '19	30.90	31.25	-2.800	-8.27	B	37.50	38.00	-2.200	T
Week 28 '19	34.60	34.90	-1.875	-5.12	B	40.00*	41.00*	-1.400	B
July '19	35.80	36.30	-1.400	-3.74	B	41.15	41.65	-1.300	T
August '19	37.05	37.45	-0.750	-1.97	B	41.90*	42.65*	-0.625	B
September '19	39.70	39.85	-0.750	-1.85	B	44.70*	45.35*	-0.375	B
October '19	42.50	43.00	-0.500	-1.16	T	50.95*	51.95*	-0.550	I
Q3 '19	37.55	37.85	-0.950	-2.46	B	42.65*	43.15*	-0.750	T
Q4 '19	46.75	47.00	-0.525	-1.11	B	57.00*	57.60*	-0.600	B
Q1 '20	51.25	51.50	-0.450	-0.87	B	62.40*	63.20*	-0.700	B
Q2 '20	44.20*	44.45*	-0.625	-1.39	B	50.25*	50.45*	-0.650	B
Year 2020	48.55	48.85	-0.450	-0.92	B	57.85	58.00	-0.625	B
Year 2021	48.00	48.40	-0.200	-0.41	B	57.60	58.10	-0.600	T
Year 2022	49.05	49.55	-0.300	-0.61	T	59.65	60.15	-0.050	T
Year 2023	50.75	51.25	-0.150	-0.29	T	61.95*	62.95*	-0.100	B

*Indicative bid/offers

GERMAN DARK SPREADS FOR 35%,38% AND 40% COAL PLANT EFFICIENCY 28 JUNE 2019										€/MWh
Period	Dark spread 35%	Diff	Dark spread 38%	Dark spread 40%	Clean dark spread 35%	Diff	Clean dark spread 38%	Diff	Clean dark spread 40%	Diff
July '19	18.25	-1.49	19.66	20.48	-7.32	-0.89	-3.90	-0.94	-1.90	-0.96
August '19	18.66	-0.84	20.13	20.99	-6.91	-0.24	-3.42	-0.28	-1.39	-0.31
September '19	20.50	-0.87	22.02	22.91	-5.08	-0.28	-1.53	-0.31	0.53	-0.34
Q3 '19	19.14	-1.04	20.60	21.46	-6.44	-0.46	-2.95	-0.49	-0.92	-0.52
Q4 '19	26.56	-0.63	28.16	29.10	0.99	-0.03	4.61	-0.07	6.72	-0.10
Q1 '20	29.88	-0.52	31.57	32.56	3.98	0.07	7.73	0.04	9.91	0.01
Q2 '20	22.08	-0.69	23.84	24.86	-3.81	-0.09	-0.01	-0.13	2.20	-0.16
Year 2020	26.03	-0.55	27.82	28.87	0.14	0.06	3.98	0.02	6.21	-0.01
Year 2021	24.69	-0.21	26.54	27.62	-1.64	0.42	2.30	0.37	4.59	0.34
Year 2022	25.19	-0.28	27.09	28.20	-1.57	0.35	2.45	0.30	4.79	0.27

GERMAN SPARK SPREADS FOR 49.13% GAS PLANT EFFICIENCY 28 JUNE 2019										€/MWh
Period	Spark spread	Diff	Clean spark spread	Diff	Peak spark spread	Diff	Clean peak spark spread	Diff	Clean baseload spark - clean 35% dark	
Day-ahead	15.25	-7.88	5.41	-7.65	16.30	-7.28	6.46	-7.05	n/a	
July '19	17.10	-1.70	7.25	-1.48	22.45	-1.60	12.60	-1.38	14.57	
August '19	16.84	-0.98	7.00	-0.75	21.87	-0.85	12.03	-0.62	13.91	
September '19	17.13	-0.88	7.29	-0.65	22.38	-0.50	12.54	-0.27	12.36	
Q3 '19	17.04	-1.18	7.20	-0.95	22.24	-0.98	12.40	-0.75	13.63	
Q4 '19	13.27	0.17	3.42	0.39	23.69	0.09	13.85	0.32	2.43	
Q1 '20	13.47	0.14	3.50	0.37	24.89	-0.12	14.92	0.12	-0.49	
Q2 '20	9.67	-0.02	-0.30	0.21	15.70	-0.04	5.73	0.19	3.52	
Year 2020	12.37	0.14	2.40	0.37	21.59	-0.04	11.62	0.19	2.26	
Year 2021	11.36	0.39	1.23	0.63	21.01	-0.01	10.88	0.23	2.86	
Year 2022	12.71	0.26	2.41	0.50	23.31	0.51	13.01	0.75	3.98	

GERMAN SPARK SPREADS FOR 52.11% GAS PLANT EFFICIENCY 28 JUNE 2019										€/MWh
Period	Spark spread	Diff	Clean spark spread	Diff	Peak spark spread	Diff	Clean peak spark spread	Diff		
Day-ahead	16.32	-7.88	7.04	-7.66	17.37	-7.28	8.09	-7.06		
July '19	18.18	-1.69	8.90	-1.47	23.53	-1.59	14.25	-1.37		
August '19	18.01	-0.97	8.73	-0.75	23.04	-0.84	13.76	-0.62		
September '19	18.43	-0.87	9.14	-0.66	23.68	-0.49	14.39	-0.28		
Q3 '19	18.22	-1.17	8.94	-0.95	23.42	-0.97	14.14	-0.75		
Q4 '19	15.19	0.13	5.91	0.34	25.61	0.05	16.33	0.26		
Q1 '20	15.63	0.10	6.24	0.33	27.06	-0.15	17.66	0.07		
Q2 '20	11.65	-0.05	2.26	0.17	17.68	-0.07	8.28	0.14		
Year 2020	14.45	0.11	5.05	0.32	23.67	-0.07	14.27	0.14		
Year 2021	13.47	0.36	3.91	0.58	23.12	-0.04	13.56	0.18		
Year 2022	14.81	0.23	5.09	0.45	25.41	0.48	15.69	0.70		

FRANCE/NETHERLANDS

Lower temperatures push down prompts

Outlook

- Above-average wind power in weeks 27, 28
- Rain in week 27 to stabilise river levels
- Nuclear availability above five-year average

FRANCE

The French electricity market dropped on forecasts of less hot weather and bearish carbon prices. Temperatures were expected to gradually drop closer to seasonal average in weeks 27 and 28, according to weather forecasts.

The short-lived heatwave reduced river levels and increased their temperatures, but not significantly enough to prevent the normal cooling of the nuclear plants. The lower risk of prolonged heatwave helped push down the power prompt.

Wind was expected to be above seasonal average in both France and Germany in week 27, which helped to push down the front-week contract.

Strong wind in Germany is a bearish parameter for the French power prompt as the two neighbours share a lot of border capacity. Wind power was expected to remain above average in both countries in week 28.

Some precipitations in week 27 - which should become more widespread in week 28 - can help stabilise river levels and temperatures. This will further reduce the risk of heat-induced outage at nuclear plants.

Nuclear availability will rise to almost 75% in week 27, grid operator RTE showed. This is higher than the five-year average for week 27.

On the far curve, the Cal '22 contract rose above the Cal '21 contract after the French government voted the country's coal phase-out by 2022.

THE NETHERLANDS

The Dutch power market dropped in line with lower temperatures in week 27, high wind forecasts and bearish carbon prices.

Temperatures were expected to drop and reach seasonal average in weeks 27 and 28. Above-average wind generation also sent bearish signals to the prompt.

The EU December '19 product dropped from \$27.10/tCO₂e on Thursday at 16:00 London time, to €26.44/tCO₂e on Friday at the same time. **Diane Pallardy**

FRENCH MARKET 28 JUNE 2019

€/MWh

Period	Baseload					Peaks			
	Bid	Offer	Diff	Change %	Data Used	Bid	Offer	Diff	Data Used
Day-ahead	30.25	30.75	-3.750	-10.95	T	34.25*	34.75*	-3.500	T
Monday	30.25	30.75	-1.750	-5.43	T	34.25*	34.75*	-0.500	T
Tuesday	32.75*	33.75*	1.000	3.10	I	37.10*	38.10*	2.600	I
Wednesday	32.65*	33.65*	n/a	n/a	I	37.00*	38.00*	n/a	I
Weekend	23.15	23.35	0.175	0.76	T	n/a	n/a	n/a	n/a
Week 27 '19	29.15	29.50	-1.325	-4.32	B	37.00*	38.00*	-1.000	B
Week 28 '19	31.00	31.50	-1.625	-4.94	B	38.00*	39.00*	-2.000	I
July '19	32.20	32.60	-1.125	-3.36	B	38.75*	39.25*	-1.100	B
August '19	33.85	34.05	-0.425	-1.24	B	39.00*	40.00*	-1.950	B
September '19	40.15	40.50	-0.675	-1.65	B	45.50*	46.50*	-1.300	I
October '19	47.25*	48.25*	-0.750	-1.55	B	59.45*	60.45*	-0.950	I
Q3 '19	35.35	35.75	-0.750	-2.07	B	41.25	41.75	-1.450	T
Q4 '19	55.90*	56.00*	-0.850	-1.50	B	69.75*	70.25*	-0.850	T
Q1 '20	59.50*	60.00*	-1.000	-1.65	B	72.55*	73.55*	-1.250	I
Q2 '20	42.55*	42.85*	-0.950	-2.18	B	51.40*	52.40*	-1.150	I
Year 2020	51.30	51.75	-0.550	-1.06	B	63.00*	64.00*	-0.500	B
Year 2021	48.50	48.95	-0.375	-0.76	B	62.50*	63.50*	-1.000	B
Year 2022	48.70	49.05	0.125	0.26	B	63.45*	63.95*	-0.300	B

*Indicative bid/offers

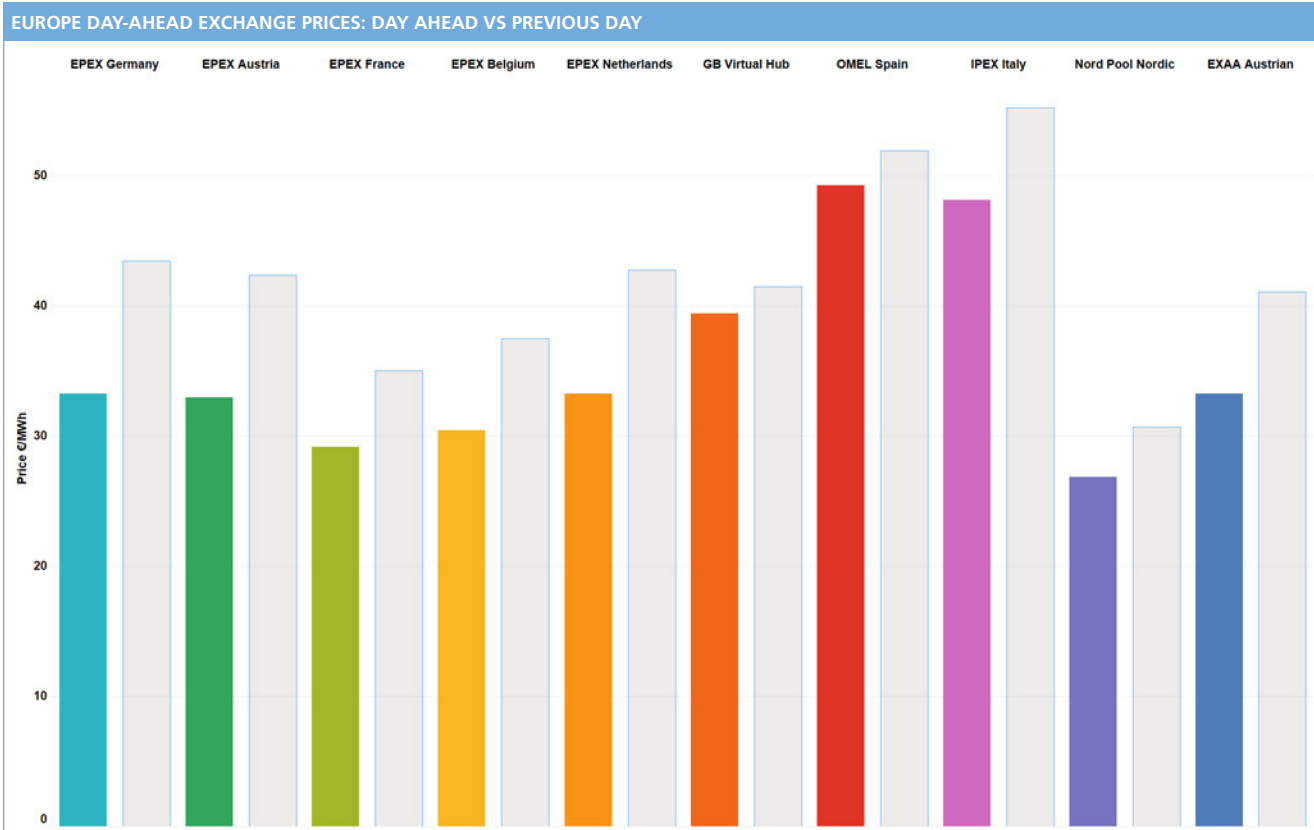
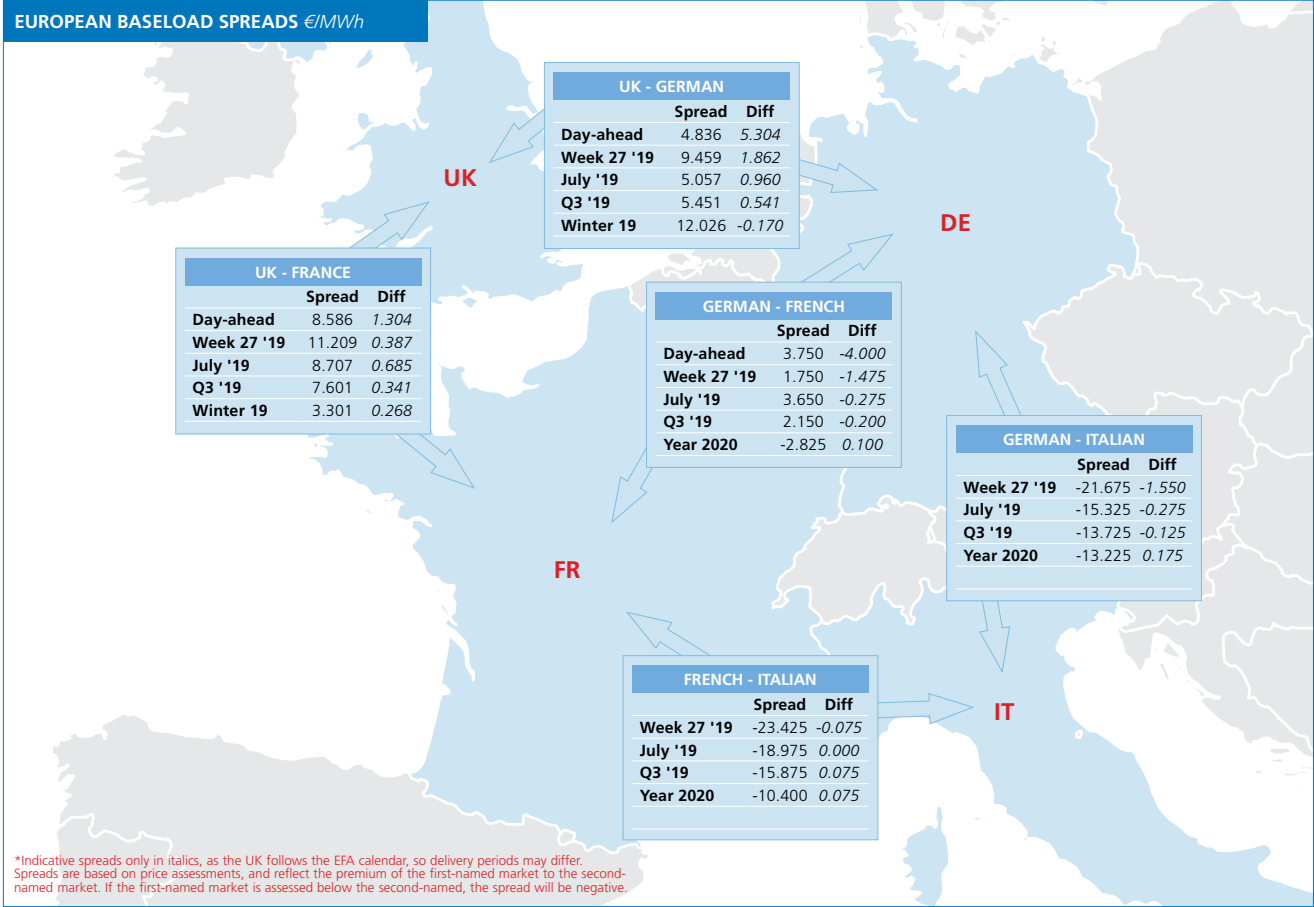
DUTCH MARKET 28 JUNE 2019

€/MWh

Period	Baseload					Peaks			
	Bid	Offer	Diff	Change %	Data Used	Bid	Offer	Diff	Data Used
Day-ahead	34.50*	35.50*	-6.600	-15.87	B	n/a	n/a	n/a	n/a
Weekend	26.50*	27.50*	-2.500	-8.48	I	n/a	n/a	n/a	n/a
Week 27 '19	33.75	34.25	-1.250	-3.55	B	n/a	n/a	n/a	n/a
July '19	37.00	37.15	-1.000	-2.63	B	42.00*	42.50*	-0.750	T
August '19	37.50*	38.00*	-0.700	-1.82	T	n/a	n/a	n/a	n/a
September '19	41.00	41.45	-0.875	-2.08	B	n/a	n/a	n/a	n/a
Q3 '19	38.50*	38.90*	-0.850	-2.15	B	n/a	n/a	n/a	n/a
Q4 '19	50.40	50.65	-0.675	-1.32	B	n/a	n/a	n/a	n/a
Q1 '20	54.15	54.50	-0.875	-1.59	B	n/a	n/a	n/a	n/a
Year 2020	50.80	51.00	-0.300	-0.59	B	59.25	59.75	-0.700	T
Year 2021	49.80*	49.90*	-0.250	-0.50	B	n/a	n/a	n/a	n/a

*Indicative bid/offers

Data used key: B – Bid/offer, T – Transaction, S – Spread, F – Fundamentals, I – Interpolation/extrapolation. The key codes represent the primary data type used to make the assessment.



ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of European Daily Electricity Markets in either its electronic or hard copy format is illegal. Should you require a licence or additional copies, please contact ICIS at energyinfo@icis.com.

ITALY

Prompt can remain bearish on low weather risk

[Back to contents](#)

Outlook

- Short-term contracts may lose further ground
- Hydro risk still lurking could slightly offset bearish sentiment on prompt
- Bearish gas to pressure curve

The Italian power short-term products may keep following a bearish trajectory, market data indicated in Friday's trading session.

Trades received by ICIS showed that the Week 27 '19 product was trading at €51.60/MWh at 11:32 London time, while Weeks 28 and 29 were respectively trading at €50.75/MWh and €50.50/MWh at 11:03.

The weekly components of the July '19 contract went into backwardation due to lower demand expectations for the next few weeks, according to a market source. This was because less hot weather risk expectation going forward prompted traders to remove risk premium from the weekly contracts.

This was not the case in 2018 when the three products were in a contango shape during the same period.

Latest weather forecasts indicated a milder

weather outlook compared to previous days' expectations, WSI and Ministry of Defence data showed. Nevertheless, temperatures are set to remain mostly above the seasonal norm until 14 July.

In addition, mainly dry conditions should reduce hydro production across the country, with the exception of the northern regions where some showers and thunderstorm are expected in weeks 27 and 28, according to MetDesk. This could slightly offset the current bearish sentiment across the market.

Further out, ongoing bearish gas, coal and carbon prices pressured all the near- and far-curve products. A bearish French power mar-

ket - from which Italy is a net importer - added pressure to the picture.

Gas and carbon are important price drivers for the Italian power market due to the large of electricity produced from gas-fuelled plant on which a carbon tax is applied.

The gas outlook on the Italian PSV hub is also due to remain bearish due to a busy LNG schedule, LNG Edge data showed. This should provide further pressure to the Italian power curve. **Marta Del Buono**

ITALIAN SPARK SPREADS FOR 49.13% FUEL EFFICIENCY 28 JUNE 2019

€/MWh

Period	Spark spread	Spark diff	Clean spark spread	Clean spark diff
July '19	24.69	-1.38	14.84	-1.15
August '19	23.30	-0.55	13.46	-0.31
September '19	24.87	-0.37	15.03	-0.14
Q3 '19	24.28	-0.75	14.43	-0.52
Q4 '19	21.66	0.09	11.82	0.32
Q1 '20	22.45	0.08	12.48	0.31
Q2 '20	17.13	0.46	7.17	0.70
Winter 19	22.06	0.09	12.15	0.32
Year 2020	20.40	-0.04	10.43	0.19

HEREN® ITALIAN INDICES

€/MWh

July €54.780/MWh

ITALIAN MARKET 28 JUNE 2019

€/MWh

Period	Baseload					Peaks				France-Italy Baseload		France-Italy Peakload	
	Bid	Offer	Diff	Change %	Data Used	Bid	Offer	Diff	Data Used	Spread	Diff	Spread	Diff
Week 27 '19	52.500*	53.000*	-1.250	-2.315	B	58.850*	59.850*	-1.4	I	-23.425	-0.075	-21.850	0.400
Week 28 '19	51.000	51.750	-1.575	-2.975	B	57.300*	58.300*	-1.75	I	-20.125	-0.050	-19.300	-0.250
July '19	51.150	51.600	-1.125	-2.143	B	57.350*	57.850*	-1.4	T	-18.975	0.000	-18.600	0.300
August '19	48.900	49.450	-0.725	-1.453	B	52.800*	53.800*	-0.9	I	-15.225	0.300	-13.800	-1.050
September '19	53.550	53.900	-0.675	-1.241	B	60.650*	61.650*	-0.85	I	-13.400	0.000	-15.150	-0.450
October '19	57.800*	58.800*	-0.650	-1.103	I	69.350*	70.350*	-0.3	I	-10.550	-0.100	-9.900	-0.650
Q3 '19	51.200*	51.650*	-0.825	-1.579	B	56.850*	57.850*	-1.05	I	-15.875	0.075	-15.850	-0.400
Q4 '19	61.100	61.400	-0.700	-1.130	B	71.250*	71.650*	-0.3	B	-5.300	-0.150	-1.450	-0.550
Q1 '20	65.300*	65.600*	-0.550	-0.833	B	75.250*	76.250*	-0.65	I	-5.700	-0.450	-2.700	-0.600
Q2 '20	56.600*	57.000*	-0.500	-0.873	B	59.950*	60.950*	-0.55	I	-14.100	-0.450	-8.550	-0.600
Year 2020	61.850	62.000	-0.625	-0.999	B	68.150*	69.150*	-0.7	B	-10.400	0.075	-5.150	0.200
Year 2021	59.750*	60.750*	-0.200	-0.331	B	67.000*	68.000*	-0.25	I	-11.525	-0.175	-4.500	-0.750

*Indicative bid/offers

Data used key: B – Bid/offer, T – Transaction, S – Spread, F – Fundamentals, I – Interpolation/extrapolation. The key codes represent the primary data type used to make the assessment.

Hungary-Germany July '19 spread tightens

Outlook

- Danube flows to Romania expected to decrease
- Tightness and high demand likely to support prices in week 27
- Hungarian July '19 premium to Germany decreases

Weaker coal and carbon prices and forecasts for higher wind in Germany have driven regional curve prices down on Friday, but high temperatures and tightness in the grid could keep Hungarian prices supported in week 27.

The Hungarian front month corrected down session on session, reflecting the weakness across the benchmark German power market.

The Hungarian July '19 contract closed €15.25/MWh above the German peer, its premium decreasing session on session.

The current spread is the tightest between

the two markets since 17 June, according to ICIS data.

Market participants have indicated earlier this week that the current spread is unlikely to materialise in delivery as Germany is also facing hot temperatures and higher demand that will support prices in the coming weeks.

Rising temperatures and regional tightness are likely to support Hungarian power prices in week 27 and throughout July, although supply should improve in the second half of the month.

Forecaster MetDesk said that temperatures in Hungary and the Balkans would be above normal in weeks 28-31, bringing dry conditions.

The conventional supply is currently tighter due to regional outages, with Czech 470MW Dukovany 2 nuclear unit going into unplanned outage earlier this week and is expected to return on 13 July, according to REMIT information.

This is alongside a planned 1GW outage at the other Czech nuclear plant, Temelin.

One 500MW Bohunice nuclear unit in Slovakia is due back from maintenance on 14 July (see a *separate story*).

Danube flows through Romania's Bazias point are forecast to drop in the coming days and reach 5,500cbm/s by 5 July, according to the Romanian hydrology institute INHGA.

However, this will still be above the multi-year average of 5,350cbm/s for July.

Elsewhere in the region, Bulgarian August '19 Baseload was reported trading at €52.50/MWh in one 5MW clip on Friday on the broker screen.

A separate bilateral deal on the same contract was also reported at €52.80.

The levels were similar to deals reported on the Bulgarian July '19 earlier this week, pointing to a continuing bullish outlook for Bulgarian power market. [Karolina Zagrodna](#)

HEREN® CZECH INDICES		€/MWh
July	€39.132/MWh	
Day Ahead	€41.000/MWh Volume: 0 MW	
HEREN® HUNGARIAN INDICES		€/MWh
July	€52.345/MWh	
Day Ahead	€54.481/MWh Volume: 265 MW	
Day Ahead Peaks	€63.150/MWh Volume: 0 MW	

HUNGARIAN MARKET 28 JUNE 2019										€/MWh
	Baseload					Peaks				
Period	Bid	Offer	Diff	Change, %	Data Used	Bid	Offer	Diff	Data Used	
Day-ahead	53.90	54.10	1.000	1.89	T	62.65*	63.65*	1.150	I	
Weekend	33.65	33.85	-3.250	-8.78	T	n/a	n/a	n/a	n/a	
Week 27 '19	50.55	50.95	-1.250	-2.40	B	59.50*	60.50*	-1.000	I	
July '19	51.20	51.40	-2.400	-4.47	B	63.00*	64.00*	-2.750	B	
August '19	53.70	53.90	-1.450	-2.62	B	65.45*	66.45*	-1.200	I	
September '19	56.25	57.00	-0.250	-0.44	B	67.30*	68.30*	-0.100	I	
Q3 '19	53.65*	54.15*	-1.375	-2.49	B	65.50*	66.00*	-1.350	B	
Q4 '19	60.00	60.75	-0.900	-1.47	B	74.75*	75.75*	-1.100	I	
Q1 '20	64.10*	65.00*	-0.050	-0.08	B	76.95*	77.95*	-0.050	I	
Q2 '20	52.55*	53.55*	-0.050	-0.09	I	62.60*	63.60*	0.000	I	
Year 2020	59.80	60.00	-0.050	-0.08	B	71.20*	71.70*	-0.050	B	
Year 2021	55.50	56.00	-0.200	-0.36	B	66.90*	67.90*	-0.250	I	

*Indicative bid/offers

Data used key: B – Bid/offer, T – Transaction, S – Spread, F – Fundamentals, I – Interpolation/extrapolation. The key codes represent the primary data type used to make the assessment.

CEE/SEE

[Back to contents](#)

CZECH MARKET 28 JUNE 2019 €/MWh

Baseload					
Period	Bid	Offer	Difference	Change, %	Data Used
Day-ahead	40.90	41.10	-3.750	-8.38	T
Weekend	22.00	22.20	-7.400	-25.09	T
Week 27 '19	34.00	34.50	-2.250	-6.16	T
July '19	38.10	38.40	-1.500	-3.77	B
August '19	39.00*	39.05*	-1.025	-2.56	B
Q3 '19	39.25*	40.25*	-1.075	-2.63	I
Q4 '19	49.35	49.95	-0.550	-1.10	B
Q1 '20	54.60*	55.60*	-0.400	-0.72	I
Year 2020	51.35	51.60	-0.375	-0.72	B
Year 2021	50.25	50.60	-0.325	-0.64	B

*Indicative bid/offers

ROMANIAN MARKET 28 JUNE 2019 New Lei/MWh

Baseload					
Period	Bid	Offer	Difference	Change, %	Data used
July '19	234.50	235.50	-11.000	-4.47	T
August '19	255.00	256.00	-5.500	-2.11	T
Q3 '19	254.00	256.00	-3.000	-1.16	B
Q4 '19	288.50	289.50	-4.000	-1.37	T
Year 2020	283.00*	289.00*	-2.000	-0.69	B

*Indicative bid/offers

Data used key: B – Bid/offer, T – Transaction, S – Spread, F – Fundamentals, I – Interpolation/extrapolation. The key codes represent the primary data type used to make the assessment.

What's new from ICIS?



Our long-term power price forecast now includes coverage for:

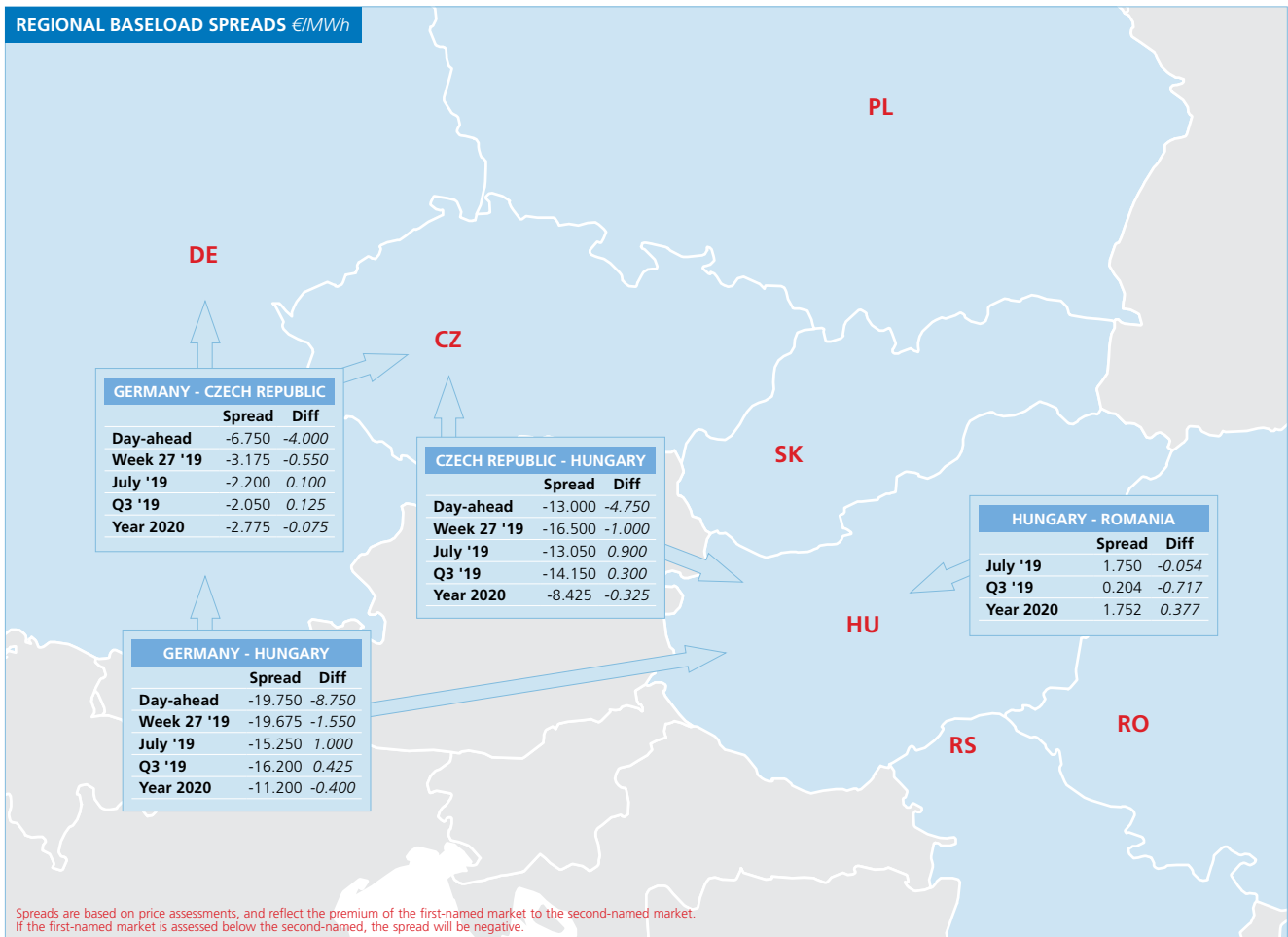
- + Hungary
- + Romania
- + Czech Republic
- + Switzerland
- + Slovakia

Available as part of the **ICIS Power Horizon** subscription.

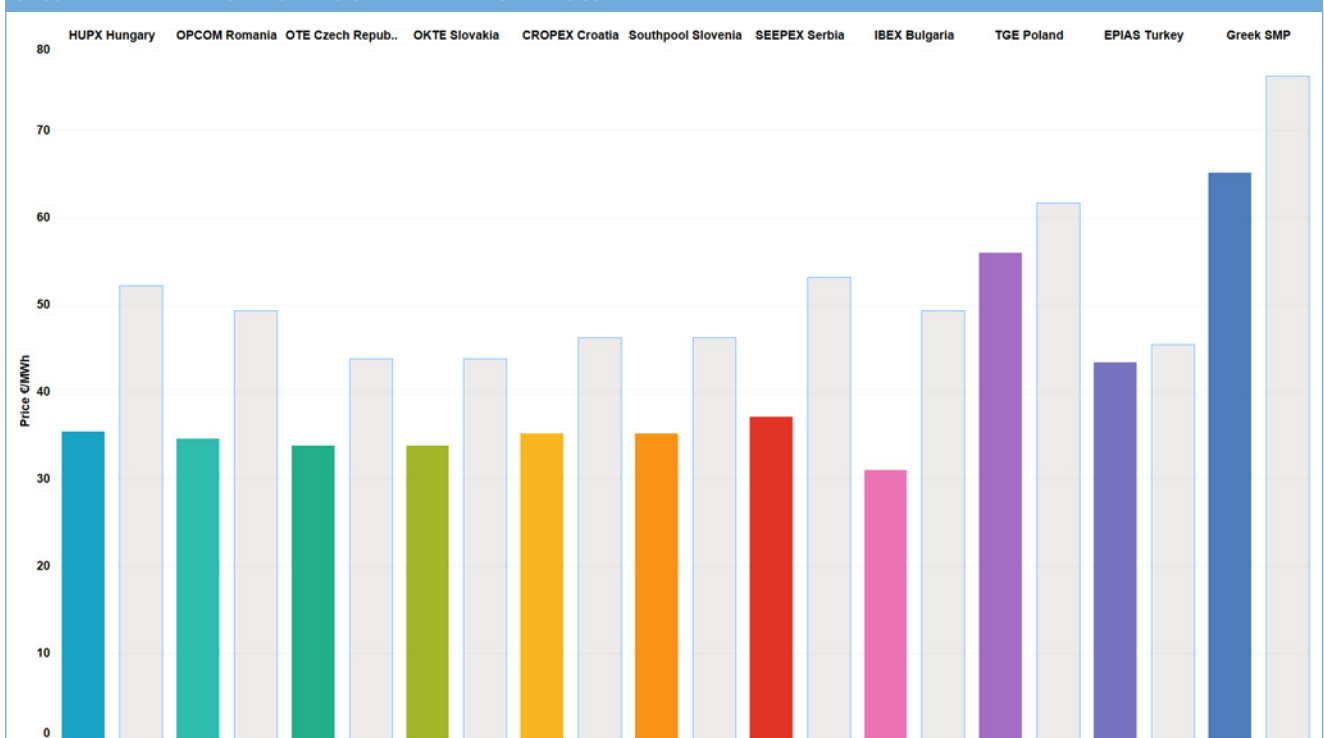
Find out more [→](#)

ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of European Daily Electricity Markets in either its electronic or hard copy format is illegal. Should you require a licence or additional copies, please contact ICIS at energyinfo@icis.com.

REGIONAL BASELOAD SPREADS €/MWh



CEE/SEE DAY-AHEAD EXCHANGE PRICES: DAY AHEAD VS PREVIOUS DAY



ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of European Daily Electricity Markets in either its electronic or hard copy format is illegal. Should you require a licence or additional copies, please contact ICIS at energyinfo@icis.com.

TURKEY

Market braced for regulated tariff announcements

Outlook

- Electricity tariff to be confirmed next week
- Gas tariff raise could be announced
- High temperatures to keep spot supported

There were indications that the Turkish government is set to raise the regulated electricity tariff to 14.8%, according to market participants. Details could not be confirmed at the time of writing.

The hike is above expectations, with many market participants anticipating an increase of around 10%. However, the reports were met with a muted reaction by traders with details

yet to be finalised. Changes to the regulated gas tariffs will not be announced until early next week.

In theory, a higher electricity tariff should have a bullish impact on spot prices, but there remain concerns about the ongoing weak demand and high exchange rate.

Large session-on-session gains were observed across a number of curve contracts with trading activity gradually picking up after a period of low liquidity.

Low liquidity has been a result of prolonged difficult conditions for companies trading in the Turkish wholesale electricity market. An

ongoing financial crisis and a sluggish Turkish economy has generated a lot of uncertainty.

"Banks are very tight in providing bank guarantees, and they have decreased credit limits. The general economy needs some time to recover, but we don't see a fast recovery at the moment," said one source.

"BOTAS should be supplying gas to CCGTs with a price indexed to USD/TL exchange rate and oil prices. Also, big electricity consumers should prefer buying electricity with a fixed price instead of a price indexed to Day-ahead prices. If these two things happen, we will see a much more liquid market," said another market source.

Spot values remained fairly well supported on Friday with Day-ahead prices from the EPIAS exchange outturning at TL284.66/MWh, the sixth day in a row that prices have delivered fairly close to TL300/MWh. High temperatures have resulted in more natural gas power plants being used to balance the system, which has supported prices. **Christopher Rene**

TURKISH MARKET 28 JUNE 2019

TL/MWh

Period	Bid	Baseload		Change %	Data Used
		Offer	Difference		
Week 27 '19	306.50*	316.50*	0.000	0.00	I
July '19	310.00	315.00	3.250	1.05	B
August '19	334.55*	344.55*	22.450	7.08	I
September '19	327.55*	337.55*	22.450	7.24	I
Q3 '19	323.20*	333.20*	16.050	5.14	I
Q4 '19	334.60*	335.00*	16.050	5.04	B
Q1 '20	320.00*	330.00*	0.000	0.00	I
Q2 '20	310.00*	320.00*	0.000	0.00	I
Rolling Year from 1 Jul '19	320.75*	330.75*	8.050	2.53	I
Year 2020	320.00*	330.00*	0.000	0.00	I

Data used key: B – Bid/offer, T – Transaction, S – Spread, F – Fundamentals, I – Interpolation/extrapolation. The key codes represent the primary data type used to make the assessment.

HEREN TURKISH FRONT MONTH OTC ELECTRICITY INDEX

July TL317.038/MWh
Volume: 0 MW

TURKISH MARKET 28 JUNE 2019

Converted to €/MWh

Period	Bid	Offer	Baseload		Exchange rate	Day-on-day difference
			Difference	Change %		
Week 27 '19	46.46*	47.97*	-0.123	-0.26	0.152	0.000
July '19	46.12	46.86	0.344	0.75	0.149	0.000
August '19	49.37*	50.84*	3.203	6.83	0.148	0.000
September '19	47.49*	48.94*	3.156	7.00	0.145	0.000
Q3 '19	47.73*	49.21*	2.262	4.90	0.148	0.000
Q4 '19	46.92*	46.98*	2.176	4.86	0.140	0.000
Q1 '20	42.78*	44.11*	-0.051	-0.12	0.134	0.000
Q2 '20	39.60*	40.88*	-0.032	-0.08	0.128	0.000
Rolling Year from 1 Jul '19	44.00*	45.38*	1.036	2.37	0.137	0.000
Year 2020	40.05*	41.30*	-0.029	-0.07	0.125	0.000

*Indicative bid/offers NOTE: Currency forward curve calculation by ICIS, using data provided by Bloomberg

TURKISH TRADES REPORTED 28 JUNE 2019

TL/MWh

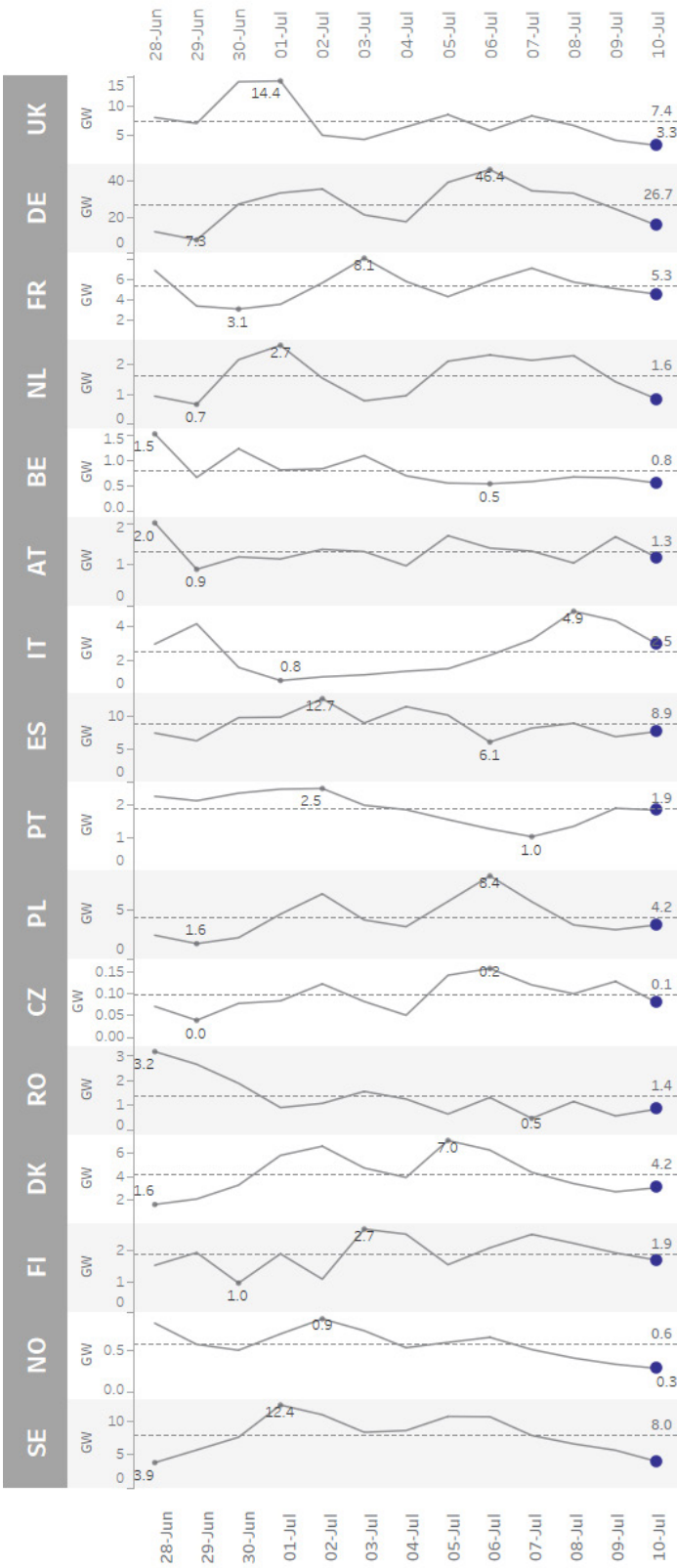
Transaction date	Price	Volume	Delivery dates	Loadshape	Confirmed	Notes
28/06/2019	331.5	5	H2 '19	Baseload	Yes	Physical

Renewable Forecasts

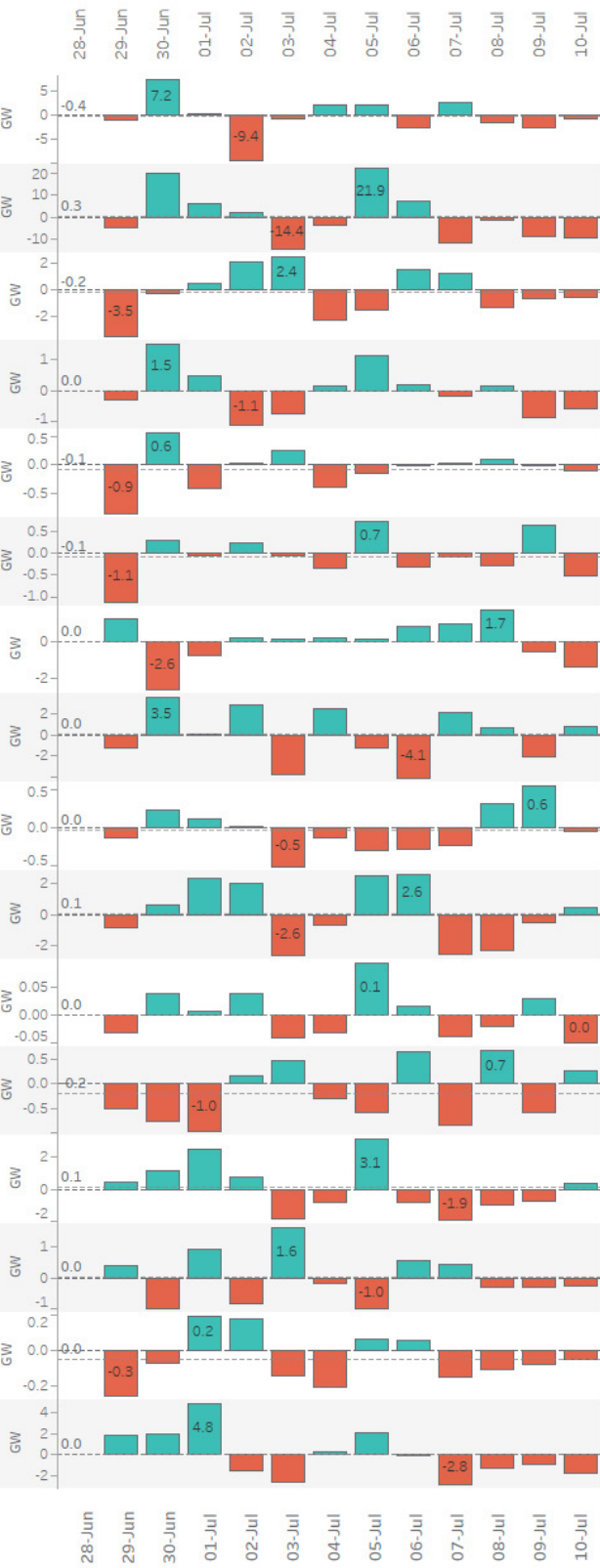
RENEWABLES | WIND

Forecast Period | 6/28/2019 - 7/10/2019

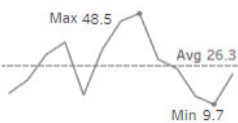
| Wind Baseload by Country Over Time



| Difference in Wind Baseload From Previous Day



How to read: The chart shows daily average generation. Labels show the max and min values and the average for the forecast period



Back to contents

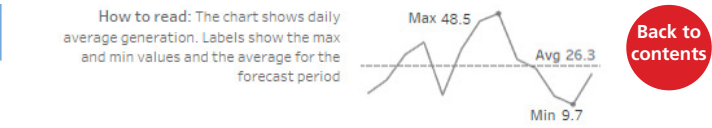
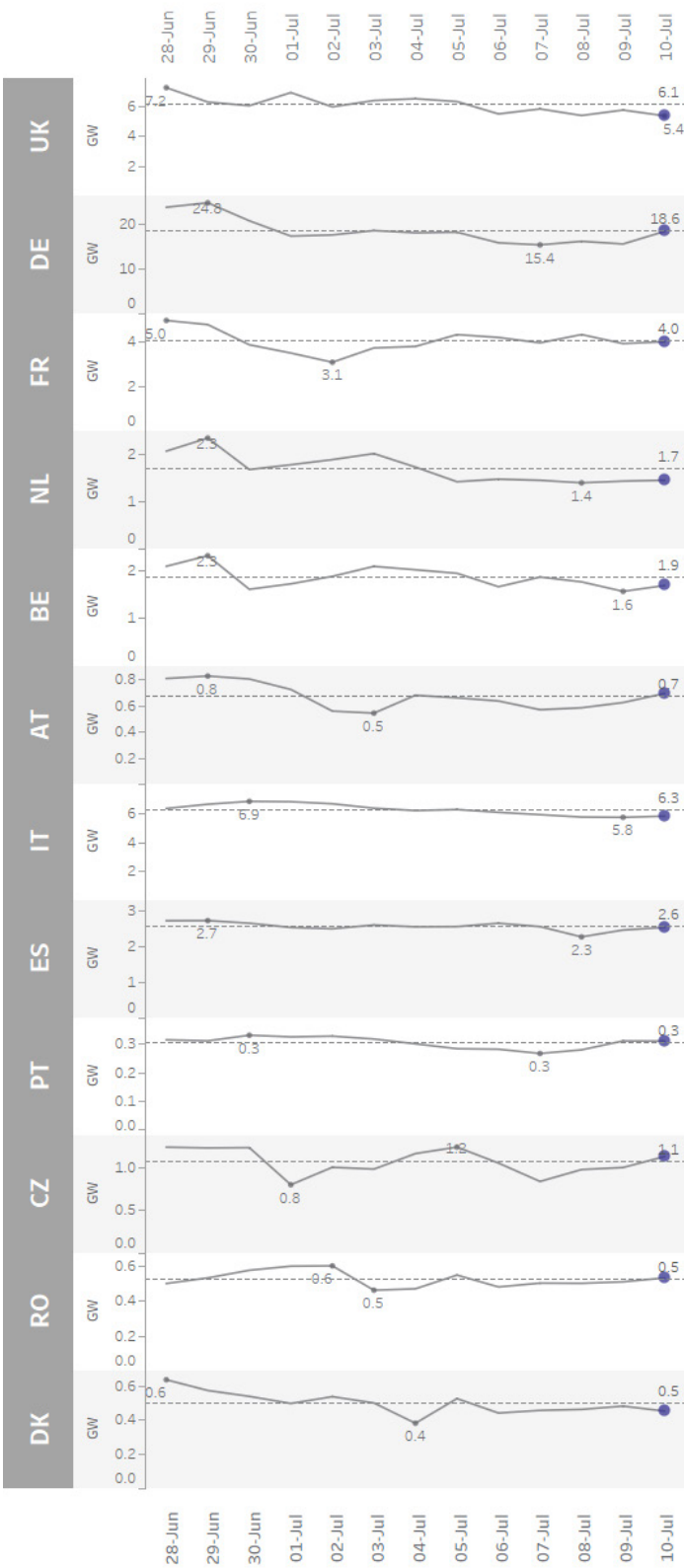
ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of European Daily Electricity Markets in either its electronic or hard copy format is illegal. Should you require a licence or additional copies, please contact ICIS at energyinfo@icis.com.

Renewable Forecasts

RENEWABLES | SOLAR

Forecast Period | 6/28/2019 - 7/10/2019

| Solar baseload by Country Over Time



Back to contents

| Difference in Solar Baseload From Previous Day



ICIS accepts no liability for commercial decisions based on the content of this report. Unauthorised reproduction, onward transmission or copying of European Daily Electricity Markets in either its electronic or hard copy format is illegal. Should you require a licence or additional copies, please contact ICIS at energyinfo@icis.com.

Across the markets

Back to
contents

EUROPEAN DAY-AHEAD POWER PRICES

EPEX SPOT DE RESULTS DD MONTH 2019

	Average price, €	Volume, MWh
Baseload	33.25	677764.3
Peak	30.79	386351.6

EPEX SPOT AU RESULTS DD MONTH 2019

	Average price, €	Volume, MWh
Baseload	32.96	76513.2
Peak	30.61	37146.6

EPEX SPOT FR RESULTS DD MONTH 2019

	Average price, €	Volume, MWh
Baseload	29.18	346645.3
Peak	28.73	187184.6

EPEX SPOT NL RESULTS 29 JUNE 2019

	Average price, €	Volume, MWh
Baseload	33.27	86,775.7
Peak (8-20)	30.79	43,200.3
Off Peak (20-8)	35.76	43,575.4

EPEX SPOT BE RESULTS 29 JUNE 2019

	Average price, €	Volume, MWh
Day	30.45	38,628.2
Peak (9-20)	29.39	19,280.1
Off Peak (21-8)	31.52	19,348.1

OMEL SPAIN 1 JULY 2019

	Market closing price, €
Baseload	49.26
Maximum	51.45
Peak	48.97
Minimum	45.91
Total Volume:	483.7GWh

EXAA AUSTRIA 1 JULY 2019

	Market closing price, €
Baseload	33.25
Maximum	45.10
Peak	32.82
Minimum	28.46
Total Volume:	9,946.2MWh

IPEX ITALY 1 JULY 2019

	Market closing price, €
Baseload	48.14
Maximum	60.19
Peak	0.00
Minimum	37.01
Total Volume:	832,709.0MWh

GB VIRTUAL HUB PRICE: 29 JUN 2019

	Price £/MWh	Volume MWh
N2EX day-ahead auction	35.26	159,407.5
EPEX SPOT day-ahead auction	35.26	116,106.6

BSP SOUTHPOL SLOVENIA

28 JUNE 2019

Delivery period	Price €/MWh	Volume MWh
29/06/2019	35.17	21,559.10

HUPX HUNGARY

28 JUNE 2019

Delivery period	Price €/MWh	Volume MWh
29/06/2019	35.42	56,984.40

GREEK SMP DAY AHEAD MARKET

28 JUNE 2019

Delivery Period	Price €/MWh
29 June 2019	65.13

TURKISH EPIAS FOR DELIVERY 29 JUNE 2019

	Price TL/MWh
Baseload Average	284.66
Peakload Average (8-20)	299.67

NORDIC PRICES 28 JUNE 2019 (EURO/MWH)

Period	Bid	Offer	Difference	Change, %
Year 2020	35.56	35.74	-0.68	-1.86
Year 2021	33.56	33.79	-0.43	-1.25
Sys.Price (29-Jun)	26.84	EUR/MWh	-3.85	0.0%
Nord Pool Volume	2,954.32	GWh	762.74	0.0%

EUROPEAN OTC TRADES VOLUME 28 JUNE 2019

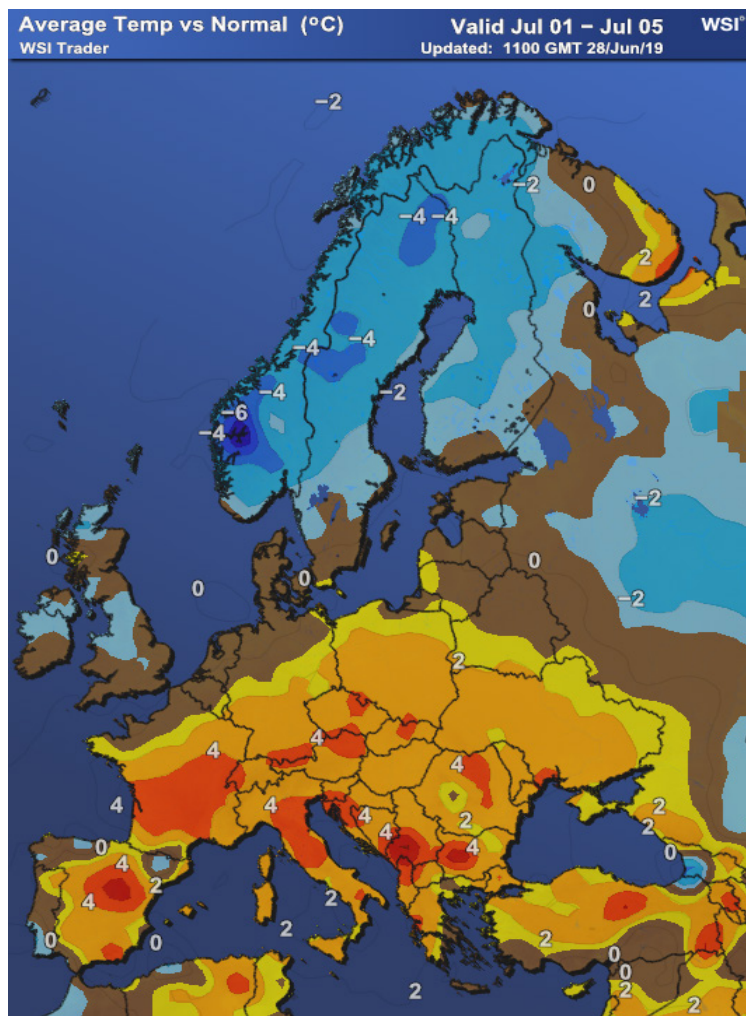
	Total MWh	% curve	% prompt	Number of trades
Austria	n/a	n/a	n/a	0
Belgium	61536	89.3	10.7	11
Czech Republic	62568	54.0	46.0	31
France	1482942	76.1	23.9	335
Germany	12610164	86.0	14.0	1750
Hungary	232440	89.5	10.5	81
Italy Financial	2730187	95.5	4.5	299
Italy Physical	191117	100.0	n/a	6
Netherlands	1451461	97.0	3.0	101
Poland	n/a	n/a	n/a	0
Romania	134156	91.2	8.8	40
Serbia	n/a	n/a	n/a	0
Slovak Republic	228384	100.0	n/a	11
Spain	65899	100.0	n/a	7
Switzerland	242568	89.1	10.9	48
Turkey	22085	100.0	n/a	1
UK	2631318	86.8	13.2	552

EUROPEAN OTC TRADED RANGES – BASELOAD 28 JUNE 2019

	Currency/MWh	Day-ahead		July '19		Q3 '19		Summer 20		Year 2020	
		Low	High	Low	High	Low	High	Low	High	Low	High
Austria	€	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Belgium	€	n/a	n/a	33.500	33.500	n/a	n/a	n/a	n/a	52.050	52.300
Czech Republic	€	41.000	41.000	38.250	38.300	n/a	n/a	n/a	n/a	51.450	51.500
France	€	30.000	30.500	32.250	32.800	35.350	35.350	n/a	n/a	51.400	51.500
Germany	€	33.000	35.000	35.600	36.300	37.500	37.900	n/a	n/a	48.450	48.900
Hungary	€	54.000	54.500	51.200	52.750	n/a	n/a	n/a	n/a	n/a	n/a
Italy Financial	€	57.500	58.000	50.750	51.600	51.250	51.250	n/a	n/a	61.900	62.250
Italy Physical	€	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	61.900	61.950
Netherlands	€	n/a	n/a	37.000	37.250	n/a	n/a	n/a	n/a	50.700	50.900
Poland	zł	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Romania	New Lei	220.000	242.000	235.000	248.000	n/a	n/a	n/a	n/a	n/a	n/a
Serbia	€	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Slovak Republic	€	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	52.600	52.900
Spain	€	n/a	n/a	49.350	49.350	50.600	50.650	n/a	n/a	n/a	n/a
Switzerland	€	32.000	32.500	n/a	n/a	n/a	n/a	n/a	n/a	53.600	53.750
Turkey	TL	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
UK	£	35.000	35.500	36.700	37.560	38.650	38.750	48.200	48.400	n/a	n/a

EUROPEAN OTC TRADED RANGES – PEAKLOAD 28 JUNE 2019

	Currency/MWh	Day-ahead		July '19		Q3 '19		Summer 20		Year 2020	
		Low	High	Low	High	Low	High	Low	High	Low	High
Czech Republic	€	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
France	€	34.500	34.500	39.000	39.000	41.500	41.500	n/a	n/a	n/a	n/a
Germany	€	34.500	35.250	41.350	41.950	42.800	43.050	n/a	n/a	57.850	58.100
UK	£	37.000	37.750	40.200	40.730	42.000	42.000	52.900	52.900	n/a	n/a



Days 1-5 Outlook: 1-5 July

- Still dry north under higher pressure, wetter south where more in the way of showers and thundershowers. Wetter and cooler Scandinavia under low pressure.
- Mean temperature anomalies +1° to +3°C, -1° to +1°C over the N Europe Plain & British Isles. Scandinavia -1 to -3°C. es around normal -1° to +1°C.
- Mean precipitation anomalies 25% of normal in the north, 50-150% for the south hydro areas. Scandinavia 100-250%.
- Mostly low wind power potential, moderate to high for northern wind farms at first.

Days 6-10 Outlook: 6-10 July

- Low pressure to the east with high pressure to the west will result in a milder NW to W air flow and drier than normal. Wetter in the south with scattered showers and thundershowers.
- A spell of windier weather is expected at the beginning of the period while the low moves to the east.
- Mean temperature anomalies +1° to +3°C, but -1° to +1°C for the west of Europe and Scandinavia.
- Mean precipitation anomalies 50-100% of normal, 75-150% for southern hydro areas.
- Mostly low wind power potential, moderate to high for the northern wind farms at first, high to very high for south Sweden.

Weather forecast graphics and commentary provided in this publication are supplied by Weather Services International (WSI). WSI provides a wide range of pan-European weather forecasts, commentary and graphics specifically tailored for the energy marketplace. For additional information or to subscribe to our free quarterly WSI Energycast Europe Newsletter please e-mail energy@wsieurope.com or visit www.wsieurope.com.

[Back to contents](#)

99 Bishopsgate,
London EC2M 3AL, UK

Website: www.icis.com/energy

ICIS Customer Support

+65 6588 3955 (Asia & Middle East)
+44 20 8652 3335 (Europe & Africa)
+1 888 525 3255 (toll free US & Canada)
or +1 713 525 2613 (Americas)
csc@icis.com

ICIS Compliance and Methodology
www.icis.com/compliance

Editor, EDEM

Irina Peltegov
+44 20 7911 1975
irina.peltegov@icis.com

Deputy Editor, EDEM

Ellie Chambers
+44 20 7911 1806
ellie.chambers@icis.com

Editorial Director, Operations

Stephen Burns
+1 713 525 2611
stephen.burns@icis.com

Head of Sales

Dan Barnard
Caroline Davis

Product Director

Louise Boddy
+44 20 7911 1948
louise.boddy@icis.com

Senior Marketing Manager

Kirsty Fleck
+44 20 8652 8377
kirsty.fleck@icis.com

Publisher

Dean Curtis, Managing Director, ICIS

Global Operations Manager

Louise Murrell

Deputy Global Production Editor

Kristin Foster

Head of Americas & Europe – Copy Editing

Monica Lugo
+1 713 585 2656
monica.lugo@icis.com