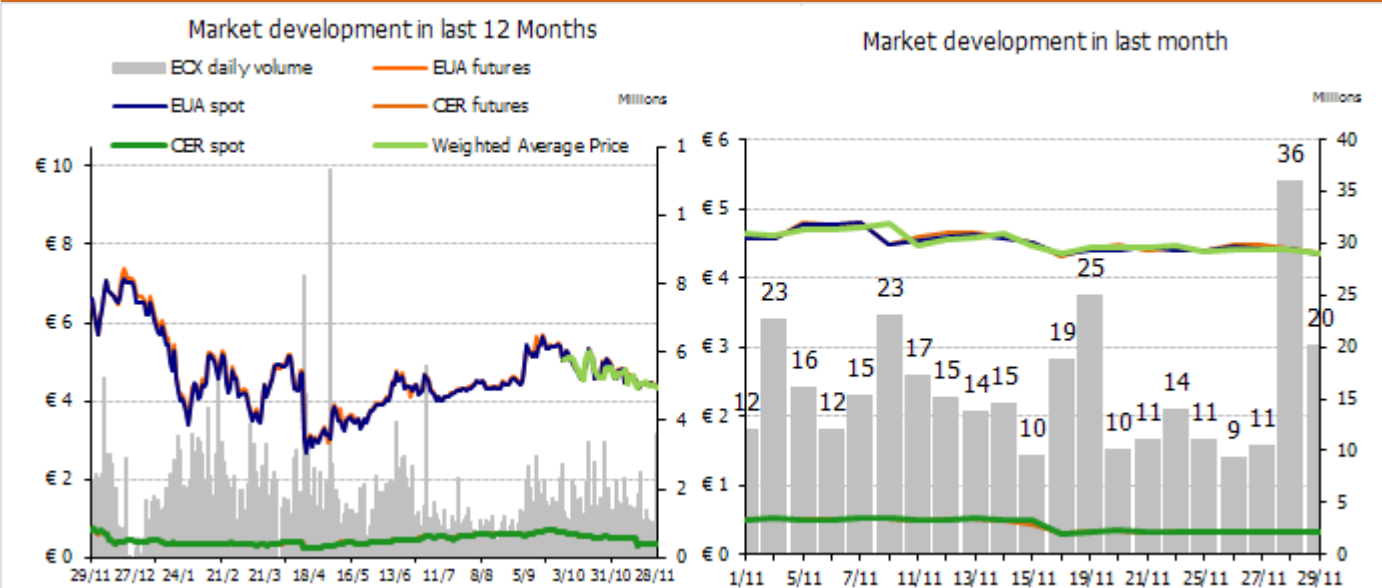


Monthly: Emissions had a negative month again - EUA and CER lost 9.8% and 38.5% respectively. On November 29th EUAs closed at € 4.34 (October closed at € 4.81), CERs at € 0.32 (October closed at € 0.51) and the CER/EUA spread at € 4.02.



SPOT							FUTURE						
	open	close	closing %	max	min	volatility %		open	close	closing %	max	min	volatility %
EUA	4.58	4.34	-5.2%	4.80	4.33	11%	EUA	4.81	4.36	-9.4%	4.80	4.32	11%
CER	0.52	0.32	-38.5%	0.52	0.30	73%	CER	0.51	0.31	-39.2%	0.51	0.31	65%

Měsíční objem na aukcích byl 76 milionů tun. Monthly volume at the auctions was 76 million tons.

Last month on the markets

Commentary: Both EUA and CER declined more or less continuously during the month losing 10 and 38% respectively. This was despite the UN Climate talks taking place Warsaw this month. As expected, those talks failed or as the chief negotiators put it "We agreed to agree next time". This could be Cancun sometimes in 2014? Who really cares? Nothing seriously productive can come of these talks anyway except maybe final resignation on the current direction and focus on other more productive solutions. Speaking of productive solutions we very much agree with Bjorn Lomborg (The Times article [here](#)) who points to the end of the tunnel light shown by Japan which admitted that they would not go for more aggressive emissions targets but would instead allocate \$110 billion over next five years to innovation and energy technologies. This in our view will help not only to the climate but also to Japanese economic growth as new technologies will likely be interesting export article. Japanese way is bad for carbon trading but good news for the planet and productivity which is what counts. On the other hand market responded positively to the progress in formation of the government in Germany assuming that Germans will

speed up the “backloading debate” - removal of some 900 million tons from the market and that Germany will also reform the green power pricing – systemically linked to emissions. However, we do not think that backloading will save the day for carbon – it should not have a bigger that € 1/t impact if/when finally done.

[Visit our website](#) | [follow on Twitter](#) | [follow on Facebook](#) | [forward to a friend](#)

Copyright © 2014 Pravda Capital Trading, s.r.o., All rights reserved.

Our mailing address is:

Pravda Capital Trading, s.r.o.
Opletalova 1417/25
Praha 1 110 00
Czech Republic

[Add us to your address book](#)

[Subscribe to our mailing list](#) | [Unsubscribe from our mailing list](#)