

21 COUNTRIES' EMISSIONS ARE 44.2MN TONS BELOW ALLOCATION
Allowances seem not to be scarce any longer – price may fall further

According to the press release of the European Commission published this morning the **emissions in 21 countries with working registries were 44.2mn tons below the allocations**. An annual average allocation for the first phase is 1,829mn tons and last years emissions were 1,785mn tons of CO₂, which is roughly about 2.4% of the total allocation in these countries. The data do not include small number of installations which still need to report their emissions. More importantly, countries without functional registry include Poland which is expected to have a significant surplus.

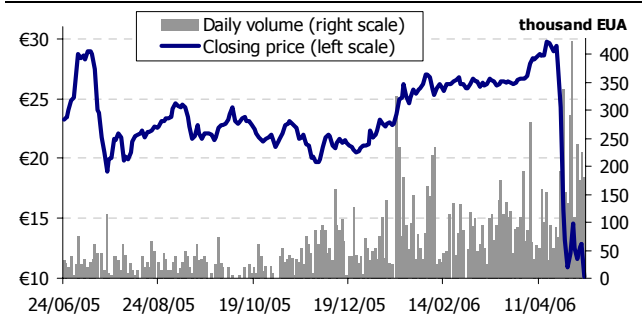
News

Five **UK** utility companies sued the European Commission over its decision to reject UK's appeal to increase the UK allocation by 20mn tons. Companies decided to take legal action after the UK government dropped its own legal action.

Trading

During the week and individual trading days the price was volatile and the market was nervous expecting the emission data. On Tuesday, the Powernext closing price was €11.65 per EUA, the highest closing price €12.80 per EUA was seen on Thursday. On Friday the exchange closed at €10.14 per EUA. The OTC market, which stays open longer dropped down to €8.95 per EUA on Friday due to the preliminary information.

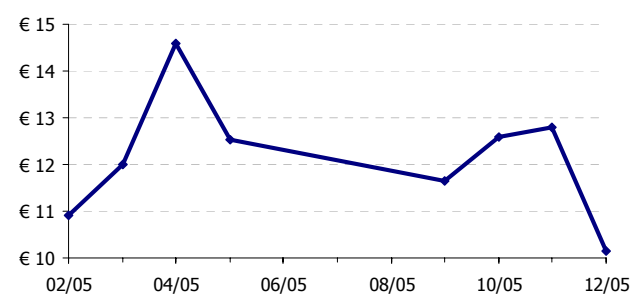
EUA Prices and Volumes on Powernext exchange (spot)



Source: Powernext

Last week, 26.3mn allowances traded on the market, up by 5% w/w. OTC brokers closed 71% of transactions, remaining 29% traded on exchanges.

EUA Prices on Powernext exchange – past two weeks (spot)



Source: Powernext



Pravda Capital is a member of Powernext exchange and a partner of CO2e.com. Report compiled using information acquired from Pravda Capital, CO2e.com, Bloomberg, Point Carbon and Powernext.