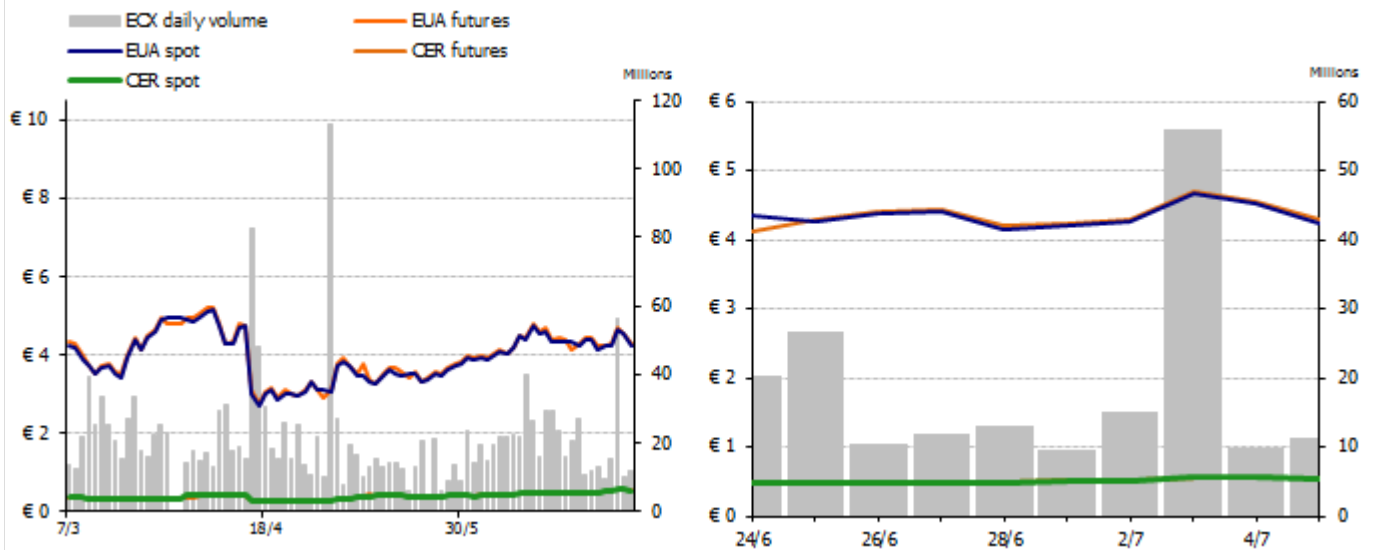


CO2 market recorded a positive week. EUAs closed the week at € 4.24. CERs credits closed at € 0.54. CER/EUA spread finished the week at € -3.7.



SPOT				FUTURE			
	max	min	wkly chg		max	min	wkly chg
EUA	4.66	4.21	11%	EUA	4.69	4.24	11%
CER	0.57	0.51	12%	CER	0.56	0.51	10%

Backloading passed in EP

This Wednesday European Parliament backed a watered-down proposal of backloading. Vote passed in the plenary session by 33 votes (344 for, 311 against with 65 abstentions). The backloaded volume of allowances will equal 900m maximum in one intervention. Now the proposal has to pass qualified majority among EU member states. To get the majority Germany must favor proposal. Merkel is not willing to state their potential support before October German elections.

EUA price craze around voting

As usual during regulatory decisions regarding EU ETS volatility on carbon market was huge. Couple minutes before EP's vote future contracts for Dec13 went down by 24 percent to €3.25. The pit was repeated during vote, when one of the amendments was voted down. Just after approval of the proposal EUA reached a €4.70 pick (44% rise).

Merkel blocks new CO2 car reduction targets

Couple days ago Angela Merkel stated that she blocked a draft EU law which wanted to reduce CO2 emissions from cars. Main reason is German automotive industry, which accounts for substantial part of German economy. Stricter policy standards would add up additional cost of a unit production, which would make German car less competitive. Decision of Merkel might be a sign of negative attitude towards backloading plan.

Results of last week's auctions

Day	Organizer	Volume	Price (€)
01/7	European Union	3 461 500	4.06
02/7	European Union	3 461 500	4.23
03/7	Great Britain	4 134 000	3.85
04/7	European Union	3 461 500	4.55
05/7	Germany	4 020 000	4.40

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