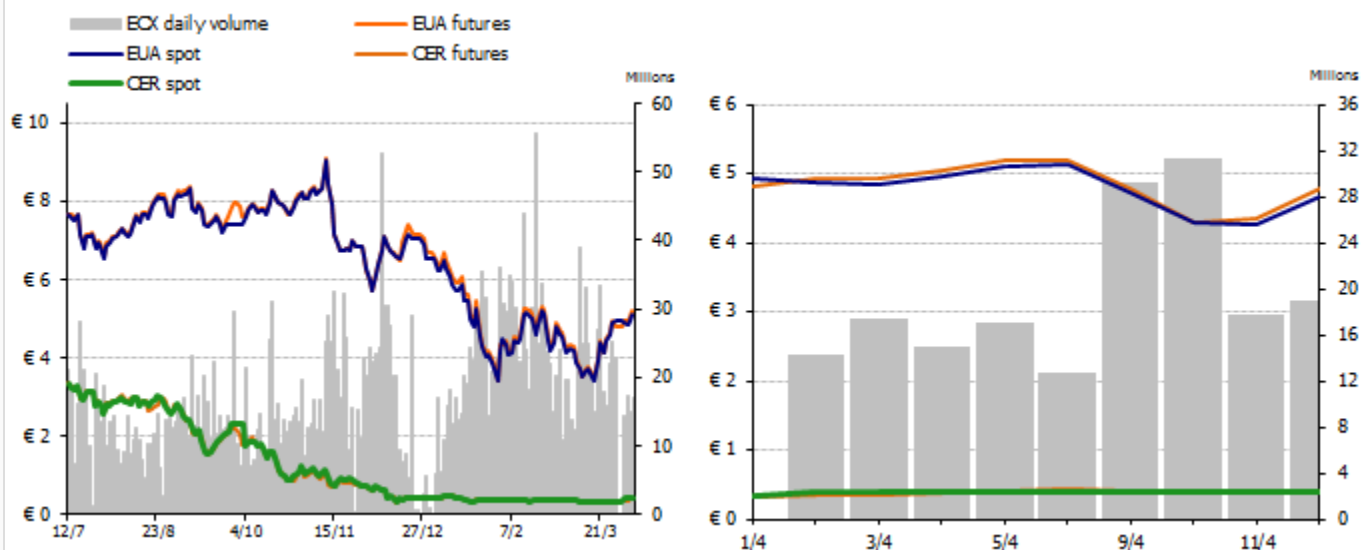


CO2 market recorded another bearish trend last week. EUA credits finished the week at 4.67 euro/t (9 percent drop), CER closed at 0.39 euro. Due to weak performance of EUAs, CER/EUA spread went down and closed the week at -4.28 euro/t.



SPOT				FUTURE			
	max	min	wkly chg		max	min	wkly chg
<b>EUA</b>	5.13	4.26	20%	<b>EUA</b>	5.20	4.30	21%
<b>CER</b>	0.39	0.39	0%	<b>CER</b>	0.43	0.39	10%

### Future of EU ETS

This Tuesday (16/04) the European Parliament will vote on amending auctioning directive. Amendment if passed will give the legal frames to backload a given volume from Phase3 auctions. This move could enable reducing oversupply that carbon market faces since 2011. While EU has no plan B rejecting amendment may cause dramatic fall of the EUAs price.

### MEPs divided on EU ETS fix

Members of EP are divided on carbon fix before Tuesday's vote. According to Pravda Capital Trading analysis chances of passing the amendment are 45-55 percent. While EPP officially stated their negative attitude towards proposal, other right-wing parties are likely to join them (ECR – 52 seats, EFD – 35 seats and majority of non-attached members - 27 seats). On the other hand left-wing fractions are likely to support the EC initiative (SD – 189 seats, EUL-NGL – 34 seats, Green Party – 59 seats, ALDE – 85 seats).

## EPP firmly against backloading

The biggest party in the European Parliament will be against EU ETS fix. In last week's statement the party representative Eija-Riitta Korhola announced that the 'vast majority' of EPP members will vote against carbon fix. EPP gathers 271 out of 752 seat in the EP, which accounts for cca. 39 percent.

## Nerves before EP vote

Last days CO2 market participants reacted very nervously on any news related to this week's voting in the EP. Due to some negative news (amongst others EPP's declaration) price of EUAs dropped significantly by over 10 percent.

## German ministers still not agree on backloading

Last Thursday German minister of environment Peter Altmeier admitted that there is still no agreement in German government in regards to backloading proposal. He added that supporters of EU ETS fix struggle to gather majority before this week's voting in the European Parliament. The same day German minister of economics Philipp Roesler announced that he is still against intervention on the market, which in his opinion functions well.

## Results of CO2 auctions for last week

Date	Organizer	Volume	Price (in €)
8/4	European Union	3 587 500	4,98
9/4	European Union	3 554 000	4,90
10/4	Great Britain	4 134 000	4,58
11/4	European Union	3 554 000	4,30
12/4	Germany	4 020 000	4,40

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