



LONDON ENERGY BROKERS' ASSOCIATION MAY 2014 VOLUMES IN GAS POWER EMISSIONS AND COAL

London, 06th June 2014 - London Energy Brokers' Association ("LEBA"), the industry association representing the FCA regulated wholesale market brokers in the OTC and exchange traded UK and liberalised European energy markets, today publishes the regular monthly volume report and additional accompanying analysis covering the main European gas, power, coal and emissions markets.

Market	May 2014			2014 Year to Date	
	Average Daily Volume	Total Volume (Including Cleared)	Total Cleared Volume	Total Volume (Including Cleared)	Total Cleared Volume
<u>Natural Gas (MWh)</u>					
UK NBP	38,489,531	769,790,616	83,862,572	5,331,692,194	537,611,400
<u>European Hubs</u>					
Netherlands TTF	36,249,065	724,981,303	19,221,060	4,957,455,402	104,749,923
Germany NCG	5,237,873	104,757,460	0	742,107,011	1,399,956
Germany GasPool	3,193,111	63,862,213	0	432,234,697	263,520
France PEG	951,576	19,031,527	0	146,043,451	87,840
Austria VTP	1,764,611	35,292,219	0	158,060,924	0
Italy PSV	1,842,352	36,847,032	0	227,134,632	0
Zeebrugge Hub	2,799,657	55,993,134	0	352,270,744	0
Other Gas	1,678,156	33,563,113	0	191,547,308	0
Total European Gas Hubs	53,716,400	1,074,328,001	19,221,060	7,206,854,169	106,501,239
<u>Power (MWh)</u>					
UK Power	3,813,276	76,265,523	0	465,285,934	357,129
<u>European Power</u>					
German Power	12,323,594	246,471,882	30,407,329	1,917,970,535	210,397,905
French Power	1,816,395	36,327,905	3,156,800	282,224,588	8,332,400
Nordic Power	1,204,649	24,092,984	24,092,984	136,559,091	136,559,091
Italian Power	1,929,905	38,598,102	4,997,930	261,486,857	10,604,424
Central & Eastern Europe	954,836	19,096,729	0	125,598,078	402,775
Spanish Power	1,081,761	21,635,224	5,611,641	79,309,474	12,290,526
Other Power	1,286,398	25,727,953	1,897,485	197,243,104	11,792,454
Total European Power	20,597,539	411,950,779	70,164,169	3,000,391,727	390,379,575
<u>Financial Coal Swaps (MT)</u>					
API 2 Rotterdam	5,954,600	119,092,000	118,316,000	754,418,000	741,153,000
API 4 Richards Bay	992,900	19,858,000	19,513,000	172,814,000	161,370,000
Total Financial Coal Swaps	6,947,500	138,950,000	137,829,000	927,232,000	902,523,000
<u>Emission Allowances (MT)</u>					
EUA	4,512,629	90,252,581	79,897,581	751,296,128	685,597,558
CER	305,457	6,109,132	4,709,000	56,754,132	49,303,000
Other Emissions	8,750	175,000	0	29,653,000	9,768,000
Total Emission Allowances	4,826,836	96,536,713	84,606,581	837,703,260	744,668,558

Trading moved into a subdued phase in May. Volumes in all markets were the lowest for the five months of 2014 to date. OTC gas volumes are still ahead of 2013 for the five month period. The European hubs lead the way 49% up on 2013. TTF continues to be the lead hub where traders hedge or proxy hedge their forward flows with 69% of the European volume and up 52% on 2013. The other Euro hubs are also well ahead of 2013 with the single exception of the French PEG. The mature UK NBP market is 7.25% up on 2013.



Gas prices continued to fall – the May average for Day Ahead TTF was €19.03 down from €20.38 in April. May was the sixth successive month of warmer than normal weather reducing gas consumption. On 6th May storage facilities across Europe were 53% full, the highest for the time of year since at least 2007. LNG shipments were also contributing to the downward pressure on prices. Ukraine haunts the market but with the system very well supplied, Europe could go 90 days without disruption if Gazprom cut the flow to Ukraine.

UK Power volumes are up 34% compared to 2013 but European volumes are down 17%. The latter is the result of the generation surplus in the German market. More than 25% of German consumption is now from renewable sources. Solar generation reached record levels in both April and May driving down prices. The large utilities have been less active in the wholesale markets.

Coal prices fell to a new low of \$75.00 for June API2. Coal volumes are 4% up on 2013.

2013 – 2014 Comparisons

	May			May Year to Date		
	2013	2014	% Change	2013 YTD	2014 YTD	YTD % Change
Natural Gas (MWh)						
UK NBP	868,996,800	769,790,616	-11.42%	4,971,362,322	5,331,692,194	7.25%
European Gas Hubs						
Netherlands TTF	543,458,133	724,981,303	33.40%	3,262,767,807	4,957,455,402	51.94%
Germany NCG	97,126,263	104,757,460	7.86%	522,459,830	742,107,011	42.04%
Germany GasPool	48,131,910	63,862,213	32.68%	249,200,863	432,234,697	73.45%
France PEG	25,544,836	19,031,527	-25.50%	161,124,517	146,043,451	-9.36%
Austria VTP	15,882,565	35,292,219	122.21%	74,343,178	158,060,924	112.61%
Italy PSV	32,856,384	36,847,032	12.15%	106,380,217	227,134,632	113.51%
Zeebrugge Hub	119,846,962 }	55,993,134	-25.27%	464,716,146 }	352,270,744	17.02%
Other Gas		33,563,113			191,547,308	
Total European Hubs	882,847,053	1,074,328,001	21.69%	4,840,992,558	7,206,854,169	48.87%
Power (MWh)						
UK Power	62,061,769	76,265,523	22.89%	347,407,052	465,285,934	33.93%
European Power						
German Power	312,137,634	246,471,882	-21.04%	2,591,192,717	1,917,970,535	-25.98%
French Power	36,816,065	36,327,905	-1.33%	212,751,063	282,224,588	32.65%
Nordic Power	28,354,322	24,092,984	-15.03%	176,434,292	136,559,091	-22.60%
Italian Power	43,628,548	38,598,102	-11.53%	246,581,027	261,486,857	6.05%
Central & Eastern Europe	19,748,400	19,096,729	-3.30%	133,679,688	125,598,078	-6.05%
Spanish Power	45,391,498 }	21,635,224	4.34%	260,410,185 }	79,309,474	6.20%
Other Power		25,727,953			197,243,104	
Total European Power	486,076,467	411,950,779	-15.25%	3,621,048,972	3,000,391,727	-17.14%
Financial Coal Swaps (MT)						
API 2 Rotterdam	122,313,000	119,092,000	-2.63%	763,155,450	754,418,000	-1.14%
API 4 Richards Bay	23,478,000	19,858,000	-15.42%	127,268,000	172,814,000	35.79%
Total Coal	145,791,000	138,950,000	-4.69%	890,423,450	927,232,000	4.13%
European Emission Allowances (MT)						
EUA	93,860,985	90,252,581	-3.84%	990,655,126	751,296,128	-24.16%
CER	19,536,000	6,109,132	-68.73%	142,450,021	56,754,132	-60.16%
Other Emissions	12,580,044	175,000	-98.61%	53,877,426	29,653,000	-44.96%
Total Emissions	125,977,029	96,536,713	-23.37%	1,186,982,573	837,703,260	-29.43%

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	YTD Total Market Volume Change 1 year	Proportion Cleared May 2014	Proportion Cleared May 2013	Average Price May 2014	Price Change 1 Month	Price Change 1 Year	Historical Volatility 1 Month
Natural Gas (MWh)							
UK NBP	+ 7 %	11%	5%				
Netherlands TTF	+ 52 %	3%	3%	Price Benchmark LEBA TTF Day Ahead			
Germany NCG	+ 42 %	0%	0%				
Germany GasPool	+ 73 %	0%	0%				
France PEG	- 9 %	0%	0%				
Austria VTP	+ 113 %	0%	0%				
Italy PSV	+ 114 %	0%	0%				
Zeebrugge Hub	+ 17 %	{ 0%	0%				
Other Gas		{ 0%	0%				
Total European Gas	+ 49 %	2%	2%	19.03 €/MWh	- 2 %	- 32 %	28%
Power (MWh)							
UK Power	+ 34 %	0%	1%	39.62 £/MWh	- 8 %	- 26 %	35%
German Power	- 26 %	12%	8%	Price Benchmark LEBA UK Day Ahead			
French Power	+ 33 %	9%	2%				
Nordic Power	- 23 %	100%	100%				
Italian Power	+ 6 %	13%	3%				
Central & Eastern Europe	- 6 %	0%	1%				
Spanish Power	+ 6 %	{ 26%	11%				
Other Power		{ 7%					
Total European Power	- 17 %	17%	12%				
Coal (MT)							
API 2 Rotterdam	- 1 %	99%	83%	Price Benchmark LEBA API 2 Front Month			
API 4 Richards Bay	+ 36 %	98%	73%				
Total Coal	+ 4 %	99%	81%	75 US\$/MT	+ 0 %	- 9 %	7%
Emissions (MT)							
EUA	- 24 %	89%	82%	Price Benchmark LEBA EUA Spot Average			
CER	- 60 %	77%	93%				
Other Emissions	- 45 %	0%	86%				
Total Emissions	- 29 %	88%	84%	5.1 €/MT	- 6 %	+ 30 %	42%

Notes:

1. Price Change - 1 Month: calculated using the percentage change from the previous month
2. Price Change - 1 year: calculated using the percentage change from the previous year
3. Historical Volatility - 1 month: calculated by taking the annualised standard deviation of the daily logarithmic returns over the last month.
4. During 2013 Zeebrugge was included in Other Gas and Spanish Power was included in Other Power.

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NOTES TO EDITORS:

1. LEBA, the London Energy Brokers' Association, is the industry association representing the FCA regulated wholesale market brokers in the over the counter (OTC) and the exchange traded UK and liberalised European energy markets. These brokers intermediate and facilitate bilateral contracts to be concluded between banks, trading houses, commercial enterprises, public utilities and integrated energy businesses, providing liquidity and price discovery to these markets as well as contributing significant liquidity to European exchange traded markets. The major products that they deal in include crude oil and refined petroleum products, gas, electricity and emissions.



2. The LEBA member firms that currently operate in the European gas, power, coal and emissions markets are:

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