This report contains a range of theoretical curves, called “EMP structural prices”.

The EMP structural prices are developed by EnergyMarketPrice analysts on the basis of a range of criteria pertinent for the respective markets.

Specifically, oil EMP structural price takes into consideration US refinery capacity, crude runs, EIA crude stock levels and speculative positions in crude oil at NYMEX.

Electricity EMP structural prices are constructed on the basis of oil, natural gas, uranium, coal, carbon emissions transposed to the national power parks (taking also into account nuclear outages, where relevant).

These curves have as a sole aim to aid understanding the influence of different factors on real market prices. These curves should not be used for any commercial quotations.

This report contains a range of flashes indicating the expected market trend for the short term. Upward flashes indicate that the market price is expected to increase.

Downward flashes indicate that the market price is expected to decrease. Straight flashes indicate that the market price is expected to remain in the range in the short term.

The expectations are based on EnergyMarketPrice analysts’ assessment, and there should be no liability on their part related to any risks taken on the basis of these assessments.
**Brent** rose 0.9%, snapping a string of six weekly losses, as the front-month September contract approached expiration.

**Distillates** slipped as the market remained well supplied.

**Spot natural gas** prices are expected to rise as imports from Norway will decrease.

**Coal** fell to their lowest level in almost a decade as China’s devaluation of its currency triggered economic concerns over the economy of the world’s biggest coal consumer.

**German power** slightly rebounded from the almost 12-year low hit last week. The French Cal' 16 contract is much less liquid.
Brent rose 0.9%, snapping a string of six weekly losses, as the front-month September contract approached expiration. Brent prices are well above the 2015 low of $45.19 from January, despite its recent slide. WTI crude fell to a fresh 6-1/2-year low on Friday, posting a seventh weekly loss. U.S. refinery outages dampened demand and bulging inventories amplified concerns about a global supply glut. Data showing North Dakota crude oil production rose a second straight month in June, along with the stronger dollar and weaker-than-expected consumer sentiment were also bearish for WTI crude. Money managers cut their net long U.S. crude futures and options positions to the lowest level since 2010.
Oil structural price is a theoretical EMP modeled price based on US refinery capacity, crude runs, EIA crude stock levels and speculative positions in crude oil at NYMEX.
## Global Oil Production per Country

### as of July 2015

<table>
<thead>
<tr>
<th>Country</th>
<th>OPEC Production</th>
<th>Non-OPEC Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. (50 States)</td>
<td>15.10</td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td>10.79</td>
<td></td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>9.90</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>4.59</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>4.77</td>
<td></td>
</tr>
<tr>
<td>Iraq</td>
<td>3.80</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>2.69</td>
<td></td>
</tr>
<tr>
<td>Iran</td>
<td>2.80</td>
<td></td>
</tr>
<tr>
<td>UAE</td>
<td>2.70</td>
<td></td>
</tr>
<tr>
<td>Kuwait</td>
<td>2.60</td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td>3.37</td>
<td></td>
</tr>
<tr>
<td>Venezuela</td>
<td>2.40</td>
<td></td>
</tr>
<tr>
<td>Nigeria</td>
<td>2.00</td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>1.78</td>
<td></td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>1.69</td>
<td></td>
</tr>
<tr>
<td><strong>Rest of the world</strong></td>
<td><strong>58.44</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Total OPEC Production:** 37.19

**Total Non-OPEC Production:** 58.44

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Market Intelligence Group  
www.energymarketprice.com
Global Demand and Supply, Inventories

End of period inventories, in million of barrels

![Graph showing Global Demand and Supply, Inventories](image.png)
**DISTILLATES**

**WEEKLY MARKET REVIEW | WEEK 33, 2015**

**Evolution of Gasoil in the last 30 days**

- **Weekly Evolution**
  - **Gasoil ($/ton)**
    - Aug. 14: 474.5
    - Aug. 7: 467.5
    - Evolution: +1.49%

**Evolution of Heavy Fuel in the last 30 days**

- **Weekly Evolution**
  - **HFO 3.5% ARA ($/ton)**
    - Aug. 14: 233
    - Aug. 7: 243.5
    - Evolution: -4.31%

---

**Distillate prices rose in line with Brent oil.**

Diesel barge differentials in northwest Europe slipped slightly as the market remained well supplied, with high inventories and more cargoes on the way from the U.S. Gulf Coast, the Middle East and Russia. Refineries have been running hard to meet the demand for gasoline but this has also boosted diesel stocks. Product is also being kept in ARA because of low water levels along the Rhine and Danube, which means that barges are restricted to loading less than 50% of capacity.
HFO and Gasoil stocks above long-term range

ARA stocks are volumes independently held in the Amsterdam-Rotterdam-Antwerp hub

ARA gasoil stocks rose 5.8% last week, reaching a new record high of 3.46 million tonnes.

ARA Gasoline stock levels are also above the long term range.
**Futures** fell in most European markets. Falling oil prices mean that oil-indexed gas deliveries from Russia will get cheaper this winter, raising expectations of continued high deliveries into European gas markets.

**Prompt prices** are expected to rise as imports from Norway will decrease due to planned maintenance at Kollsnes processing plant, which treats gas from the country’s largest gas field Troll. Demand in UK was around 20% above the seasonal norm, largely due to high demand from power plants. Asian LNG prices steadied for September delivery as traders awaited the outcome of purchase and supply tenders to signal price direction.
NATURAL GAS

**Weekly Market Review**

**WEEK 33, 2015**

**Natural Gas Oil Linked Price Components**

- **303** – average daily prices of the period Q-1 applied to calculate the price for the period Q.
- **313** – average daily prices of the months M-2 to M-4 applied to calculate the price for the period Q.
- **603** – average daily prices of the months Q-1 and Q-2, applied to calculate the price for the period Q.
- **703** – average daily prices of the months M-1 to M-7, applied to calculate the price for the period Q.
- **101** - average daily prices of the month M-1 applied to calculate the price for the period M.

---

**Evolution of Brent components for gas prices in the last 30 days**

- **Brent303 2014**
- **Brent313 2014**
- **Brent603 2014**
- **Brent703 2014**
- **Brent101 2014**

**Evolution of Gasoil components for gas prices in the last 30 days**

- **GOL303 2014**
- **GOL313 2014**
- **GOL603 2014**
- **GOL703 2014**
- **GOL101 2014**

**Evolution of HFO components for gas prices in the last 30 days**

- **LFO303 2014**
- **LFO313 2014**
- **LFO603 2014**
- **LFO703 2014**
- **LFO101 2014**

---

**Weekly Evolution**

<table>
<thead>
<tr>
<th>Component</th>
<th>Aug. 14</th>
<th>Aug. 7</th>
<th>Change</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent303 2016</td>
<td>47.90</td>
<td>48.34</td>
<td>-0.9%</td>
<td></td>
</tr>
<tr>
<td>Brent313 2016</td>
<td>47.35</td>
<td>47.76</td>
<td>-0.87%</td>
<td></td>
</tr>
<tr>
<td>Brent603 2016</td>
<td>48.00</td>
<td>48.45</td>
<td>-0.92%</td>
<td></td>
</tr>
<tr>
<td>Brent703 2016</td>
<td>48.05</td>
<td>48.50</td>
<td>-0.92%</td>
<td></td>
</tr>
<tr>
<td>Brent101 2016</td>
<td>49.03</td>
<td>49.44</td>
<td>-0.84%</td>
<td></td>
</tr>
<tr>
<td>GOL303 2016</td>
<td>447.11</td>
<td>451.07</td>
<td>-0.87%</td>
<td></td>
</tr>
<tr>
<td>GOL313 2016</td>
<td>443.83</td>
<td>447.45</td>
<td>-0.8%</td>
<td></td>
</tr>
<tr>
<td>GOL603 2016</td>
<td>444.74</td>
<td>448.57</td>
<td>-0.85%</td>
<td></td>
</tr>
<tr>
<td>GOL703 2016</td>
<td>445.93</td>
<td>449.70</td>
<td>-0.83%</td>
<td></td>
</tr>
<tr>
<td>GOL101 2016</td>
<td>453.71</td>
<td>458.31</td>
<td>-1%</td>
<td></td>
</tr>
<tr>
<td>LFO303 2016</td>
<td>234.98</td>
<td>238.33</td>
<td>-1.4%</td>
<td></td>
</tr>
<tr>
<td>LFO313 2016</td>
<td>232.15</td>
<td>235.93</td>
<td>-1.6%</td>
<td></td>
</tr>
<tr>
<td>LFO603 2016</td>
<td>232.70</td>
<td>236.53</td>
<td>-1.61%</td>
<td></td>
</tr>
<tr>
<td>LFO703 2016</td>
<td>233.82</td>
<td>237.76</td>
<td>-1.65%</td>
<td></td>
</tr>
<tr>
<td>LFO101 2016</td>
<td>240.62</td>
<td>243.19</td>
<td>-1.05%</td>
<td></td>
</tr>
</tbody>
</table>
Oil linked natural gas premium down from 7 EUR/MWh in April to under 3 EUR/MWh

**Evolution Forecast**
- Aug. 14: 22.57
- Aug. 7: 22.74

**Oil linked gas price Cal Y+1**
- Aug. 14: 22.57
- Aug. 7: 22.74

Premium [Oil linked gas] - [ZEE TTF average]

**WEEKLY MARKET REVIEW**
**WEEK 33, 2015**

NATURAL GAS
Gas storage in Europe rose 2.7 points for the week, reaching 65.9%.

In billion cubic meters

<table>
<thead>
<tr>
<th>Country</th>
<th>Full capacity</th>
<th>Empty capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>11.9</td>
<td>7.4</td>
</tr>
<tr>
<td>Austria</td>
<td>7.8</td>
<td>6.9</td>
</tr>
<tr>
<td>Italy</td>
<td>11.5</td>
<td>2.8</td>
</tr>
<tr>
<td>France</td>
<td>6.0</td>
<td>2.9</td>
</tr>
<tr>
<td>Iberian</td>
<td>3.8</td>
<td>2.1</td>
</tr>
<tr>
<td>NBP</td>
<td>3.6</td>
<td>1.2</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>1.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Belgium</td>
<td>0.3</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Latest data

<table>
<thead>
<tr>
<th>Country</th>
<th>14 Aug.</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUSTRIA</td>
<td>53%</td>
<td>2.42</td>
</tr>
<tr>
<td>GERMANY</td>
<td>62%</td>
<td>2.54</td>
</tr>
<tr>
<td>IBERIAN</td>
<td>65%</td>
<td>1.46</td>
</tr>
<tr>
<td>NBP</td>
<td>76%</td>
<td>3.33</td>
</tr>
<tr>
<td>FRANCE</td>
<td>67%</td>
<td>3.74</td>
</tr>
<tr>
<td>PSV</td>
<td>81%</td>
<td>2.68</td>
</tr>
<tr>
<td>THE NETHERLANDS</td>
<td>82%</td>
<td>3.09</td>
</tr>
<tr>
<td>BELGIUM</td>
<td>37%</td>
<td>2.5</td>
</tr>
</tbody>
</table>
Coal futures fell to their lowest level in almost a decade as China’s devaluation of its currency triggered economic concerns over the economy of the world’s biggest coal consumer. European API2 2016 coal futures settled at their lowest level since November 2005, and benchmark Chinese coal futures were also near record lows, last settling at $51.10 a tonne. The price falls came as China’s yuan hit four-year lows, after authorities devalued the yuan in a move that raised fears of a global currency war.

EU carbon prices rose 4.6% last week. Germany sold 1.599 million spot EU carbon permits on EEX at 8.15 EUR/t on August 14. Previously, EU countries sold 1.459 million carbon permits at 8.2 EUR/t on August 13.
Chinese demand for overseas shipments has already been waning as its economy grows at its slowest pace in decades and the government tries to reign in on rampant pollution, to which coal contributes heavily. The country’s coal imports over the first half of the year were down 37.5% over the same period last year.
Power prices for delivery next year rose 0.8% in Germany and 0.3% in the Netherlands, but fell 0.9% in France and 0.3% in Belgium and UK. German Cal16 slightly rebounded from the almost 12-year low hit last week. The French Cal' 16 contract is much less liquid.

Spot power prices rose at the end of last week, as a sharp drop in supplies of German renewable energy offset lower electricity demand brought on by cooler weather.

However, the picture turns bearish as temperatures are expected to drop significantly, reducing the need for air-conditioning. On the supply side, five French nuclear reactors, representing 6,200 MW of capacity, were expected to restart over the weekend.
Historical range

Evolution of electricity forward prices for delivery next year since 2007

Historical range

Electricity forward prices

(EUR/MWh)

Market Intelligence Group
www.energymarketprice.com

17
Spreads represent the theoretical net income of a power plant from selling a unit of electricity, after buying the fuel required to produce this unit.

Spark spread = natural gas.

Dark spread = coal.

Clean spreads = required number of carbon allowances also deducted.

<table>
<thead>
<tr>
<th>Power premiums</th>
<th>Aug. 14</th>
<th>Aug. 7</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>DE/FR</td>
<td>-20.94%</td>
<td>-22.26%</td>
<td>+1.32%</td>
</tr>
<tr>
<td>BE/FR</td>
<td>16.24%</td>
<td>15.55%</td>
<td>+0.69%</td>
</tr>
<tr>
<td>BE/NL</td>
<td>19.74%</td>
<td>20.39%</td>
<td>-0.65%</td>
</tr>
<tr>
<td>DE/NL</td>
<td>-18.56%</td>
<td>-19.00%</td>
<td>+0.44%</td>
</tr>
<tr>
<td>DE/BE</td>
<td>-31.99%</td>
<td>-32.72%</td>
<td>+0.73%</td>
</tr>
</tbody>
</table>
Global coal price benchmarks facing overhaul

The global thermal coal industry is facing the biggest shake up of its pricing benchmarks after Argus and IHS McCloskey, the dominant price providers, proposed changes to their assessments.

The world’s top three coal indices, which help inform short and long-term deals struck between coal producers, traders and end-users, are all under review.

Earlier this year, price spikes in South Africa's Richard's Bay and Australia's Newcastle markets caused concern that prices could be higher than fundamentals justified. Traders said at the time there had been some high bids placed at short notice which few sellers could meet.

As the market is not particularly liquid, bids and offers help inform pricing on the indices.

In response to the concerns, consultations have drawn feedback on proposed changes to the API 2 benchmark for northern European coal markets and the API 4 South African coal benchmark, the worlds' first and third largest coal indices.

The indices are calculated using data gathered by Argus and IHS McCloskey.

The consultations by Argus and IHS McCloskey, which ended last week, proposed narrowing the window for price assessments which provide the basis for the API indexes from around three months to around two months from Sept. 1.

Both Argus and IHS McCloskey said they were reviewing responses to their proposals. “We’ve identified that there could be ways to look at the assessment window and amend the methodology that will help with liquidity, so we have gone down the path of this consultation," said John Howland, senior director of coal at IHS Energy, which owns IHS McCloskey.

A spokeswoman for Argus said: "In our discussions with the industry, questions and suggestions had come up around changing the date range specification of some of our coal assessments.”

Trading platform globalCOAL is also discussing narrowing the three-month timeframe used for prices on its Newcastle benchmark index with market members, although it has not launched a formal consultation, said Chief Executive Eoghan Cunningham.

Source: Reuters
European stocks had their worst week in six, falling 2.9%, as shares of exporting companies with exposure to China fell after the yuan was devalued. Economic growth in the eurozone slowed in the second quarter as France stagnated and Italy lost momentum, held back by an uncertain global outlook that is weakening investment even in powerhouse Germany.

U.S. stock indexes ended higher on the week, however, mostly on the strength of big gains on Monday.
The dollar came under pressure last week as China's devaluation curbed expectations the Federal Reserve's long-awaited interest rate increase would come as early as its Sept. 16-17 meeting. But strong U.S. retail sales data and good industrial production data backed the view that the Fed was ready to hike.