

## CERTIFICATE REPORT

August 2023

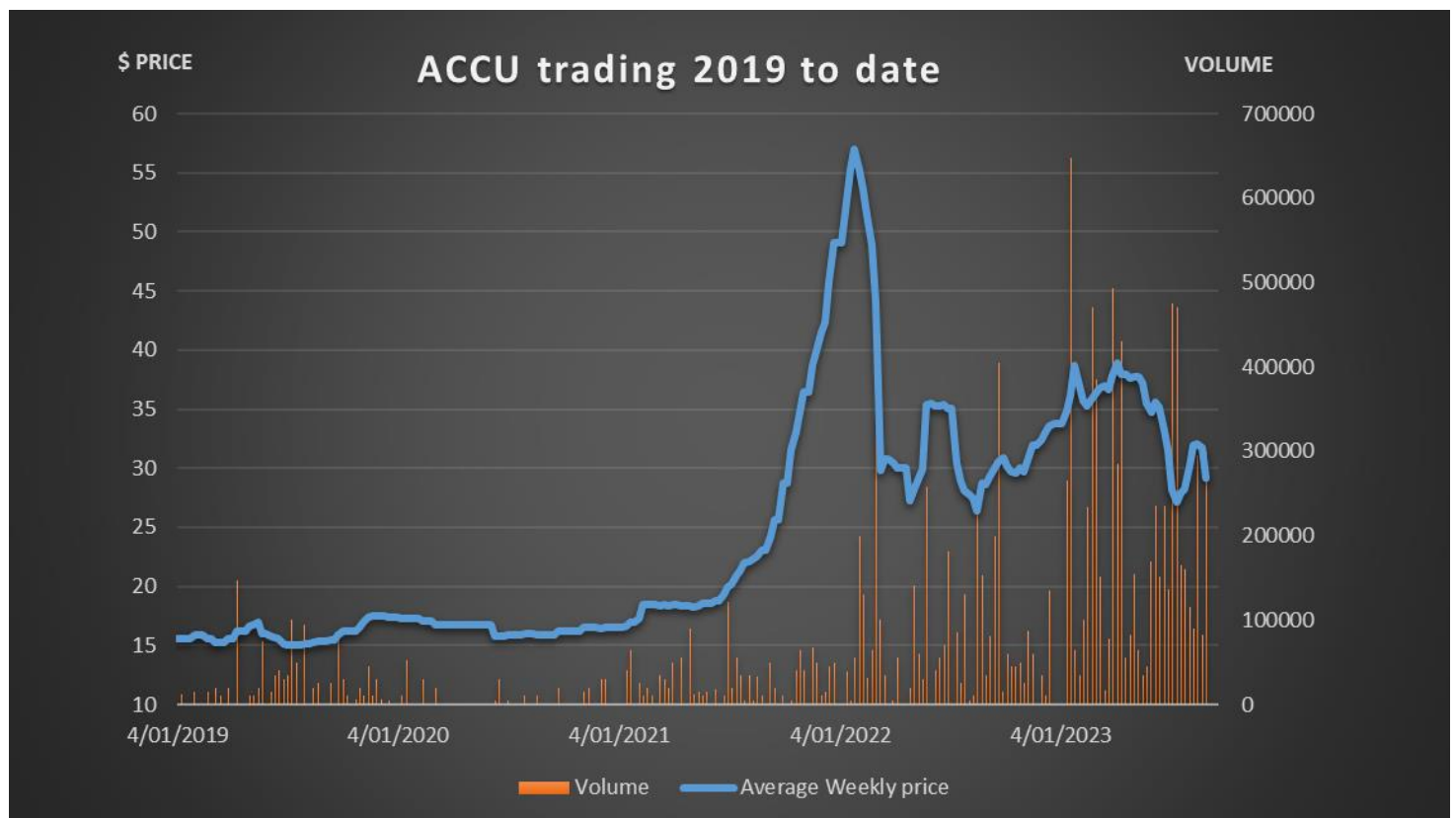
### ACCU

**ACCU** prices had a roller coaster ride this month, eventually closing higher.

Spot trading commenced at \$30.00, a jump of \$1.25 from the July close. From there the up-move accelerated and we reached a high of \$32.25 mid-month. Aggressive selling saw all the gains evaporate as the price plummeted to a low of \$28.00 before late buying raised us to a close at \$30.50 on reported turnover of 857,000 certificates.

In forward trading 231,000 ACCUs dealt for delivery from October this year to June 2024. These deals were struck at a cost of carry of approximately 6%.

The spread between generic certificates and Human Induced Regeneration ACCUs closed at \$3.50.



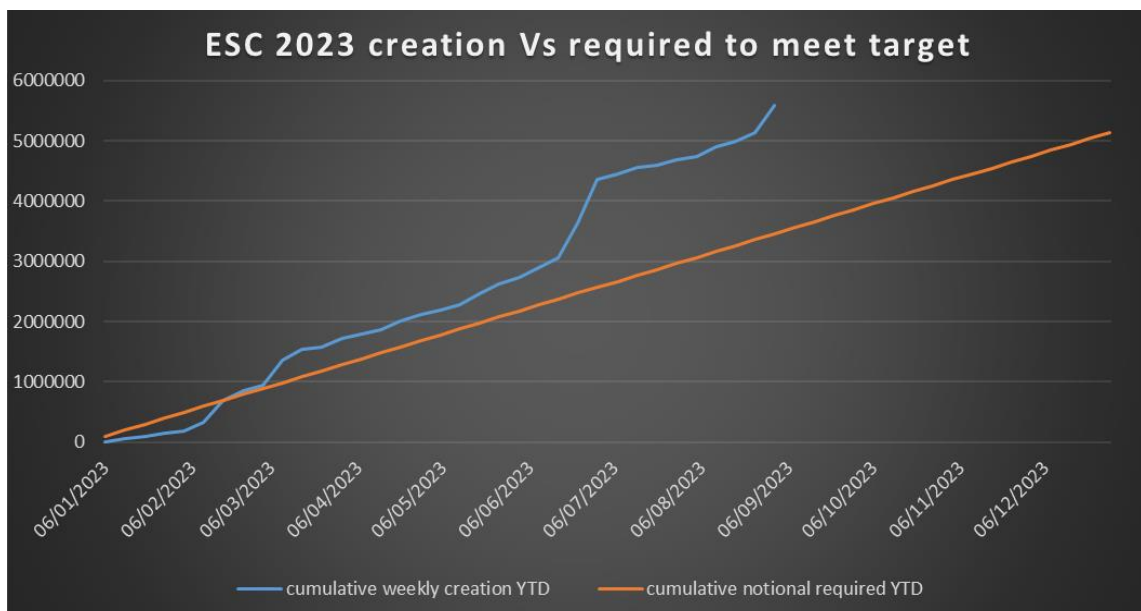
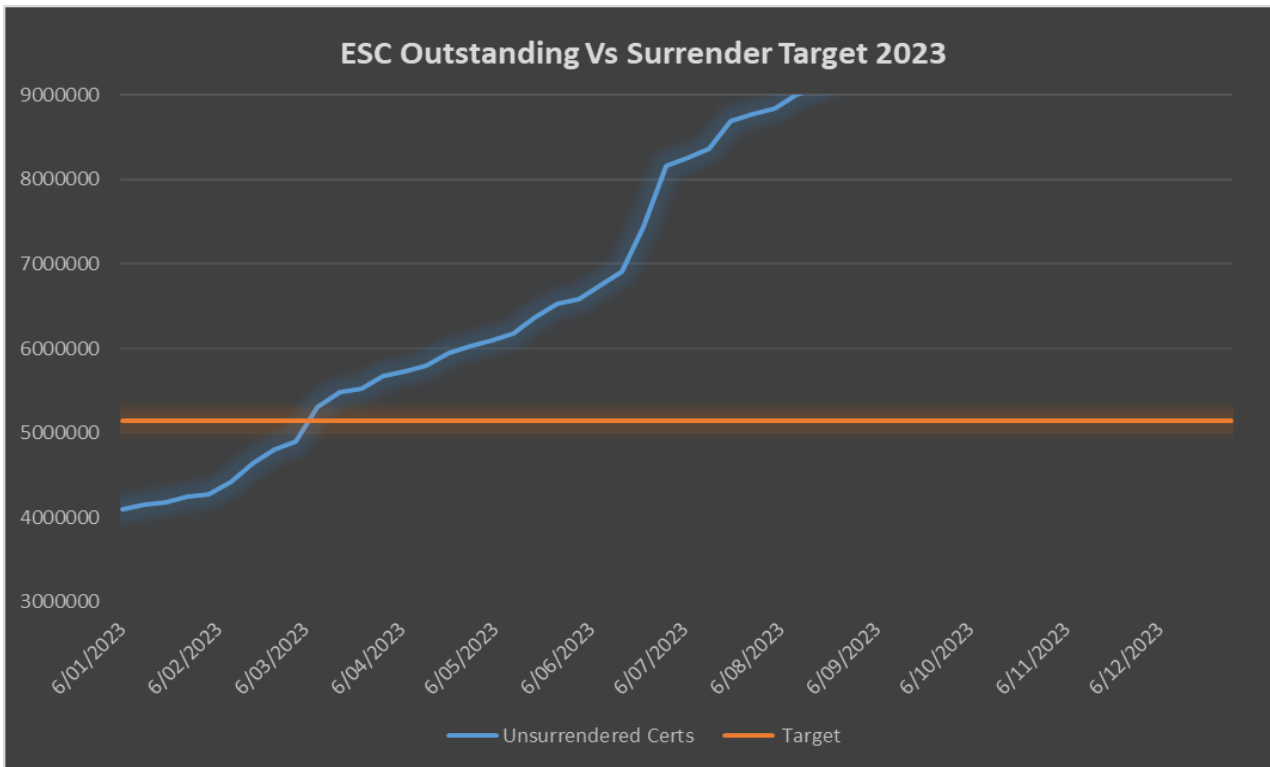
# NSW ESCs

ESC prices closed lower on the back of increased supply.

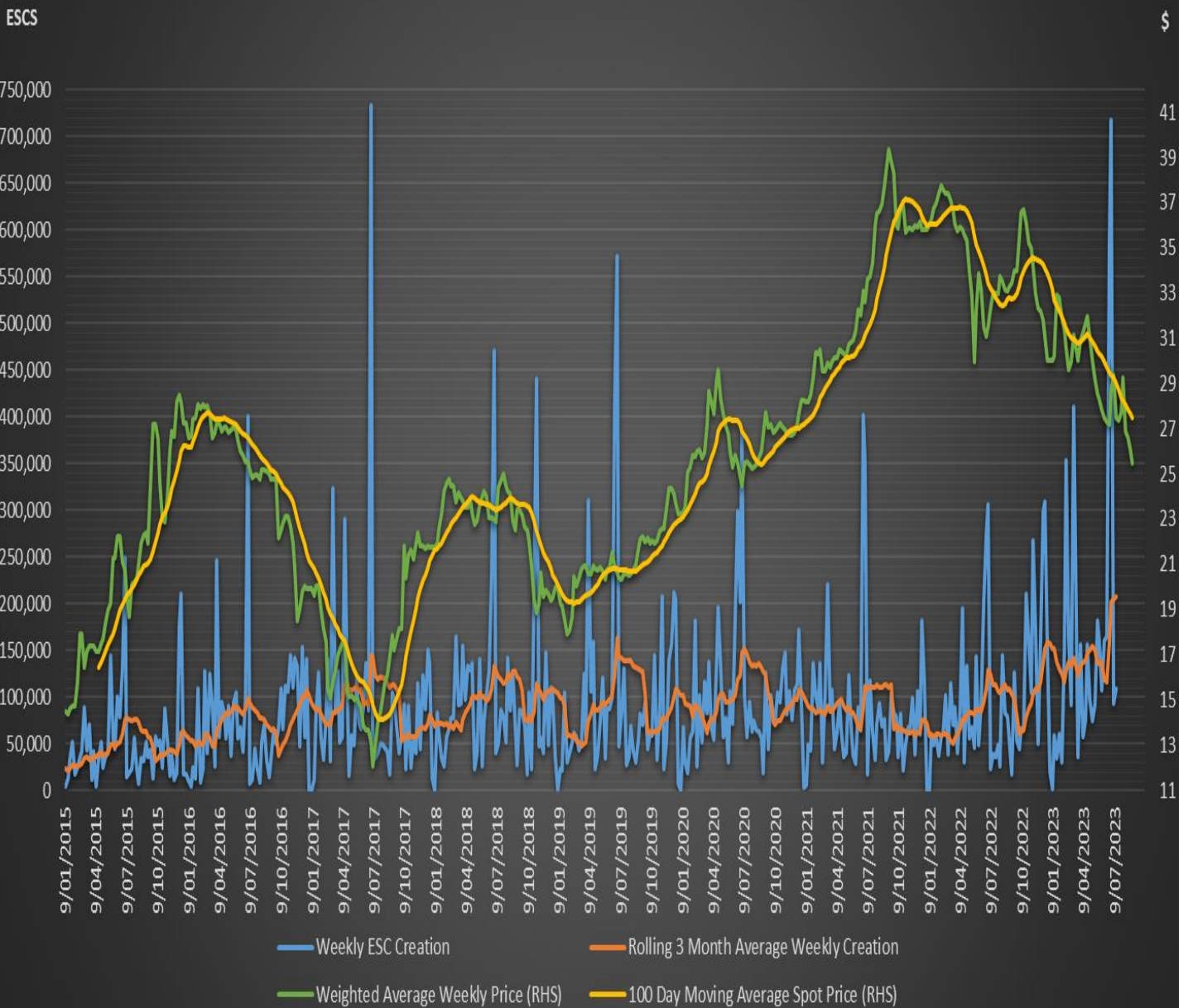
Certificate creation for August came in at over two and a half times July's number, at 880,000. The total in the Registry is now around 9.7 million – over 4.5 million more than required for the 2023 surrender obligation.

The spot market's first trade was actually 50 cents higher than last month's close, at \$29.25 but selling pressure all month saw the price decline steadily to close at the low of \$25.20. Turnover was reported as 750,000 ESC.

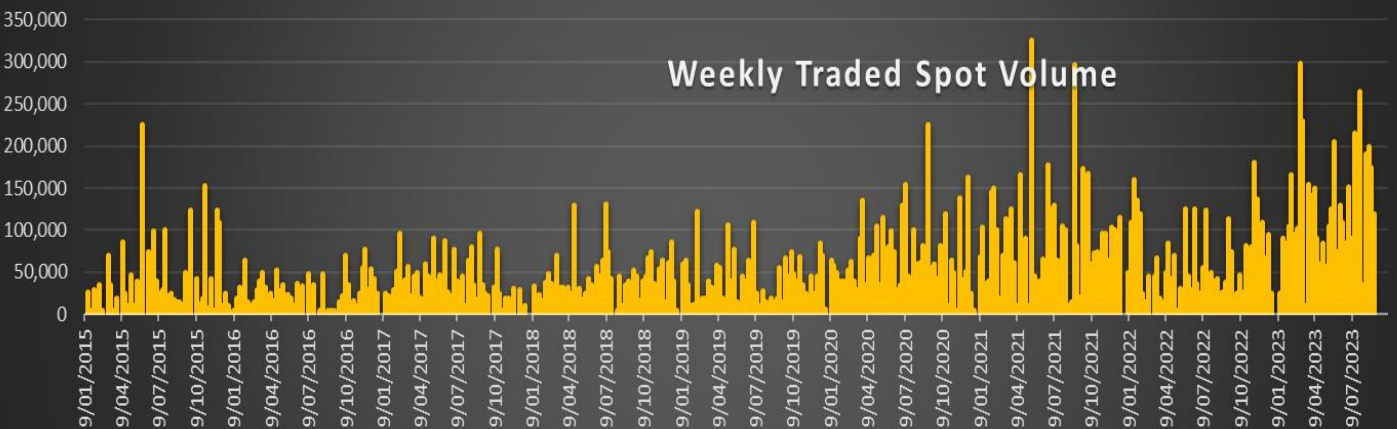
The forward market saw 535,000 ESCs trade for delivery from September this year to October 2024. The cost of carry implied in the forward pricing dropped to around 6%.



# WEEKLY ESC CREATION - ALL SOURCES



# Weekly Traded Spot Volume



# Renewable Energy Certificates

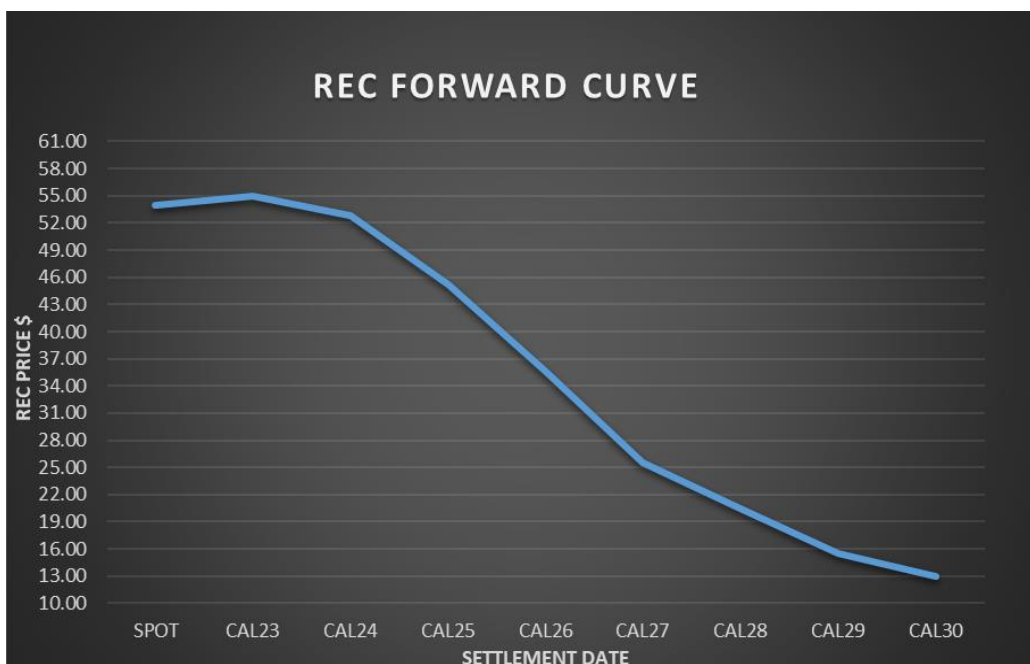
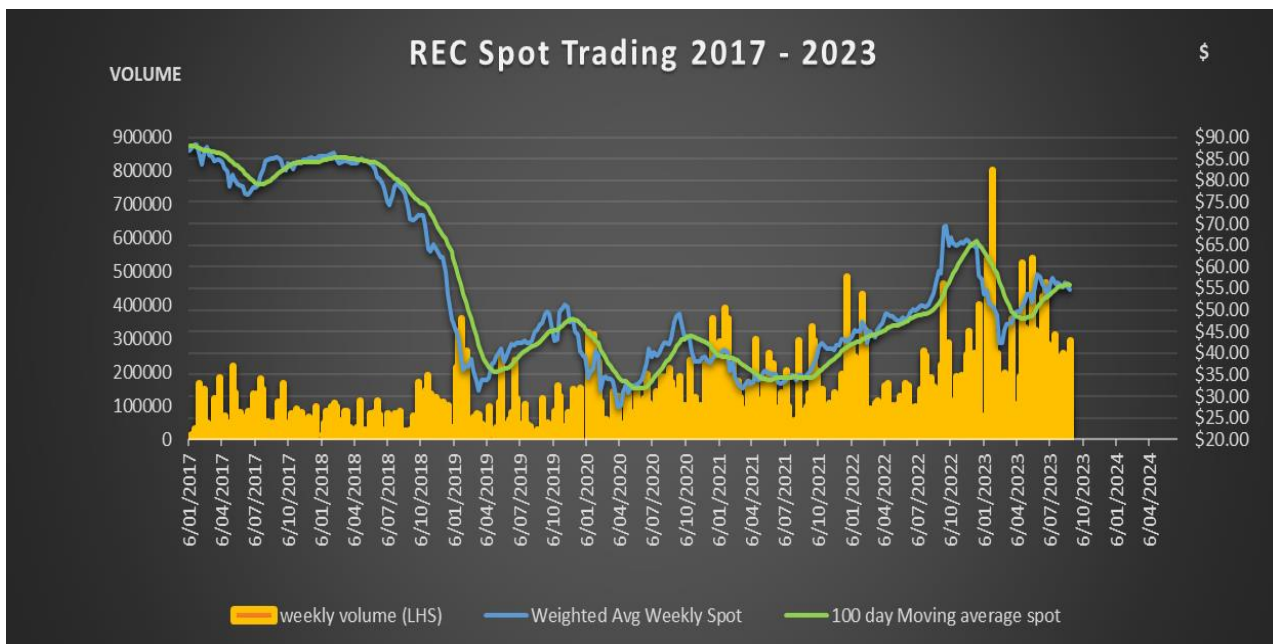
LGC prices fell in the near part of the curve while rising further out.

The spot market opened 25 cents lower, at \$56.00, and initially rallied from there to a high of \$57.00. At that point sellers took over and pushed the price lower until a close at the month's low of \$54.00.

Calendar 2023 followed the same pattern, opening at \$58 and rising to \$58.75 before falling to close \$3.00 lower for the month at \$55.00 on turnover of 444,000 LGCs.

Calendar 2024 closed 25 cents lower, at \$52.75, on turnover of 522,000 certificates while Calendar 2025 was unchanged at \$45.25 on volume of 940,000 certificates.

Some of the selling in the Calendar 2023 contract was offset by buying in Calendar 2026 as liable entities pushed out their 2023 obligations by the permitted three years. Calendar 2026 close \$2.00 higher at \$35.50 on turnover of 466,000 LGCs. Calendar 2027 traded 10,000 certificates at an unchanged \$25.50.



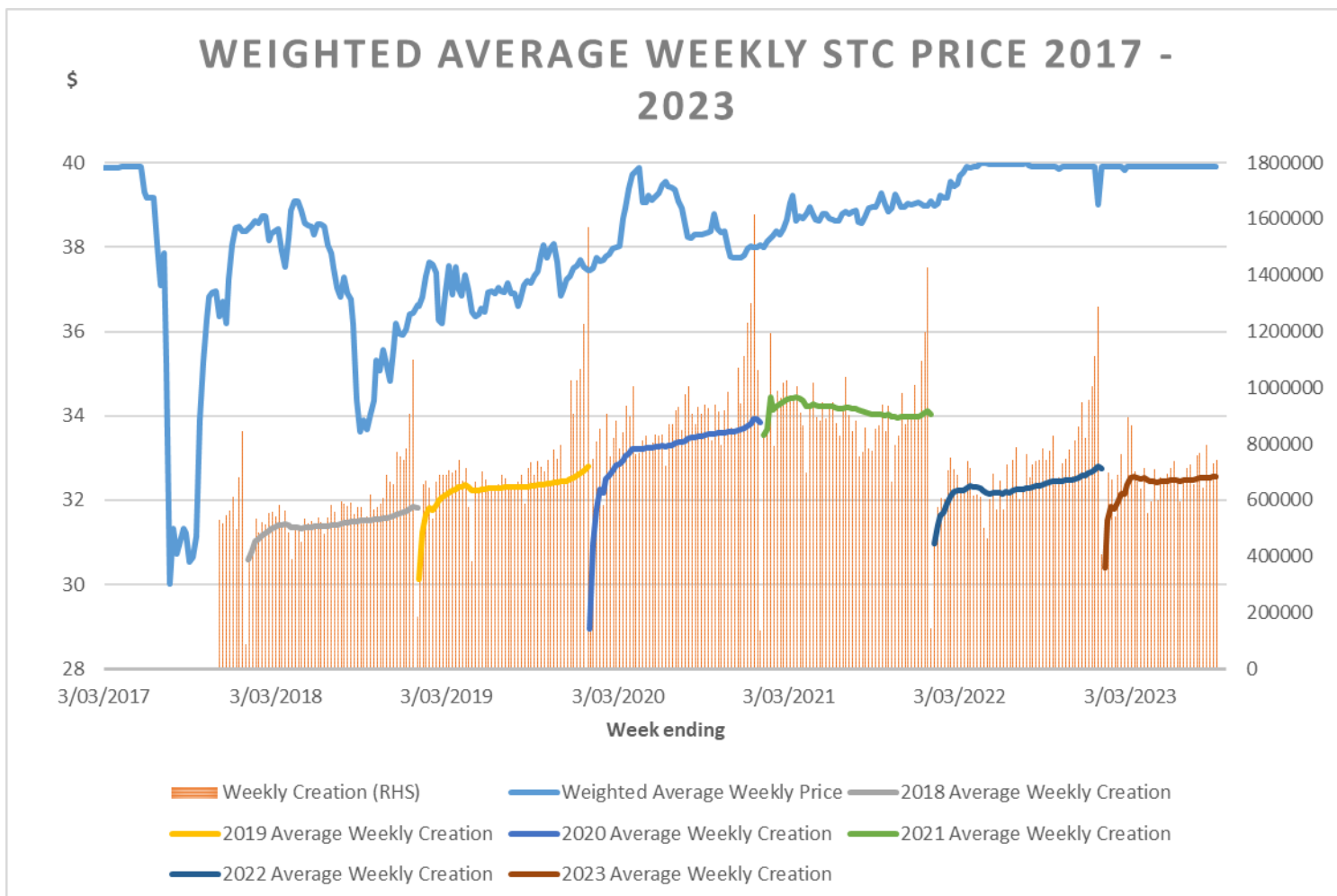
## Small Technology Certificates (STC)

The STC market was unchanged yet again his month as the deficit in the Clearing House gradually lessens.

New certificate creation was a little higher at \$3.6 million. At the end of the month the Clearing House was showing negative 1.5 million, an improvement of around 2 million from the end of July.

Dispite the Clearing House representing a bid in the market at \$40.00 the spot market saw 139,000 STCs trade at \$39.90.

In the forward market 270,000 certificates traded for delivery from the end of August 2023 to April 2024. Trades settling this year were all struck at \$39.90 while those for 2024 dealt at \$39.70.



# VIC VEECs

The recent VEEC rally continued this month though prices closed off their highs.

Certificate registration fell again in August, coming in at 330,000. The Registry is still in a considerable surplus but that is being added to only slowly given the low creation.

This ongoing slowdown in certificate supply saw the spot market open proceedings \$1.30 higher at \$84.75 and the rally continued from there. We hit a mid-month high of \$88.00 before sellers got into the action and the price declined steadily to close at \$85.75 on volume of 615,000 certificates.

The forward market saw 765,000 VEECs trade for delivery from August 2023 to October 2024. The curve flattened out by the end of the month with forward trades dealing in line with the prevailing spot price, and some even being struck 25 – 50 cents lower.

