

CERTIFICATE REPORT

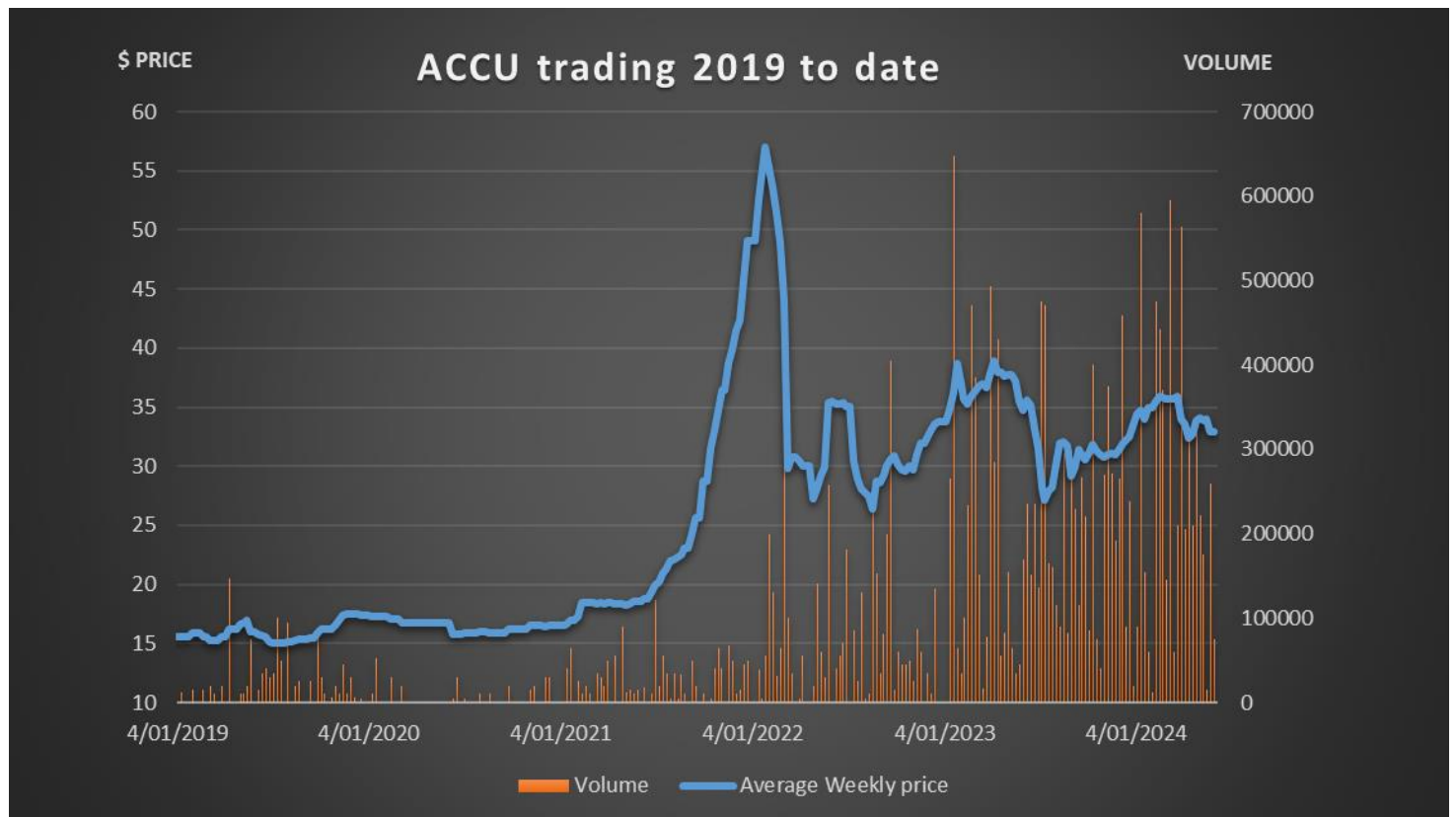
May 2024

ACCU

The ACCU closed slightly lower after another mid-month swoon.

The spot market opened 25 cents higher, at \$34.00, but quickly turned negative. The price fell to a low of \$32.50 before a recovery in the second half of the month saw a climb back to a close at 33.25 on volume of 630,000 certificates.

The forward market saw 456,000 ACCUs trade for delivery from December 2024 to November 2025. These deals were struck at a cost of carry of around 6%.



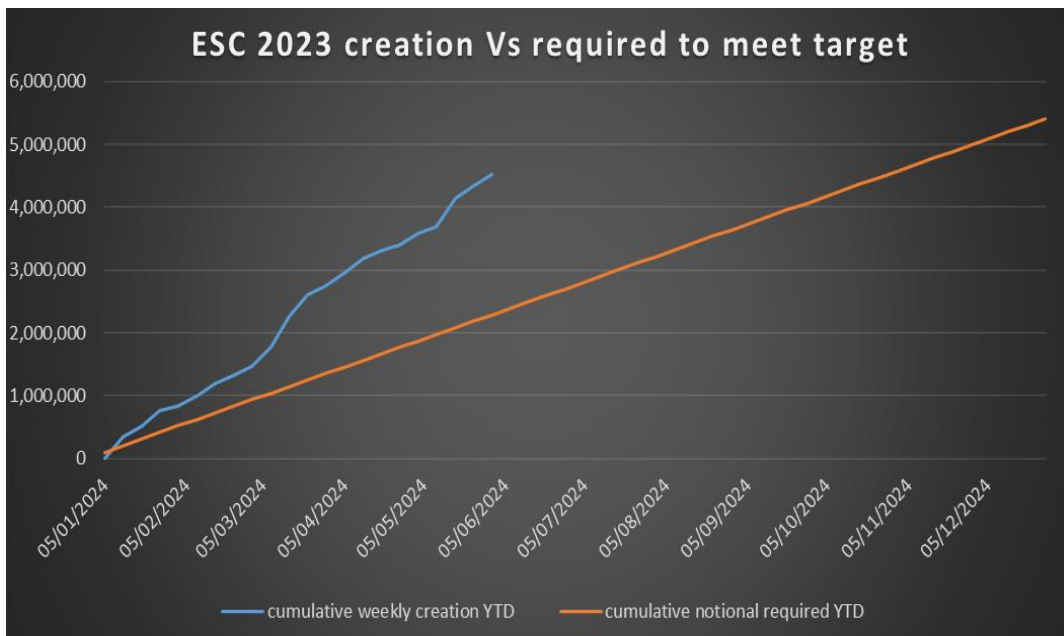
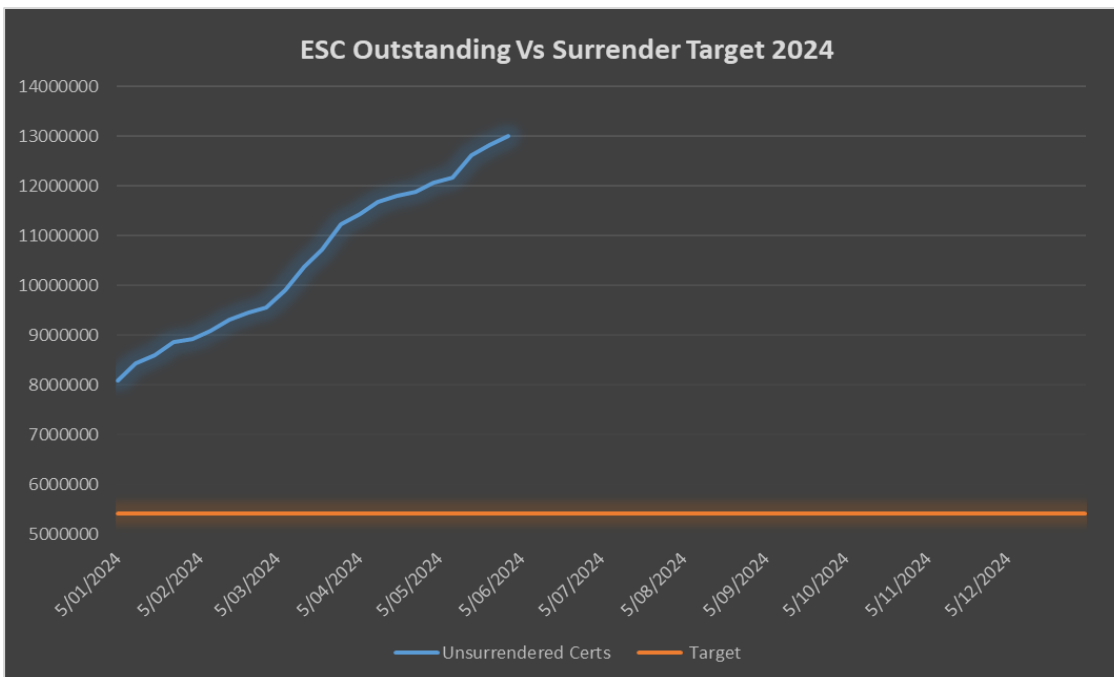
NSW ESCs

ESC prices closed little changed despite a rally in the middle of the month.

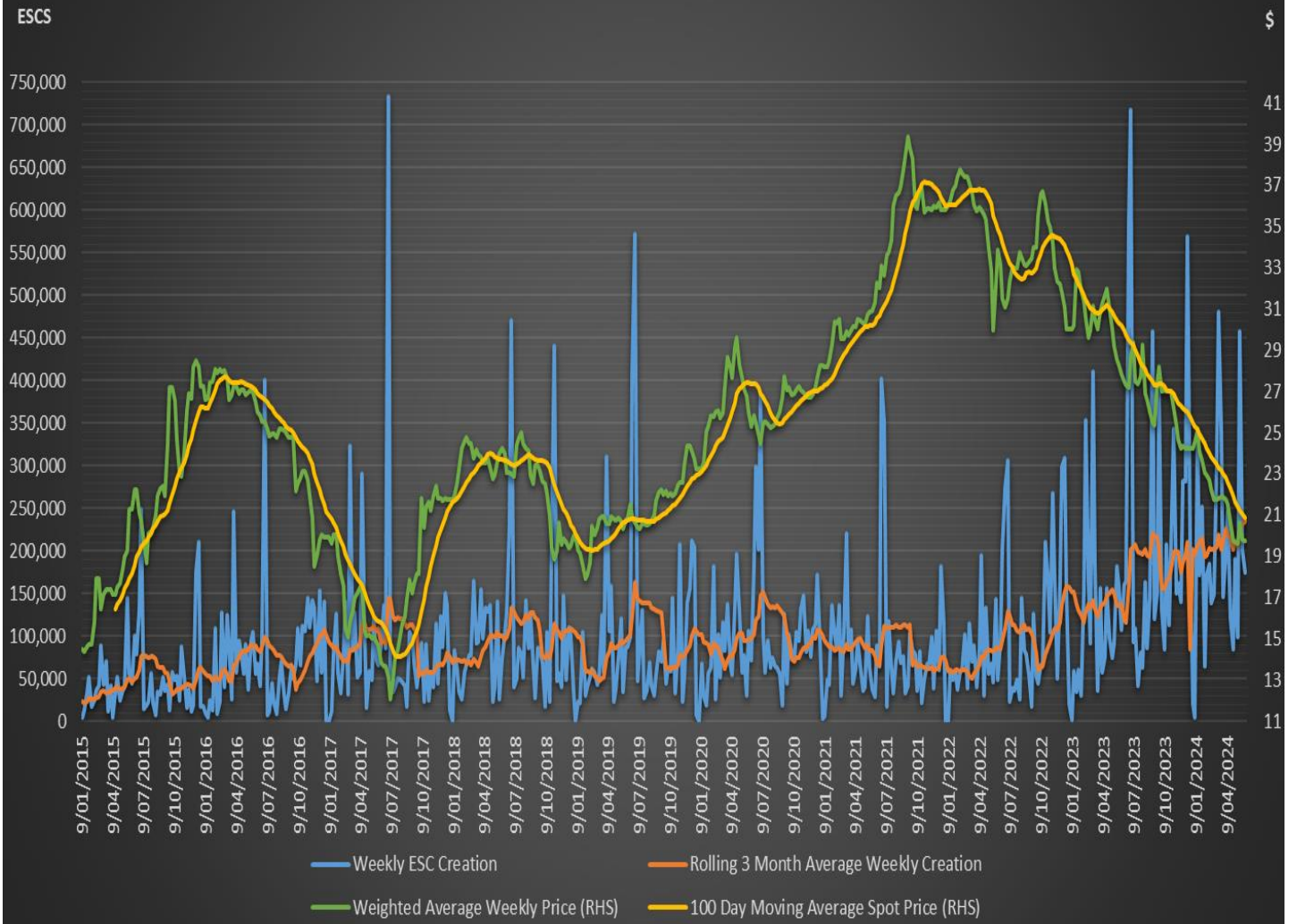
Certificate creation rose for May, coming in at 1.025 million, a 30% increase from April.

Spot trading commenced at an unchanged \$19.60. The market then got excited by the confirmation that Heat Pump installations would require a \$200 co-payment from June 19th, and a new announcement that only very large commercial installations would attract Peak Reduction Certificates. This caused a rally in PRCs that was mirrored by ESCs. The spot price rose to a high of \$21.50 before the reality of the size of the certificate surplus saw selling return to the fore. The price then declined rapidly, settling at \$19.75 on turnover of 798,000 ESCs.

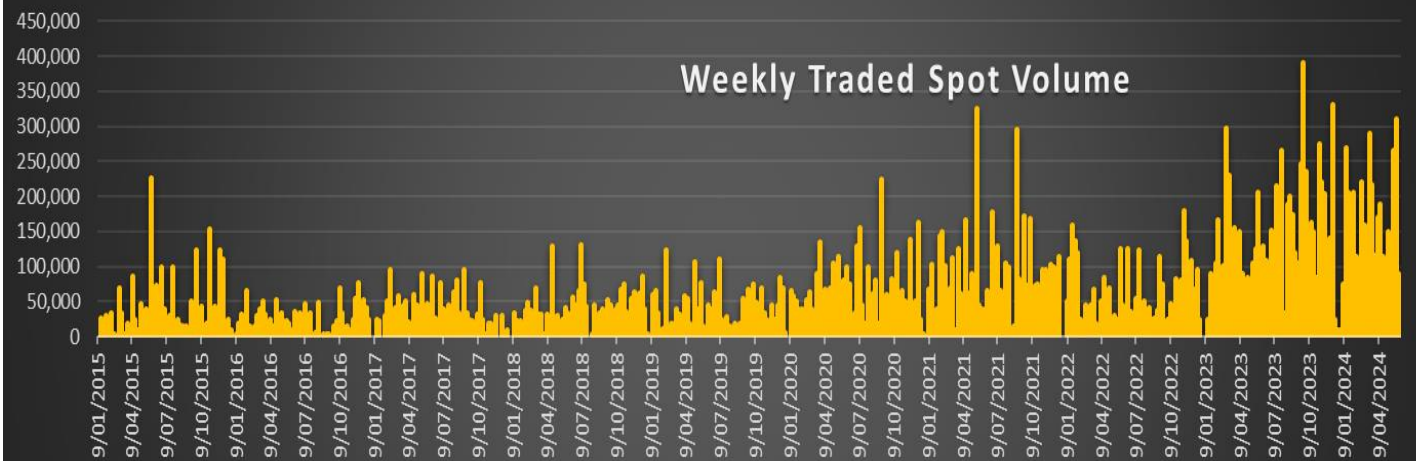
In forward trading 180,000 certificates dealt for delivery from June to December 2024. These deals were struck at a cost of carry of approximately 6%.



WEEKLY ESC CREATION - ALL SOURCES



Weekly Traded Spot Volume



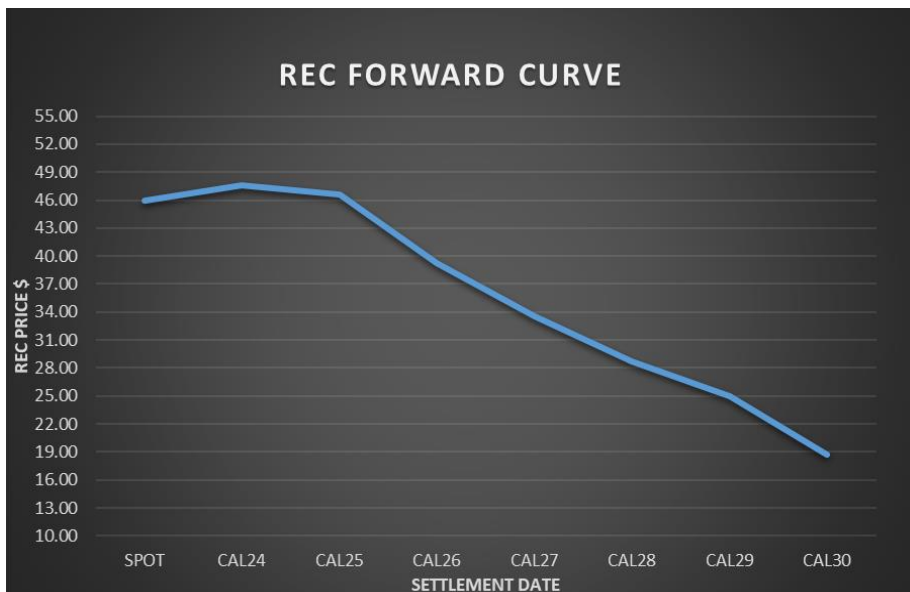
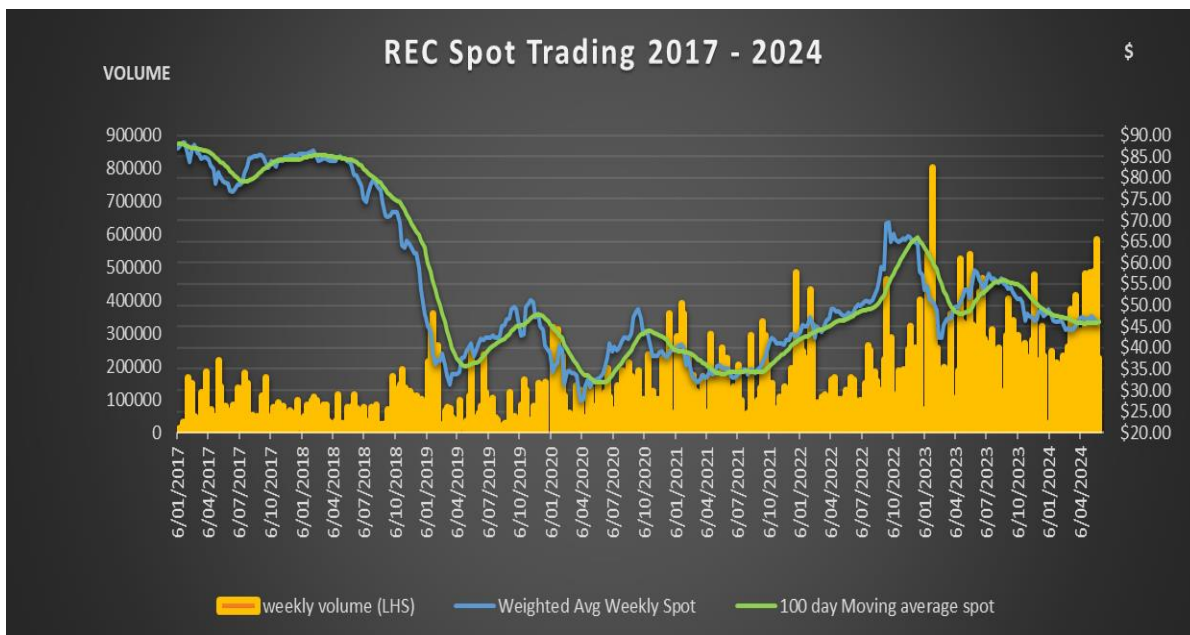
Renewable Energy Certificates

LGC prices fell during May.

The spot market opened at an unchanged \$46.50 and began to move higher, eventually hitting \$47.50. The weight of certificate creation then began to tell with sellers pushing the price back down with the market closing at the low of \$46.00 on volume of 1.913 million certificates.

Calendar 2024 followed suit, opening at \$48.50 and hitting \$49.00 before reversing track and closing 70 cents below April's close at \$47.55 on turnover of 1.1 million LGCs. Calendar 2025 suffered the largest fall, shedding \$1.75 to finish at \$46.60 on volume of 1.19 million certificates.

Calendar 2026 and 2027 both dropped \$1.00, closing at \$39.25 and \$33.50 respectively. Trading volume for the Calendar 2026 contract was reported as 380,000 with Calendar 2027 140,000.



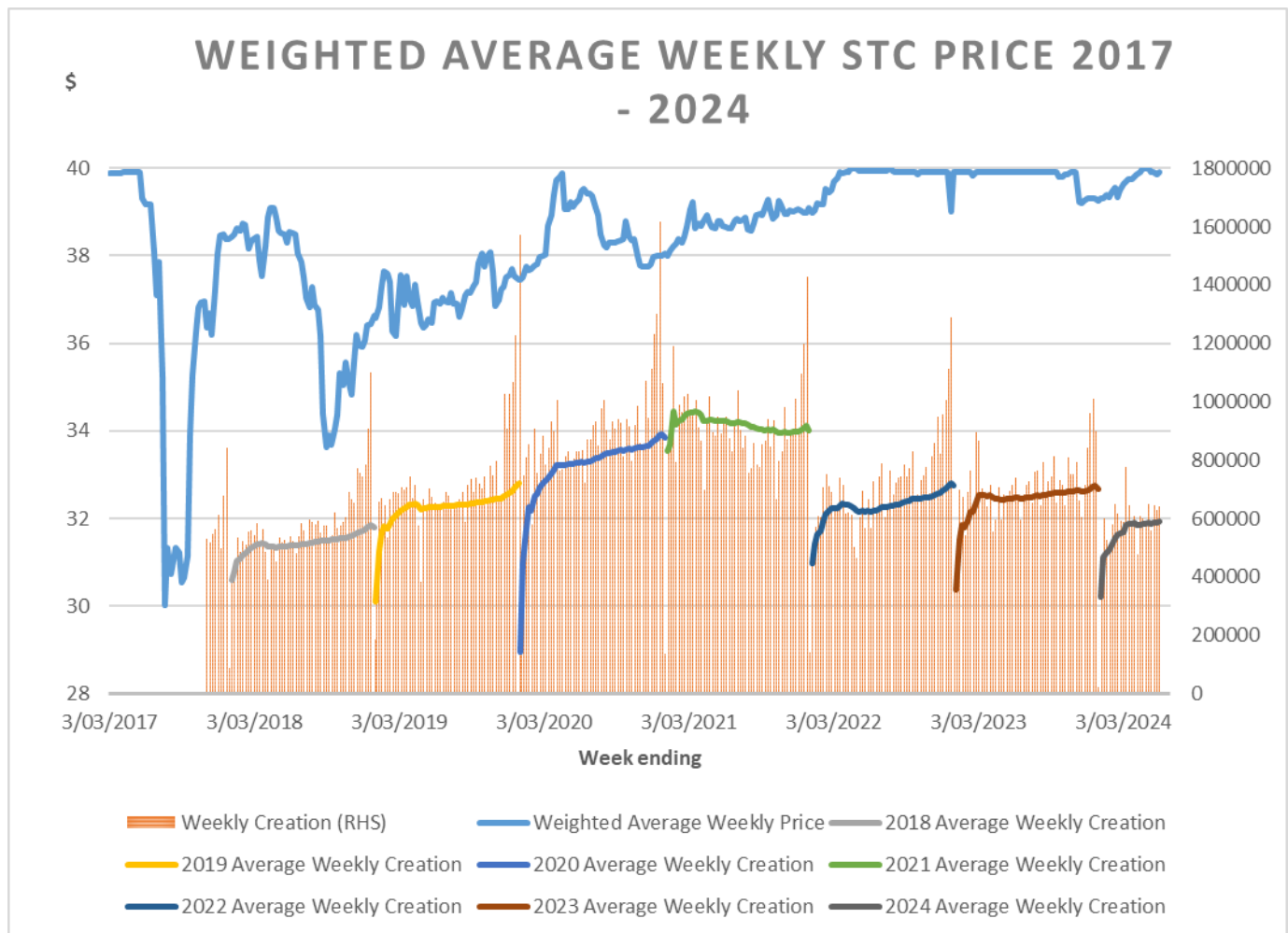
Small Technology Certificates (STC)

STC prices finished the month just under the Clearing House \$40 cap.

Certificate creation rose to just under 2.9 million STCs and the Clearing House once more returned to surplus, allowing the spot market to recommence trading.

The spot price opened at \$39.85 and closed the month at \$39.90. Trading volume was reported as 495,000 certificates.

The forward market saw 175,000 STCs deal for delivery from June 2024 to March 2025 at prices between \$39.75 and \$39.85.



VIC VEECs

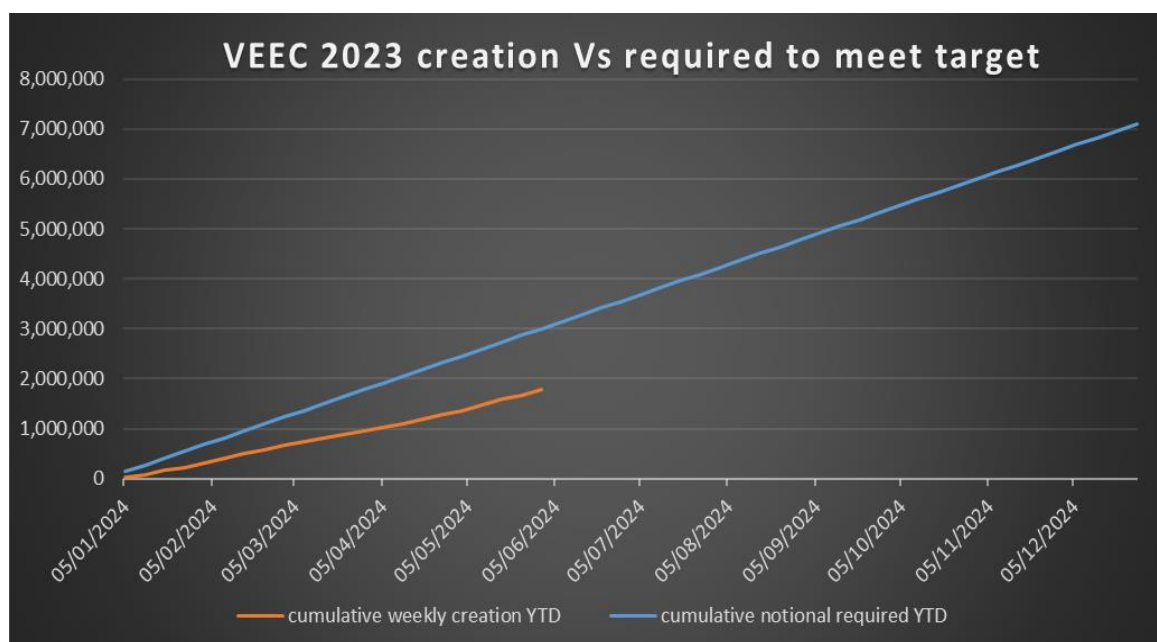
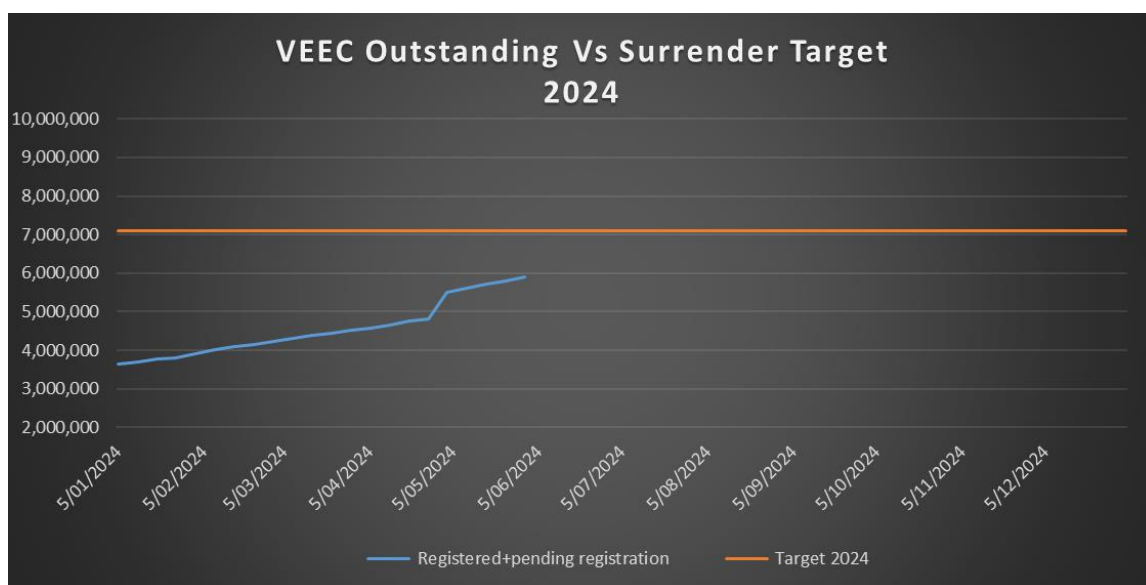
VEEC prices continued rising, adding over 17% for the month.

Certificate creation came in 100,000 higher than last month, at 468,000.

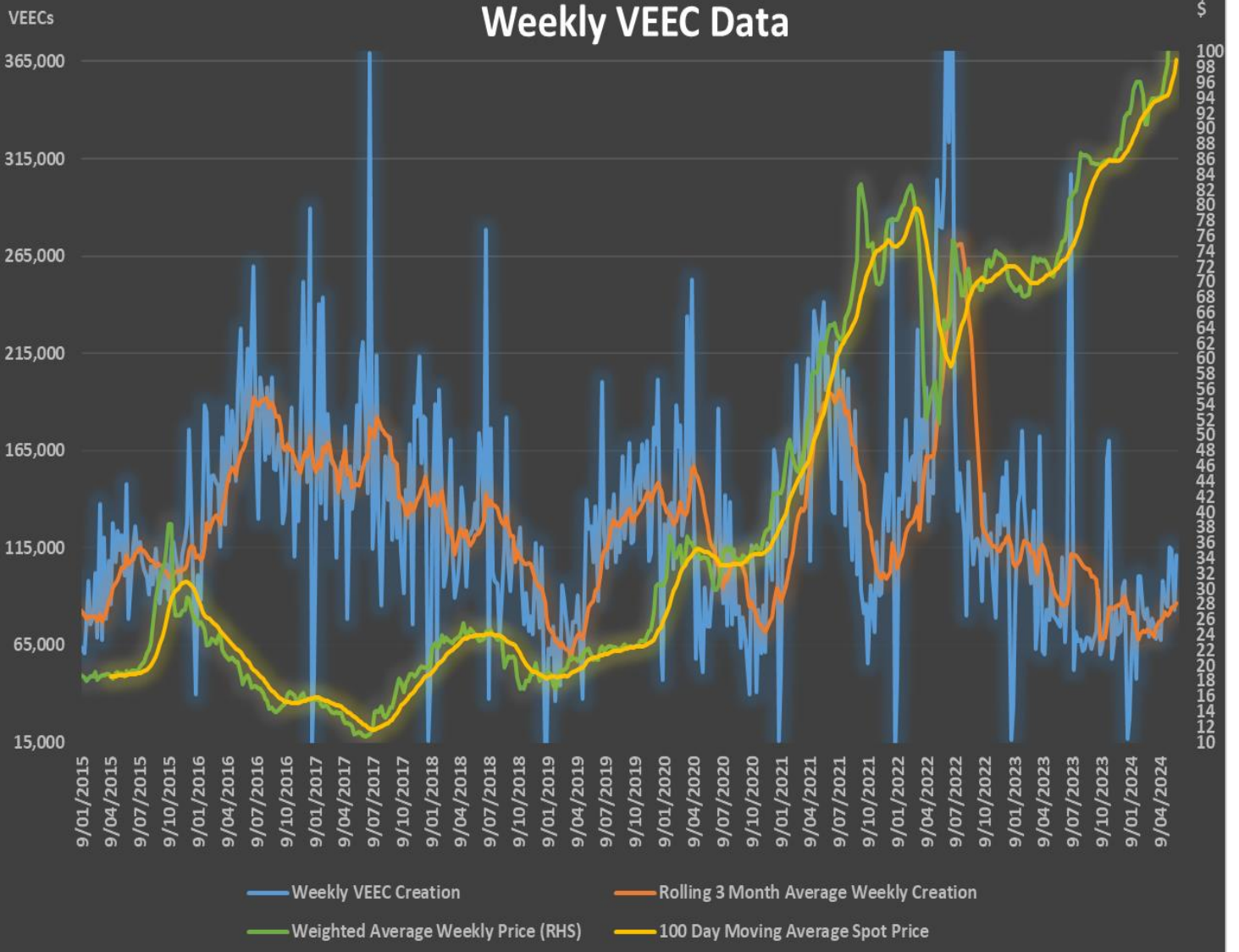
The slight increase in certificate creation did nothing to alleviate the certainty that supply for the 2024 surrender would be extremely tight and that for 2025 would be grossly inadequate with no new methods of creation expected to make the size of difference required. A forum in Melbourne towards the end of the month at which the Minister spoke did nothing to relieve the anxiety.

Consequently the price climbed relentlessly from its initial unchanged \$98.00 to close at the high of \$115.00. Turnover was reported as 190,000 certificates.

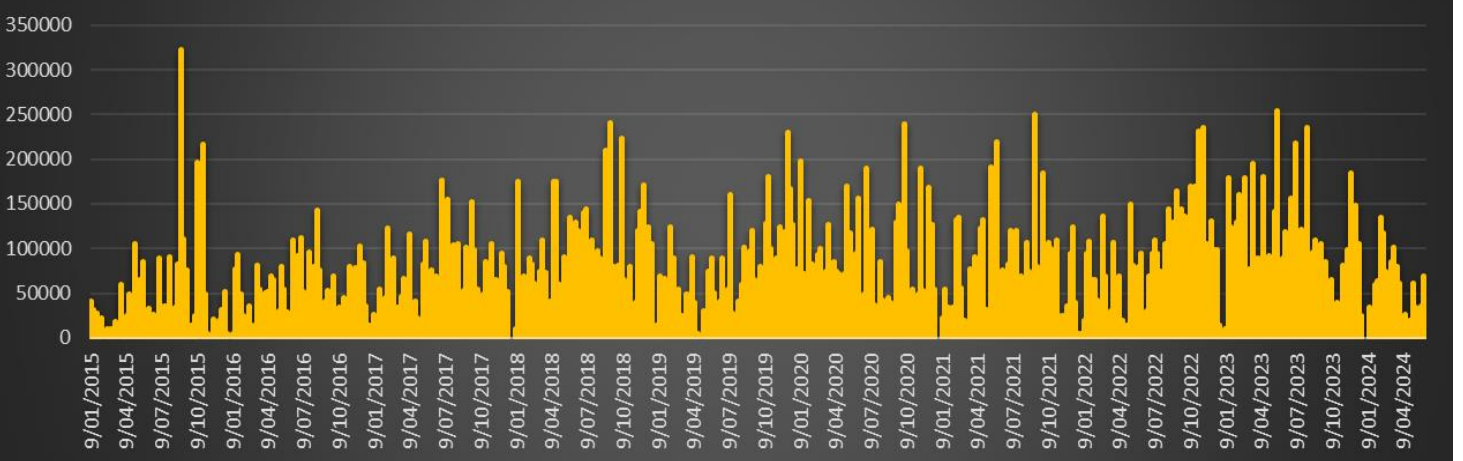
In the forward market 258,000 VEECs traded for delivery from June 2024 to June 2025. These deals were all struck in the early part of the month and dealt flat to the prevailing spot price.



Weekly VEEC Data



Weekly Traded Spot Volume



Demand Manager Pty Ltd

PO Box Q1251

QVB Post Office NSW 1230

Phone: 02 9279 4704

ABN: 64 115 850 729

www.demandmanager.com.au