

FIS Weekly EUA Report

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EUA DEC-25 EUR 82.28 -2.05%

Carbon Lowers On Corrective Pullback

10/02/2025



SUPPORT: 76.29, 73.95, 70.78 | **RESISTANCE:** 85.16, 87.28, 89.39

52-Week Hi/Lo:

84.50/71.55

Monthly Hi/Lo: 84.22 - 79.48

Historical Vol: 10-day 31.622 ; 30-day 28.086 ; 50-day 30.959 ; 100-day 30.866

OUTLOOK

EUAs experienced dramatic volatility at the start of the week, dropping 3.6% on Monday as profit-taking dominated price action amid concerns that new tariffs could slow economic growth. However, the pullback was largely seen as corrective, with further downside moves limited. Strength in the TTF market provided support, as colder temperatures and above-average storage withdrawals raised concerns about a tight supply heading into the refuelling season. These concerns were echoed in this week's CoT reports, which showed a further increase in investment funds' long positions—marking the highest level of EUA long holdings since September 2021 and the highest for TTF since November 2023. From Wednesday onward, EUAs posted consecutive daily gains, recovering some of Monday's losses. The market closed at EUR 82.28, down 2.05% for the week.

Technical: Technically bullish, upside moves that trade above EUR 84.50 will create a negative divergence with the RSI; not a sell signal, it is a warning that we could see a momentum slowdown. Intraday Elliott wave analysis continues to suggest that downside moves should in theory be countertrend, making EUR 71.00 the key support to follow. If broken, then the probability of the futures trading to new high will start to decrease. Due to the divergence above EUR 84.50, we have a note of caution on upside breakouts, as momentum suggests they could struggle to hold.

NEXT AUCTION: 10/02/2025

DATE	Auction Price	Auction Vol	Cover Ratio	Differential to Spot
03/02/2025	80.39	3,245,500	1.55	-0.01
04/02/2025	79.06	3,245,500	1.69	+0.09
06/02/2025	79.75	3,245,500	1.52	-0.07

Energy and Price Drivers

Gas TTF Spot (Feb 25' contract): **EUR 55.72** | Feb-25 German baseload power **EUR 114.16 /MWh**

Supply

- Norwegian supplies have recovered after having dipped further down to 315.3bcm/d today, according to Bloomberg following an outage at Asgard in place until Feb 3.
- In the last two weeks, the gap that LNG imports will need to fill throughout the rest of the year has increased by around 4 bcm, as both demand and storage withdrawals reached new winter peaks.
- Ukrainian President Volodymyr Zelenskiy said his country was ready to transit Azerbaijani natural gas to Europe and a contract could be inked quickly if an agreement can be reached in comments on Saturday

Storage

- European gas storage has fallen to 55.46% full on Jan. 21, according to GIE, compared to the previous five year average of 62.6%. Net withdrawal rates are steady and again holding at the low end of the previous seasonal five-year range.
- Based on the withdrawal rates from the last ten years from now until the end of March the EU storage level would fall to an average of 36.4% at the end of the season with a range between 24.1% and 43.1%, MNI estimates.
- European LNG imports are rising, but this has so far not been enough to meet continued rise in apparent demand, according to GFB Insight

Demand

- Shell CEO Wael Sawan warned that European gas storage levels could drop to 30% or lower due to strong demand and the end of Russian gas flows via Ukraine, Platts reported.
- TTF continues to trade above the upper bound of the TTF vs coal switching range, as demand is indifferent to this key level of resistance. This suggests a deterioration of fuel switching economics as a driver of EUA prices.
- Below average temperatures are expected to persist for the next 10 days before a significant reversal will bring temperatures above that of the seasonal norm. In the near term we can expect colder temperatures and declining wind generation as weather fundamentals continue to contribute to a tight TTF market.

Summary of the Previous Five Days Of Trading

Monday 03rd	OPEN: 84.01 CLOSE: 80.96 HIGH: 84.22 LOW: 80.10
Tuesday 04th	OPEN: 81.10 CLOSE: 80.88 HIGH: 81.90 LOW: 79.48
Wednesday 05th.....	OPEN: 80.80 CLOSE: 82.95 HIGH: 83.80 LOW:80.80
Thursday 06th.....	OPEN: 81.05 CLOSE: 81.93 HIGH: 83.00 LOW: 80.94
Friday 07th.....	OPEN: 81.64 CLOSE: 82.28 HIGH: 82.65 LOW: 81.11

Commitment of Traders report

INVEST INST.	VOL.	CHANGE	OI
LONG	99,114.64	+5,063.02	+16.70%
SHORT	43,548.44	+2,584.68	+7.33%
NET	55,566.20	+2,478.34	-
CREDIT INST.	VOL.	CHANGE	OI
LONG	182,280.56	-23,107.11	30.71%
SHORT	497,723.64	-5,518.33	83.79%
NET	-315,443	-17,588.75	-
COMMERCIAL	VOLUME	CHANGE	OI
LONG	246,188.57	+6,618.65	41.7%
SHORT	49,731.20	-8,218.49	8.37%
NET	196,457.36	+14,837.13	-

Speculator positioning turned again more bullish for the sixth consecutive week with net long positionings still at the highest since the week of 10 September 2021, according to the latest CoT data as of 31st January.

Options data (Dec 25 contract)

STRIKE	100	90	80
CALL OI	21,46 (-15.71%)	10,388 (-8.55%)	27,375 (-15.05%)
STRIKE	65	70	75
PUT OI	3,900(-11.36%)	7,555 (+7.85%)	3,150(56.25%)

Open interest on call options saw significant decreases once again as the market looked to reposition following Mondays sell off. Likewise, Open interest on put options increase at 70 and 75 increased once again as the market targets these levels for the second consecutive week

UKA's price hike continues over potential ETS linkage

The price of the benchmark UKA Dec 25 contract expanded on gains made during a dramatic week of trading as the contract jumped 29.94%. After a brief consolidation at this level the UKA price has continued to expand. With a gain of 3.75% on the week, it would appear that UK emissions trading has undergone a paradigm shift as traders target new highs amid reports of a merger with the EU ETS. Traders anticipate that this event would mean that the smaller, discounted UKA's would elevate in line with the current EUA price; explaining the recent spike in UKA's.



Support	Resistance	Current Price	Bull	Bear
S1 40.93	R1 49.77	46.75	RSI above 50	Stochastic overbought
S2 39.05	R2 51.65			
S3 36.51	R3 53.53			

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