

FIS Weekly EUA Report

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EUA DEC-25 EUR 68.63 -4.42%

10/03/2025



SUPPORT: 65.36, 64.05, 63.09 | RESISTANCE: 73.59, 75.67, 78.50

52-Week Hi/Lo:

84.50/71.55

Monthly Hi/Lo: 72.87 - 66.78

Historical Vol: 10-day 37.409 ; 30-day 33.979 ; 50-day 32.093 ; 100-day 31.957

OUTLOOK

A bearish Cycle continues in EUA's as the benchmark contract retracted 4.42% last week, representing a fourth consecutive weekly decline. The 30 day EUA/TTF correlation remains significant at 0.68, with this move lower largely the result of investment/credit funds tracking declines in the gas market. This comes as the market continues to speculate on waning European unity on Russian sanctions, following a delay to the roadmap outlining a complete severance of Russian gas flows as well as political protestations from Hungary and Slovakia, threatening to veto financial and military aid unless gas flows return via Ukraine. A positive Sum Win spread is still in place, leading to speculation that there maybe further relaxations over the stringent 90% gas storage target, following the commissions decision to implement "flexible" storage refills. EUA's have breezed through support falling a remarkable 18.42% since the 11th of February. Further downside risk is still a possibility, contingent on developing bearish factors in the TTF market setting the tempo. Likewise, In the absence of any radical developments this week a consolidatory market is probable.

TECHNICAL: technically bullish with the neutral bias, the MA on the RSI implies that momentum remains weak. The depth of the pull-back does mean that the probability of the futures trading to a new high is decreasing. Despite the move lower last week, we sell have a 5-wave pattern lower with price in divergence on both the 1-and-4-hour timeframes; however, if we remain at this levels or continue to move lower, it will create a bearish Elliot wave extension, as the oscillator cross on the intraday technical is marginal. We remain cautious on downside moves due to the divergences in play; however, the depth of the pullback does suggest that upside moves could struggle to hold, making USD EUR 78.50 the key resistance to follow. If broken, the technical will be back in bullish territory.

NEXT AUCTION: 10/02/2025

DATE	Auction Price	Auction Vol	Cover Ratio	Differential to Spot
03/03/2025	70.31	3,245,500	1.47	+0.06
04/03/2025	68.10	3,245,500	1.66	+0.02
06/03/2025	66.58	3,245,500	1.53	-0.01

Energy and Price Drivers

Gas TTF Spot (April 25' contract): **EUR 39.971** | MAR-25 German baseload power **EUR 94.29 /MWh**

Correlation between EUA/TTF for 30-day period remained highly correlated at 0.67.

Storage Targets

An EU roadmap on the phase out of Russian gas by 2027 expected on march 26 has been delayed, calling into question the unity of the European response and adding to the speculation of a return to significant Russian gas flows

In regards to the storage mandate and the Sum—Win spread, policy directives and soundings for the EC depict a mixed picture. A willingness to accommodate a more flexible approach to storage targets was demonstrated this week as the commission signalled that interim targets were 'indicative' with a 10% grace on the final Nov 1st target currently in discussion. Likewise a 2 year extension of the current storage requirements has been proposed by the commission.

With a positive summer winter spread still the case, there persists speculation that further relaxations may be announced. It is likely that clarity on this matter will not emerge until at least April, which marks the typical end of the withdrawal phase and the beginning of the refuelling season.

Demand and Supply

European gas stores were at 36.8% full on Mar. 8, according to GIE, compared to the previous five year average of 47.4% as net withdrawals fall further below normal.

European LNG sendout fell to 354mcm/d into the weekend on Mar. 8 compared to an average of 421mcm/d over the previous week.

Norwegian pipeline supplies to Europe are 328.7mcm/d today with a planned 9.6mcm/d capacity reduction at Karsto through the month.

Weather

Warmer weather has alleviated demand on storage recently, however we can expect a return to seasonally average/slightly below temperatures this week. Simultaneously, A rise in wind generation is expected to provide strong renewable generation, providing a mixed picture for the week ahead.

TTF outlook

Rabobank forecasts that TTF Q1 will average EUR 47/MWh, before falling to EUR 42/MWh in Q2.

Summer 2025 TTF prices would fall 36%-56% below the €50/MWh base case if Russia gas flows through Ukraine returned to pre-war levels, according to Goldman Sachs.

Summary of the Previous Five Days Of Trading

Monday	.....	OPEN: 71.80 CLOSE: 71.55 HIGH: 72.87 LOW: 71.28
Tuesday	.....	OPEN: 71.40 CLOSE: 68.50 HIGH: 71.66 LOW: 67.70
Wednesday	.....	OPEN: 68.21 CLOSE: 68.79 HIGH: 69.55 LOW: 68.07
Thursday	.....	OPEN: 68.26 CLOSE: 67.32 HIGH: 69.12 LOW: 66.84
Friday	.....	OPEN:67.30 CLOSE: 68.63 HIGH: 69.45 LOW: 66.78

Commitment of Traders report

INVEST INST.	VOL.	CHANGE	OI
LONG	86,990.71	-6,526.12	14.11%
SHORT	44,714.31	+1,519.64	7.26%
NET	42,276.40	-8,045.75	-
CREDIT INST.	VOL.	CHANGE	OI
LONG	187,197.77	-11,768.49	30.34%
SHORT	519,460.54	-6,693.65	84.34%
NET	-332,262.75	-5,074.81	-
COMMERCIAL	VOLUME	CHANGE	OI
LONG	271,554.72	+6,696.14	44.04%
SHORT	49,032.68	-4,153.65	7.96%
NET	222,522.03	+10,849.77	-

Speculator positioning in the EU ETS futures on the ICE exchange turned More bearish again this week according to last weeks CoT report. This came as investment funds and credit institutions looked to unwind long holdings with investment institutions adding onto their existing short holdings. We continue to see buying interest from Commercials at these levels.

Options data (Dec 25 contract)

STRIKE	100	90	80
CALL OI	24,860(15.57%)	10,823(-5.38%)	22,385(-1.28%)
STRIKE	65	70	75
PUT OI	5,125(5.67%)	9,550(5.23%)	3,985

Open interest on call options saw significant repositioning's on the 100 strike, posting a 15% rise. On the put side, repositioning was less significant with moderate 5% hikes in both the 65 and 70 Put OI.

IN THE NEWS

Zelensky is meeting with a US delegation in Saudi Arabia this week in an effort to reconcile a fractious relationship with the current Trump administration. The talks will have profound consequences for the Ukrainian position as the world looks toward a peace settlement and a resolution to the conflict. [Ukraine Trump: What US, Russia and Europe are thinking ahead of fresh Ukraine talks - BBC News](#)

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