

EUA Trade Summary 2024			
Period	Start(€)	End (€)	±%
Jan-24	75.96	64.16	-15.53%
Feb-24	62.19	56	-9.95%
Mar-24	56.37	61.8	9.63%
Apr-24	58.72	68.52	16.69%
May-24	67.82	74.1	9.26%
Jun-24	74.57	67.47	-9.52%
Q1	75.96	61.8	-18.64%
Q2	58.72	67.47	14.90%
H1-2024	75.96	67.47	-11.18%

European Union Allowance (EUAs) closed the previous month at €67.47/ton, marking a -9.52% decline on the month. In the first half of the year, the market fell by -11.18%.

On average, EUAs trade in 2024 at a price of €65.7/ton, while we saw increased strength and performance in the second quarter, where prices surged by almost 15%, contrary to the negative Q1 performance of -18.5%.

On the contrary, gas has increased by 12.8% since the beginning of the year, while on a quarterly basis, it fell by -10.5% in Q1 and surged by 26.12% in Q2. Despite the fact that the two are highly correlated thanks to the fuel-switching from electricity producers, meaning that TTF is the driver for electricity prices and EUAs compliance demand by producers, there are periods of less evident correlation.

During June, we saw that this correlation is fading with EUA prices falling more than those of the gas, as the latter is influenced by global supply/demand dynamics while the former is focused on the European industry and its performance.

Last, it is interesting to see how the revised EU ETS Directive which allocates free EUAs to hydrogen producers will impact their prices. It is also interesting to monitor whether EUAs will keep trading lower than the TTF as fundamental demand for EUAs is bearish.

