

Monash/C2Zero Real Carbon Price Index

Fact sheet | 29 April 2022

The Monash/C2Zero Real Carbon Price Index (RCPI) provides a weighted composite measure of the physical price of carbon¹ across all jurisdictions, based on mandated carbon prices set by regulators and governments.

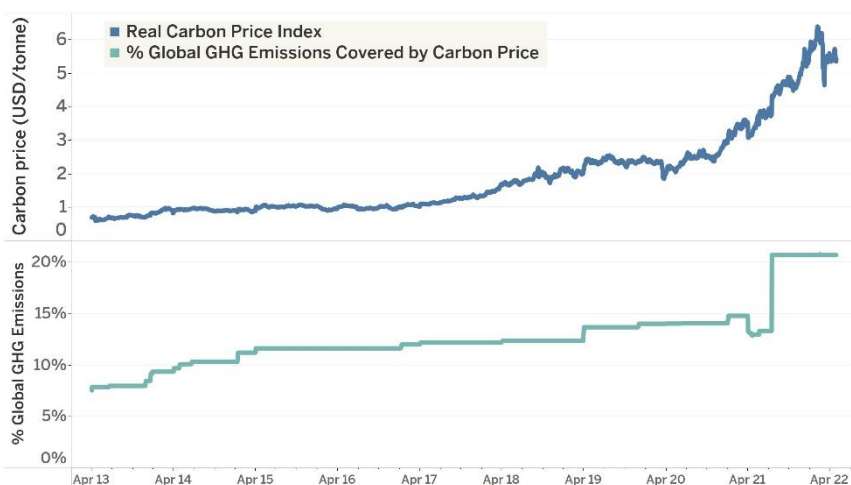
The RCPI covers national, subnational and regional jurisdictions implementing a carbon tax or carbon emissions trading schemes (ETS)² and jurisdictions with no mandatory carbon price – the latter being counted in the index using a price of zero.

The RCPI enables an overall global carbon price and price history to be determined, reflecting the global value of carbon, as priced across all jurisdictions, dating back to April 2013.

The RCPI started in April 2013, covering 20 jurisdictions, accounting for 7.88% of global GHG emissions. As of April 2022, it covered 51 jurisdictions, accounting for 20.71% of global GHG emissions.

Historical Index Value

(April 2013- April 2022)



Highlights

- In April 2022, the RCPI started with little movement on further escalation in the Russia-Ukraine crisis and as some of the markets were closed for trading for Easter holiday.
- The global carbon price started its upward trend after the Easter holiday weekend. Driven primarily by the EU market, there was significant short term volatility with the price jumping up by more than 5% on Wednesday (20/04) and then dropping 4% on the following Monday (25/04).
- The global carbon price continued on a bearish note in the last week of April until a slight recover on Friday (29/04), with the month-end value at US\$5.43.
- There was an overall decline in the Chinese allowance prices reflecting slow economic activity caused by the lockdowns.
- Despite volatility in some of the markets in recent months, the downward trend in the overall dispersion in prices across all jurisdictions continued in the month of April.

Index Price Change

	Percentage Change			Annualised Percentage Change			
	1 Mo	3Mo	YTD	1Yr	3Yr	5Yr	Since April 2013
RCPI	0.77%	-10.10%	-2.76%	59.74%	31.39%	37.64%	25.68%

Calendar Month Price Change

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	8.17%	-5.68%	-5.47%	0.83%									-2.76%
2021	7.98%	5.89%	5.81%	-3.83%	12.40%	1.32%	13.96%	6.23%	1.86%	-3.49%	13.75%	6.54%	91.13%
2020	-3.79%	-0.88%	-13.53%	7.80%	2.81%	12.80%	-0.63%	5.96%	-4.31%	-5.50%	13.19%	7.93%	19.90%
2019	-6.01%	-0.65%	-1.28%	19.03%	-3.77%	5.68%	0.85%	-4.05%	-2.88%	4.42%	-0.07%	2.06%	11.68%
2018	8.86%	0.92%	12.05%	2.56%	3.34%	-0.35%	5.23%	8.28%	0.58%	-12.65%	11.57%	11.79%	62.34%
2017	5.37%	-0.19%	-5.59%	8.03%	3.46%	0.87%	3.96%	3.46%	3.22%	1.24%	3.63%	0.59%	31.15%
2016	-9.18%	-2.47%	6.59%	8.92%	-3.68%	-8.19%	0.51%	2.04%	4.06%	2.22%	-8.24%	8.34%	-1.37%

¹ It refers to carbon dioxide equivalents or CO₂e.

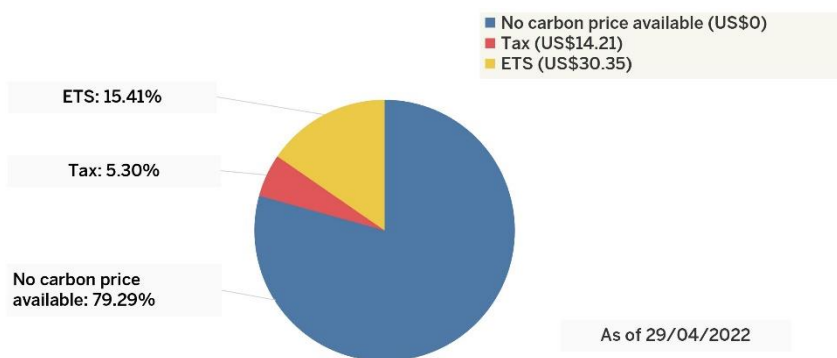
² As of April 2021, 65 national, subnational and regional jurisdictions had implemented a carbon tax or carbon ETS. The RCPI covers 51 of those jurisdictions. The other 14 jurisdictions are excluded due to the lack of available data.

2015	2.32%	-0.69%	-3.01%	17.46%	-3.73%	0.59%	-0.62%	2.89%	0.09%	2.15%	-2.59%	0.53%	14.75%
2014	3.12%	12.59%	-14.57%	13.82%	-3.57%	6.40%	-0.73%	-2.04%	-6.51%	-0.14%	2.21%	-0.43%	7.03%
2013				-10.03%	5.22%	2.33%	3.26%	1.41%	5.69%	-1.13%	-0.72%	15.83%	16.01% ³

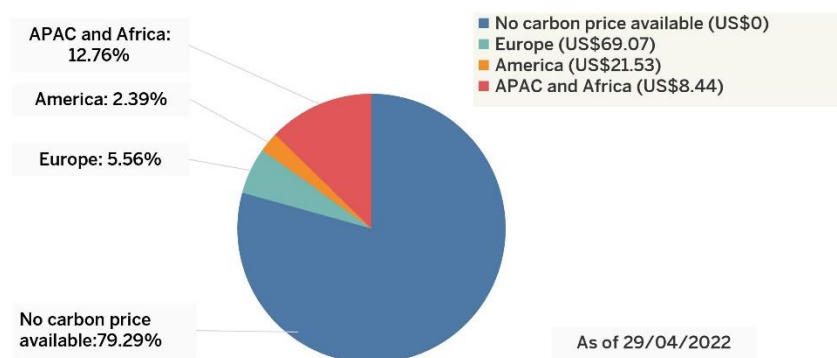
Top 10 Constituents

Jurisdiction	Instrument	% Global GHG Emissions	Price (US\$/tonne) (29/04/2022)
China National ETS	ETS	7.38%	8.89
EU ETS	ETS	3.14%	88.58
Japan carbon tax	Tax	1.82%	2.23
Korea ETS	ETS	0.95%	16.36
South Africa carbon tax	Tax	0.95%	8.49
Germany ETS	ETS	0.74%	31.64
California CaT	ETS	0.65%	29.75
Ukraine carbon tax	Tax	0.41%	0.33
UK ETS	ETS	0.36%	98.98
Mexico carbon tax	Tax	0.35%	3.18

Instrument Weights



Region Weights



Disclaimer

This document is not intended as legal, financial or investment advice. Whilst every effort has been made to ensure the accuracy, completeness or reliability of the content of this document, the authors give no guarantee in that regard and accept no liability for any loss or damage occasioned by the use of this document or the information contained therein. The opinions are those of the authors and do not represent the views of Monash University. Monash University does not accept any responsibility for any loss or damage occasioned by the use of this document.

For further information, please visit <https://www.realcarbonindex.org> or contact us at mcfsinfo@monash.edu.

³ The return is calculated as the annualised price change from April 2013 to December 2013.