

## Expectation

Oil



After rising in Tuesday's session, we saw more or less sideways trading on the oil market yesterday. The rumors that OPEC and the US might be planning on starting a new alliance on production to stabilize the market were not able to offer further upside to the market, nor were the economic stimulus to the financial markets. The Brent front month contract closed the day at 27,39 USD/bbl, up 0,24 USD/bbl. We expect falling prices Thursday.

Gas



On the European gas markets, we saw falling prices both on the day-ahead market and on curve contracts Wednesday. The already oversupplied market is set for an even bigger mismatch if the corona virus will limit demand further during the coming months. These fears caused several contracts to drop to an all-time low yesterday and the losses could very well continue today.

Coal



The European coal market traded further up early Wednesday, but the optimism faded during the day as a short-lived optimism disappeared and was replaced by new corona virus concerns. The virus has however also caused some disruption to global supply, which limits the downside despite prospects of slowing demand during the coming time.

Carbon



On the European carbon market, we saw a second straight day with rising prices yesterday. The market has climbed around 10 % during the last two days after dropping significantly earlier in the month. The benchmark contract closed the day at 17,51 EUR/t, but despite the recent gains, the bearish sentiment caused by the corona virus remains strong.

Hydro



Since yesterday, the Nordic weather outlook has turned somewhat wetter. The period with below-average precipitation next week has been replaced with wetter and more unsettled conditions. Temperatures do however look set for several days below average, which limits the bearish influence of the weather forecasts on the Nordic power market.

Germany



On a day with mixed movements on the fuel and carbon markets, the German power market moved more or less sideways Wednesday. The country's Cal-21 contract climbed a marginal 0,10 EUR/MWh, closing at 35,00 EUR/MWh, as the overall concerns regarding the country's economy offset the bullish signals from the carbon market. We expect another sideways session today.

Equities



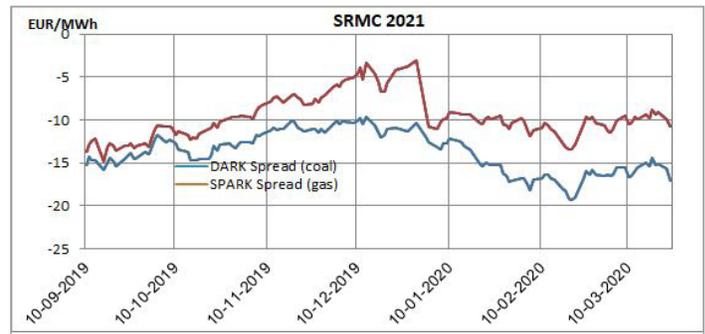
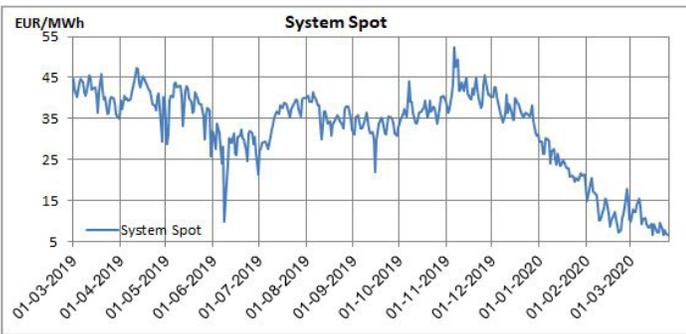
For the first time in a long time, we have now seen two straight days of gains on the international stock markets. The European Stoxx600 Index climbed another 3,09 %, following an even larger jump during the previous day. The US markets followed upwards later in the day, but the futures are pointing downwards early Thursday.

Conclusion



The Nordic power market opened with some optimism yesterday, but the market lost the momentum during the day. The Q2-20 contract ended up falling 0,40 EUR/MWh to 7,75 EUR/MWh, an all-time low just a few day before it expires. The YR-21 edged down only a marginal 0,05 EUR/MWh and settled at 20,80 EUR/MWh as the gains on the German power market provided some bullish support. Thursday, we expect falling prices due to bearish carbon and wet weather forecasts.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
24-mar	8,97	19,96	6,90	8,12	12,10	6,90	6,92	April	15,15	17,15	10,88	12,78	17,80	7,65	7,90	April	37,28	22,88	45,03
25-mar	15,74	23,06	6,78	6,78	8,45	6,65	6,56	Q2-20	18,05	20,50	9,70	12,88	19,00	6,62	7,75	Q2-20	37,30	22,67	0,00
26-mar	22,23	22,23	12,47	13,69	21,83	6,68	7,02	2020	28,33	29,65	22,25	24,25	28,75	20,80	20,80	2021	38,58	32,30	0,00



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