Several countries, including OPEC, Russia, Norway and the US are reportedly looking into cutting oil production due to the persistent oversupply which have caused prices to drop sharply over the last few months. These news led to another day with rising prices yesterday. The Brent front month contract increased another 2,73 USD/bbl, settling at 25,27 USD/bbl. Friday, trading activity will be very limited due to May 1st holiday in several countries, but the market continues upwards in the thin trading.

After nine straight bearish sessions, we finally saw an upwards adjustment on the long end of the European gas markets yesterday. Some upcoming outages to the Norwegian production due to maintenance work is a bullish signal for the market, but the upside is limited by the continuously high LNG arrivals to an already oversupplied Nordic market. Several countries are closed today due to public holiday.

Yesterday, the European coal markets climbed for a second straight day. The API 2 Cal-21 contract closed at 52,88 USD/t, up 0,23 USD/t for the day, distancing itself further from the all-time low reached earlier this week. The small upturn was likely just carried by the gains on the oil market, as fundamentals remain bearish. We expect limited fluctuations in Friday’s thin trading.

After opening Thursday bullishly, the European carbon market changed direction yesterday and ended the day with losses. Bearish technical signals and low generation demand was the main reason behind the downturn, as the benchmark contract ended up falling 0,62 EUR/t, settling at 19,57 EUR/t. Friday, we could see another day with big fluctuations, based on low trading activity however.

Friday morning, there are no major changes to the Nordic weather outlook. Precipitation is expected more than twice as high as seasonal normal over the coming weekend, and although the level should decrease during next week, it will likely remain above average. Temperatures are set to remain slightly below average throughout the next two weeks.

On the German power market, there were falling prices Thursday during a session with mixed signals. The gains across the fuel markets were overshadowed by the bearish carbon emission market and the country’s Cal-21 contract ended up falling to a price of 36,29 EUR/MWh. Friday, the market is closed due to May 1st holiday.

Thursday opened as a positive day on the international stock markets, but the sentiment changed during the day on weak financial signals from companies both in Europe and in the US. The Stoxx600 Index ended up falling more than 2 % and trading will be very limited Friday due to public holiday in most countries.

On the last trading day of the week on the Nordic power market, we saw a more or less neutral sentiment. The short end of the curve edged slightly up on cooler weather forecasts for the coming weeks, while the long end moved sideways as the bullish drivers were offset by a falling carbon market. The 0,9-20 and YR-21 contract closed the day at 9,05 EUR/MWh and 21,90 EUR/MWh respectively. The market is closed Friday due to public holiday.