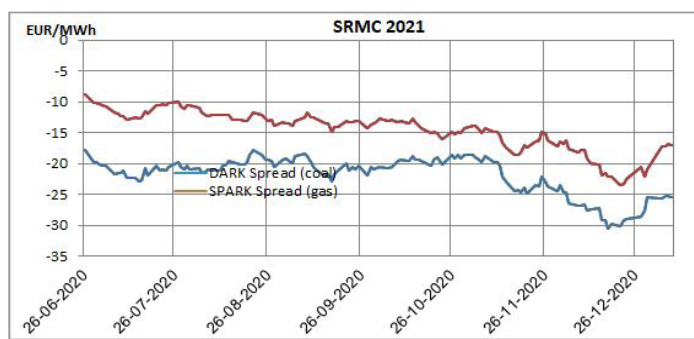
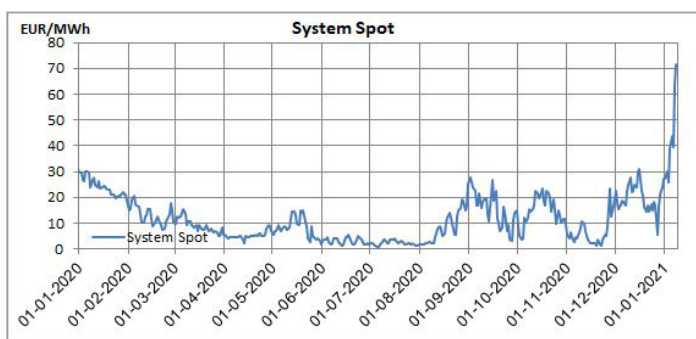


## Expectation

- Oil** Early Thursday, the international oil markets continued upwards on the news that Saudi Arabia had agreed to cut production during the first half of 2021. Later in the day however, the uptrend was broken however, and at the end of the day, and the Brent front month contract closed at 54,38 USD/bbl, just 0,08 USD/bbl higher than the previous close. The bullish sentiment has returned early Friday, with strong equities and corona virus vaccine optimism adding to the upside.
- Gas** On a day where the surrounding markets continued to rise, with the carbon market once again reaching an all-time high, European gas prices climbed as well. Gas is becoming increasingly profitable right now due to the high carbon price, but due to high LNG prices in Asia, supply to Europe has been halted as producers are sending their gas to Asia instead.
- Coal** The uptrend continued on the European coal market as well yesterday, once again with cold weather and bullish carbon as the important price drivers. Temperatures are expected well below average in Germany, Europe's largest coal consumer, for at least the coming week. The API 2 Cal-22 contract ended up climbing another 1,51 USD/t, settling at 70,39 USD/t and should rise further today.
- Carbon** European carbon prices continue to rise and yesterday, the market reached a new all time once again, with the benchmark contract settling at 34,76 EUR/t, 1,13 EUR/t above the previous close. The market continues to react to the cool weather and the strong fuel markets, and we expect the market to break above 35 EUR/t today.
- Hydro** Temperatures in the Nordic area are expected well below average throughout the next two weeks, with the second half of next week looking like the coolest part, with a level more than 5 degrees cooler than average. The outlook is not very changed from what we saw yesterday, and should continue to offer bullish support to the Nordic power market today.
- Germany** Bullish fuels and carbon continue to offer bullish support to the German power market, which also reacts to the cool temperatures that cause high demand across the country right now. Weather forecasts suggest that the cold spell will continue at least throughout next week. The German Cal-22 contract rose to 50,60 EUR/MWh yesterday and we expect further gains Friday.
- Equities** Strong key figures as well as the US Congress' approval of Joe Biden as the next US President led to another bullish day on the European stock markets yesterday. The Stoxx600 index climbed another 0,51 %, and the sentiment was positive as well in the US later in the day. The first signals today point towards another bullish session.
- Conclusion** All price drivers on the Nordic power market were bullish yesterday, as cold weather forecasts, soaring spot prices and bullish signals from the fuel and carbon markets all led to another session with rising prices. The Q2-21 contract rose 2,50 EUR/MWh to 27,75 EUR/MWh, while the YR-22 contract climbed 1,10 EUR/MWh and closed at 28,60 EUR/MWh. Friday, both weather forecasts, fuel and carbon point towards another day with rising prices.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
06-jan	41,06	41,06	41,06	41,06	41,06	41,06	39,50	February	43,85	48,85	45,85	48,35	48,75	39,35	38,85	February	53,11	56,09	62,30
07-jan	67,69	68,19	67,63	67,63	67,63	67,41	63,48	Q2-21	41,25	42,50	33,25	39,15	42,63	28,00	27,75	Q2-21	53,08	46,28	0,00
08-jan	76,88	76,88	76,72	76,72	76,72	76,62	71,56	2021	40,10	43,43	31,55	36,35	37,48	29,85	28,60	2022	54,17	45,66	0,00



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