

Expectation

Oil



Following the steep climbs last week, this week opened with falling prices on the oil market, where the Brent front month contract fell 1,42 USD/bbl before closing at 73,92 USD/bbl. The market appears to be returning to a risk-off mode, something which is also negative for the stock markets and strengthens the US dollar, which makes the dollar-bound oil more expensive for foreign investors. Tuesday morning, we see the negative sentiment continue.

Gas



Monday, the week started with another price jump on the European gas markets, which has now won back most of the losses from last weeks, and appears to have returned to the steady uptrend. Yesterday, it added to the fears that Gazprom once again bought only limited gas transit capacity through Ukraine for the coming month, a case which has caused some uncertainty on the market from time to time lately.

Coal



Tight supply and high seasonal demand continues to offer bullish support to the European coal market. The API 2 Cal-22 contract climbed 1,32 USD/t and settled at 126,05 USD/t, this despite a stronger US dollar limiting the upside. Tuesday, we could see a bullish session, with both gas and carbon climbing as well.

Carbon



Following several months where carbon has followed the development on the gas markets closely, we have seen some decoupling lately. This continued yesterday, where the carbon price traded more or less sideways, despite further big gains on the gas market. We still see some upside on the market which will challenge 60 EUR/t again today.

Hydro



Expected precipitation in the Nordic area during the forthcoming ten days is slightly below seasonal normal. The next few days look quite wet, but later in the week, a high pressure will start dominating. Looking further ahead, we could see a new change to wetter conditions by the end of next week. Today's outlook appears to be bullish for the Nordic power market however.

Germany



On the German power market, this week opened where last week ended, with a big price jump on the German power market, where several contracts once again reached all-time highs. The country's 2022 contract jumped to nothing less than 105,30 EUR/MWh, as bullish gas and coal continues to drive German power prices upwards as well.

Equities



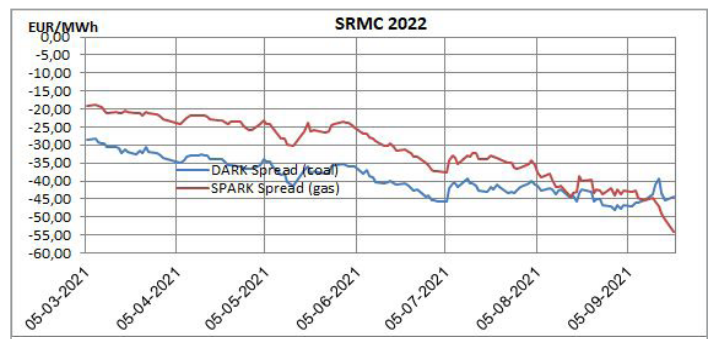
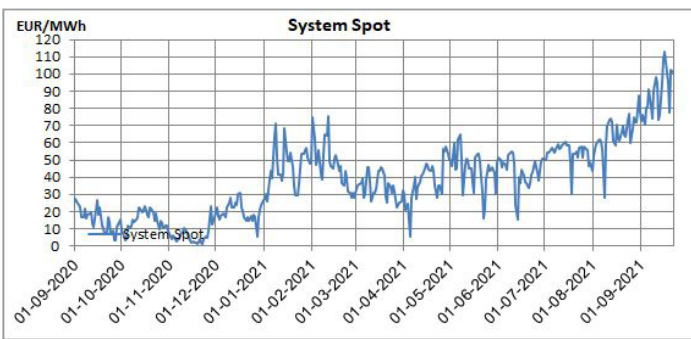
The week opened with a very bearish session on the stock markets, which remains concerned about the development about the Chinese real estate sector. The upcoming interest meeting in the US Fed is also causing some concerns, but the first signals from the markets early Tuesday point towards some kind of rebound.

Conclusion



Nordic power prices rose in Monday's trading following the sharp losses late last week. The reason behind the gains was drier weather forecasts for the coming week and significantly rising prices on the related markets, especially the German power market. The Nordic Q4-21 and YR-22 contracts ended up closing at 77,30 EUR/MWh and 47,80 EUR/MWh respectively. Tuesday, there are no changes to the outlook, and as the market also has to make up for some late gains in Germany yesterday, we expect prices to continue to rise.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
19-sep	94,10	94,10	78,95	93,47	78,95	91,64	77,87	October	138,01	139,63	82,38	111,38	86,88	98,38	76,38
20-sep	150,70	150,70	122,11	144,80	122,11	113,78	102,42	Q4-21	131,43	135,87	81,75	113,30	87,68	102,30	77,30
21-sep	149,89	149,89	114,02	138,26	114,02	117,56	100,99	2022	85,18	90,05	50,48	90,55	64,95	62,80	47,80



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