

Expectation

Oil



On the oil market, the uptrend came to an end yesterday, with prices retreating slightly from the three-year high reached in Monday's session. There is not much change to fundamentals, as the market continues to keep an eye on the post-corona virus recovery of the global oil demand as well as looking at OPEC and Russia's supply strategy. The Brent front month contract closed Tuesday at 83,42 USD/bbl and opens with sideways trading Wednesday.

Gas



Tuesday, the gas market made a minor upwards adjustment attributed to some cooler weather forecasts for the continent. The fluctuations were however much smaller than what we have seen over the last weeks, and even though the situation calmed down a bit yesterday, the market remains highly nervous.

Coal



Once again, the European coal market edged up in Tuesday's session. Demand remains high across the globe, as the surging gas prices have made coal more attractive for power production. Meanwhile, supply issues continue to linger, affecting both the European market and other parts of the world. High volatility will likely continue and the market could very well climb further today.

Carbon



Compared to the fuel markets, the European carbon market still faces quite small fluctuations. Yesterday, the market edged modestly down, with the benchmark contract settling at 58,93 EUR/t. The market is in a bit of a quiet phase right now, but the volatile situation on the fuel markets could suddenly affect carbon as well.

Hydro



Expected precipitation in the Nordic area during the forthcoming ten days is almost twice as high as seasonal average. Low pressures are set to dominate throughout most of the period, and even though there are drier signals looking further ahead in the month, the Nordic power market continues to react bearishly to the outlook.

Germany



The German power market received bullish signals from the fuel markets, with the ongoing supply fears for the upcoming winter still the big topic. The country's Cal-22 contract rose to 121,37 EUR/MWh, marking a couple of relatively quiet sessions in the wake of the massive volatility earlier in the month. Today, we expect another day of gains, as the gas market appears to continue upwards as well.

Equities



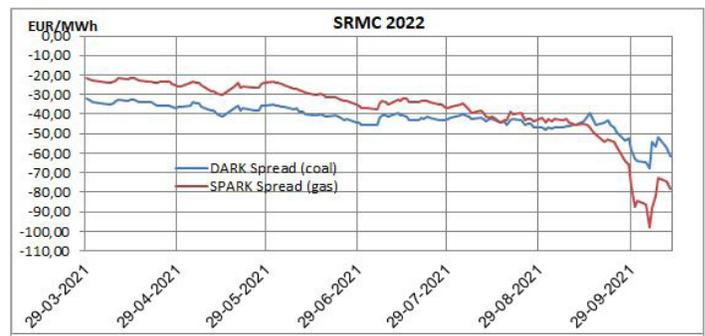
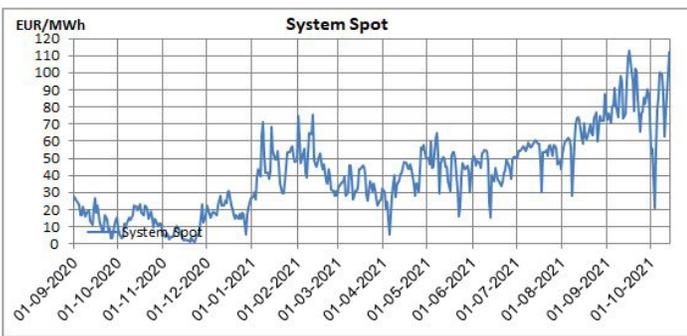
Early Tuesday, the European stock markets continued the downtrend from the previous days, before winning back the losses later in the day. Inflation concerns and high energy prices are still the big topics on the market, where the US markets edged down later in the day. Early Wednesday, the first signals are modestly bullish.

Conclusion



Nordic power prices continued to fall in Tuesday's session, with the market continuing to move its own way despite the gains on the German power market. The Q1-22 and YR-22 contracts fell to 57,60 EUR/MWh and 38,50 EUR/MWh respectively, as continuously wet weather forecasts overshadow the gains in Germany. Wednesday, we expect the market to stabilize as the German power market rises, which could curb the bearish signals from the weather forecasts.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
11-okt	113,03	107,00	83,49	92,10	81,33	108,95	76,99	November	143,20	142,70	76,70	125,20	79,83	99,70	67,20
12-okt	153,56	140,21	117,84	126,23	117,84	116,27	87,61	Q1-22	132,15	138,60	64,70	136,60	78,10	88,60	57,60
13-okt	188,24	186,75	157,57	161,00	157,57	130,35	112,11	2022	98,25	104,25	42,00	103,50	55,13	54,50	38,50



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