

## Expectation

- Oil** ↗

For a second straight day, the international oil market edged down in Tuesday's trading, with the Brent front month contract closing the day at 104,97 USD/bbl. The downturn was again attributed to concerns about slowing demand from China, one of the largest oil consumers in the world. Expectations of an EU ban on Russian oil limited the downside and the market rises early Wednesday on falling US inventory numbers.
- Gas** ↗

After opening the week bearishly, the European gas market rebounded in Tuesday's trading. The market continues to price in a lot of risk premium, as a potential upcoming EU ban on Russian gas adds to last months similar decision regarding coal. This of course increases the fears, that a stop for gas import could also be on the way, and the market seems ready to continue upwards today.
- Coal** ↗

The overall bullish sentiment across the energy markets also led to another bullish session on the European coal market Tuesday, where the API 2 Cal-23 contract jumped to 221 USD/t. Coal demand in Europe is rising despite the ban on Russian coal, as several countries will move energy production to coal in an effort to lower dependence on Russian gas.
- Carbon** →

Despite the end of the compliance buying season last week, demand was surprisingly high on yesterday's EU-sanctioned quota auctions. The bullish sentiment could be attributed to a general increase in coal demand in Europe. The market saw a noticeable upturn of more than 7 %, with the benchmark contract closing at 88,19 EUR/t.
- Hydro** →

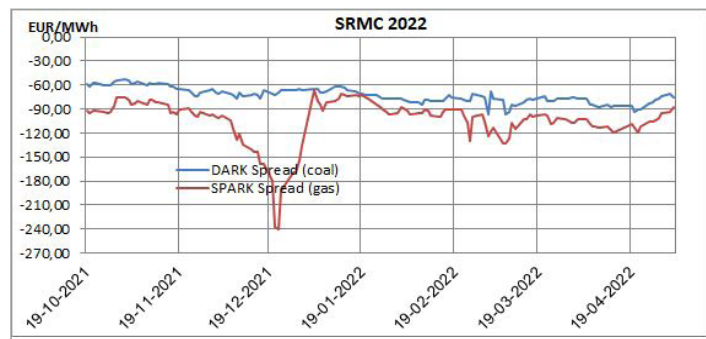
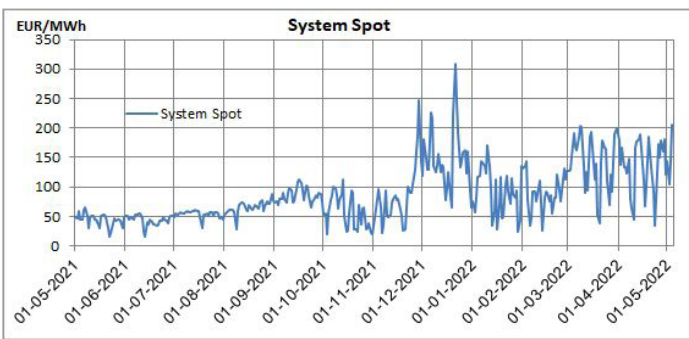
From the beginning of next week, temperatures in the Nordic area are set to rise above seasonal normal, and the level could reach 2-3 degrees above average by the middle of the month. This could set off the snow melting, which has so far been delayed by the quite cold spring weather through March and April.
- Germany** ↗

A sharp rebound on both the fuel markets and on the carbon emission market also caused a bullish session on the German power market Tuesday. The market continues to price in the risk of further escalations to the conflict with Russia, and as a result, the German 2023 contract rose to a new all-time high of 206,30 EUR/MWh. We expect another bullish session today, as fuels rise on the expected EU ban on Russian oil.
- Equities** ↗

Once again, we saw an optimistic start to the day on the European stock markets yesterday, and once again, the sentiment turned a bit more negative during the day. Both the European and the US markets closed the day with minor increases, and the first signals early Wednesday are modestly bullish as well. Focus today will primarily be on the interest meeting in the US Fed tonight.
- Conclusion** ↗

Following a somewhat bearish opening, the Nordic power market turned around yesterday and climbed along with fuels, carbon and the German power market. An extremely high system price for Wednesday added to the upside. The Q3-22 contract rose 4,95 EUR/MWh to an all-time high of 91,25 EUR/MWh, while the 2023 contract was up 4,35 EUR/MWh, settling at 78,60 EUR/MWh, also a record-high. Today, we expect further increases. The strong spot prices we see right now are bullish for the forward market, and the related markets rise as well amid the EU decision to increase sanctions against Russia.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
02-maj	212,27	200,96	51,63	157,16	51,63	206,18	104,46	June	196,00	199,00	72,00	134,00	74,00	146,00	84,00
03-maj	218,16	197,14	123,17	145,28	111,90	214,58	145,41	Q3-22	226,25	224,75	86,75	144,75	90,15	148,25	91,25
04-maj	231,29	231,29	203,35	206,76	193,20	222,35	206,28	2023	165,75	166,75	78,50	145,75	80,25	110,25	78,75



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