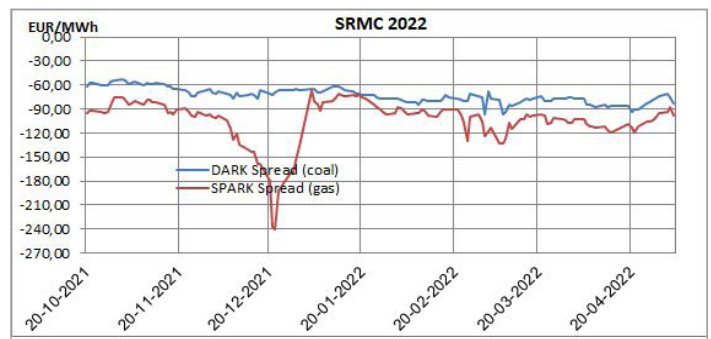
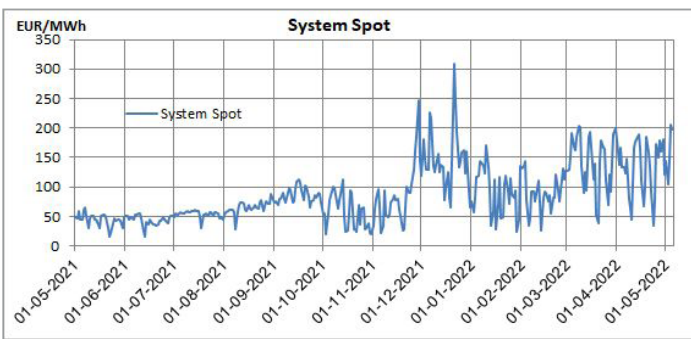


Expectation

- Oil** All eyes on the international oil market were on the EU yesterday, where the Commission President Ursula von der Leyen confirmed the plan to phase out all oil imports from Russia within a six-month period. The potential stop for oil imports from Russia led to a big price jump, where the Brent front month contract climbed more than 5 USD/bbl and closed at 110,14 USD/bbl. The decision is still a bit up in the air however, as Hungary appears reluctant to join in, and could potentially break the EU unity on the topic. The market rises further early Thursday.
- Gas** The news from the oil market caused fluctuations across the other fuel markets yesterday. The EU ban on Russian oil increases fears that gas flows could also soon come to an end, either because of Russian retaliation or because the EU decides to increase sanctions further. Either way, the market remains extremely nervous and we expect further price climbs today as the market awaits further news.
- Coal** European coal prices rose in line with oil and gas yesterday, where the expected EU decision to ban Russian oil caused even more uncertainty about the overall energy supply situation in Europe. Coal imports from Russia have already come to an end, and fears that gas supply could also be halted led to a very bullish session Wednesday. The market should continue upwards today along with oil and gas.
- Carbon** European carbon prices remained elevated yesterday following the big price jump Tuesday. The benchmark contract ended up falling marginally but settled at 88,31 EUR/t. The market faces technical resistance around the current level, which it failed to breach last month. However, rising coal demand offers bullish support at the moment, and the market rises to the highest level since the war outbreak early Thursday.
- Hydro** Following a wet period, precipitation levels in the Nordic area are set to drop below average later in May. Meanwhile, temperatures will likely climb above seasonal normal, which should get the snow-melting started after a long delay due to cold weather. The hydro balance is set to remain in a noticeable deficit during the coming weeks.
- Germany** On a day with sharply rising prices across the fuel markets, the German power market was up for a bullish session as well. The country's 2023 contract extended the already record-high levels from the previous day, settling at 215,40 EUR/MWh. The German fears of a stop for gas supplies are growing further amid the upcoming EU ban on Russian oil, and we expect extreme volatility to dominate today as well. With fuels set for another bullish day, the market could climb further Thursday.
- Equities** Wednesday, the European stock markets opened bearishly, awaiting the interest meeting in the US Fed. The Stoxx600 Index edged down 1 %, but the US markets were bullish later in the day, as the US Fed increased interest rates by only 0,5 % and also indicated that they are not looking at any further increases right now. We expect a bullish session in Europe today in response to the late development in the US yesterday.
- Conclusion** Despite the climbing prices across the fuel markets and on the German power market, the Nordic power market avoided further increases Wednesday. Warmer, wetter and windier weather forecasts offset the bullish signals and the Q3-22 and 2023 contracts closed at 89,00 EUR/MWh and 77,75 EUR/MWh respectively, both down marginally from Tuesday. Today, we expect the bullish signals from Germany and the fuel markets to lead to another bullish session

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
03-maj	218,16	197,14	123,17	145,28	111,90	214,58	145,41	June	201,00	203,00	68,00	132,00	67,00	144,00	82,00
04-maj	231,29	231,29	203,35	206,76	193,20	222,35	206,28	Q3-22	234,00	235,00	84,00	142,50	86,50	147,00	89,00
05-maj	234,14	234,49	132,82	217,39	132,82	221,89	197,91	2023	169,75	171,00	76,25	144,75	79,20	110,25	77,75



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