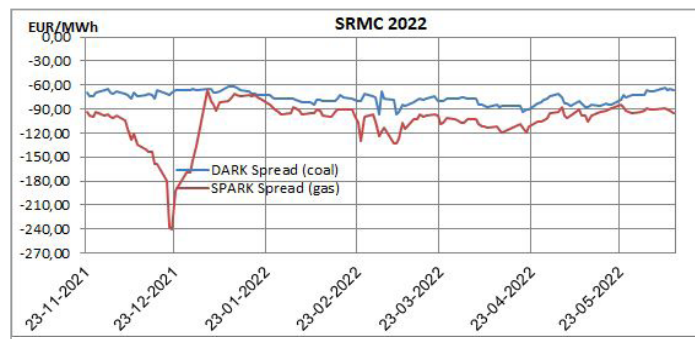
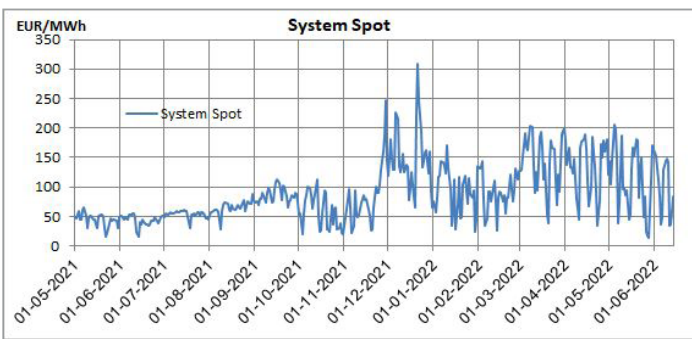


Expectation

- Oil** Early Wednesday, the international oil prices continued the uptrend, but the market changed direction later in the day following the US Fed's decision to increase interest rates significantly. Furthermore, US President Joe Biden sharpened his rhetoric against oil companies to increase output in an effort to lower prices. The Brent front month contract ended up closing the day at 118,51 USD/bbl, and opens Thursday with
- Gas** Yesterday, we saw further price jumps on the European gas market, where flows from Russia through Nord Stream 1 to Germany have suddenly declined sharply. Russia claims the reason behind the reduced flows is mechanical issues which cannot be solved due to the Western sanctions against the country, but the German government says it is a political decision. Flows will be reduced to only 40 % of capacity of today, and the market will likely continue to climb and follow the development on this story.
- Coal** The sudden decrease in gas flows from Russia to Europe is the big story across the European energy markets these days, and the coal market edged up as well yesterday as gas prices rallied and pulled the related markets up. This despite high stock levels across Europe and continuous coal import from Russia until the ban on Russian coal comes into effect by mid-August.
- Carbon** European carbon prices also rose further in Wednesday's session, with eyes on another upcoming vote on a reform of the carbon market after the original one was rejected last week. The market considers the events bullish, as the benchmark contract rose another 2,50 EUR/t yesterday to close at 86,20 EUR/t. We open slightly down today, but this could change fast on a very volatile market.
- Hydro** For the remainder of June, the Nordic area will be characterized by wetter and cooler conditions than seasonal average according to the most recent forecasts. Precipitation is expected around 30 % above normal during the coming two weeks, while temperatures will average around 1 degree below normal. The hydro balance deficit continues to shrink.
- Germany** Sharply rising gas prices due to the reduced flows through the Nord Stream 1 pipeline was of course the top story on the German power market Wednesday, where prices rose along with both gas and the related markets. The country's 2023 contract surged to 230,53 EUR/MWh, winning back a lot of the losses from the previous week. Volatility should remain high today due to the gas supply situation and we expect another very bullish session today.
- Equities** All eyes on the stock markets were on the US Fed yesterday, who were expected to announce a noticeable increase in the country's interest rates. As expected, the bank increased the rate by three quarters of a percentage, but since this had already been priced in by the markets, the lead indexes ended up rising. The European markets appear to climb as well early Thursday.
- Conclusion** The sentiment was also very bullish on the Nordic power market, with very big price jumps across the curve amid the surging gas prices and the ensuing gains on the related markets, including the German power market. The Q3-22 contract rose 9,73 EUR/MWh to 94,48 EUR/MWh while the 2023 contract was up 6,22 EUR/MWh, settling at 86,50 EUR/MWh. Everything points towards another very bullish day as gas supply from Russia decreases further and the market fears a complete cut.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
12-jun	112,72	112,80	22,98	22,98	22,98	87,16	35,59	July	170,48	172,23	65,73	133,85	81,83	131,73	69,23
13-jun	153,54	153,55	108,68	152,96	127,75	133,03	84,32	Q3-22	193,50	192,25	79,10	144,50	92,60	141,50	82,50
14-jun	180,04	155,86	140,91	155,62	169,09	143,39	110,89	2023	173,65	174,65	75,65	150,15	86,15	110,90	78,15



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