

Expectation

- Oil

International crude oil prices continued to fall yesterday, where the Brent front month contract declined another 1,60 USD/bbl and closed at 110,05 USD/bbl. The market has been in an overall steady decline over the last couple of weeks due to the weakening global economic signals and the fears of a new recession. The market opens slightly up today, as ongoing supply concerns manage to limit the bearish sentiment on the market a bit.
- Gas

The European gas markets continued the uptrend yesterday, with the front month contract reaching the highest price level since the initial phase following the outbreak of the war in Ukraine back in February. The market is not done pricing in risk premium amid the new situation with reduced flows from Russia through the Nord Stream 1 pipeline. The market opens sideways today but volatility remains high and further increases can not be ruled out.
- Coal

There were further price climbs on the European coal market as well yesterday, where the German decision to increase coal burn in an effort to secure gas reserves ahead of the upcoming winter is of course a big topic. The uptrend takes place despite the fact that stock levels at the large European coal terminals are at the highest level in two years.
- Carbon

Yesterday, the European carbon market climbed along with the coal markets, as the expected increase in coal burn in Europe during the coming time will also mean higher demand for emission allowances. The benchmark contract, the EUA Dec-22, ended up closing at 84,13 EUR/t, up 2,25 EUR/t from the previous close, but opens calmer Friday.
- Hydro

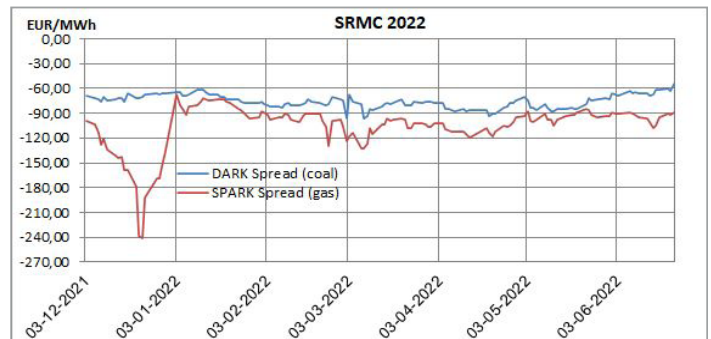
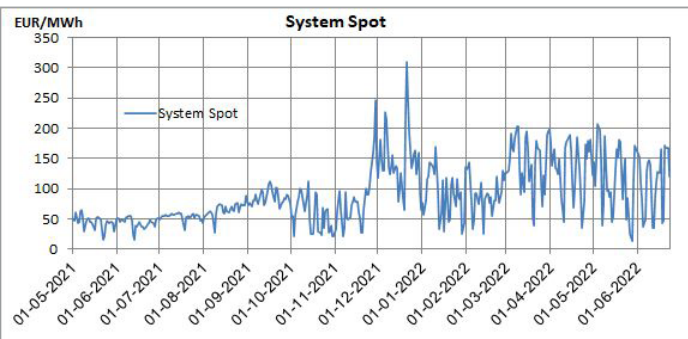
Ahead of the weekend, we still see some quite warm and dry weather forecasts for the Nordic area, with temperatures expected around 5 degrees above average during the coming week. Precipitation will vary, but should decrease to below average during next week. The outlook appears bullish for the Nordic power market today.
- Germany

German power prices increased in line with the fuel and carbon markets yesterday. The country's Cal-23 contract jumped nothing less than 15 EUR/MWh and closed at an all-time high of 261 EUR/MWh. The German government's decision to scale up coal production caused a minor price fall earlier in the week, but his effect has vanished and we could very well see further price climbs today.
- Equities

Thursday, the European stock markets opened bearishly, due to both weak key figures from the Eurozone and general concerns about the global economy. The Stoxx600 Index ended up falling 0,8 %, but the US markets were up later in the day. Early Friday, the first signals from Europe are somewhat bullish, likely as a result of yesterday's increases in the US.
- Conclusion

On the Nordic power market, Thursday opened with further price climbs due to the sharp rally on the German power market and the warm weather forecasts for the coming weeks. The bullish sentiment did however fade out later in the day, and the Q3-22 and 2023 contracts closed at 126,50 EUR/MWh and 104,00 EUR/MWh respectively. Today, further increases seem very likely as the weather forecasts remain warm while the German power market also appears to continue up.

| Spot | DK1 | DK2 | SE3 | SE4 | HEL | OSL | SYS | Forwards | DK1 | DK2 | STO | MAL | HEL | OSL | SYS |
|--------|--------|--------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|--------|--------|
| 22-jun | 323,34 | 323,34 | 162,88 | 214,56 | 164,38 | 164,23 | 166,75 | July | 276,00 | 278,00 | 105,00 | 181,50 | 159,00 | 173,00 | 109,00 |
| 23-jun | 295,08 | 295,08 | 64,23 | 284,65 | 64,23 | 149,15 | 120,70 | Q3-22 | 290,50 | 291,50 | 122,95 | 197,25 | 188,50 | 188,50 | 126,50 |
| 24-jun | 242,19 | 210,93 | 58,90 | 161,45 | 68,71 | 142,78 | 128,06 | 2023 | 204,00 | 205,50 | 102,65 | 183,00 | 126,00 | 139,80 | 104,00 |



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