

Expectation

- Oil** ➔

An otherwise bearish week on the oil market ended with a rebound Friday, as ongoing supply issues drove the market upwards, with the Brent front month contract closing at 113,12 USD/bbl. The EU is expected to block 90 % of oil imports from Russia by the end of the year, and furthermore, production from top OPEC supplier Libya has decreased, which added to the upside Friday. Early Monday morning, the market opens sideways, awaiting news on any potential agreements on oil policy at the G7 summit in Germany.
- Gas** ↗

Following what had previously been another very bullish week on the European gas market, the European gas market retreated Friday. The losses were an apparent correction following the extreme price climbs in the wake of the decline of Russian gas through Nord Stream 1. The market will remain very volatile this week, where the flows from Russia will be monitored closely, while potential EU initiatives to deal with the supply shortfall could also influence prices.
- Coal** ↗

On the coal market, we also saw some profit-taking following the big price climbs during the previous weeks. The API 2 2023 contract ended up falling by around 5 USD/t to 252 USD/t. Several countries are working on emergency plans to secure the energy supplies during the coming winter, and this topic will dominate the situation on the market this week. We still have an overall bullish outlook for the market.
- Carbon** ➔

In the wake of the approval of the new carbon market reform by the European Parliament, the market edged down modestly Friday. The benchmark contract closed at 83,43 EUR/t, down slightly from Thursday's all-time high and closed at 256,10 EUR/MWh. We expect the bullish sentiment to return Monday, where both gas and coal rebounds as no improvements to the gas supply crisis has been seen during the weekend.
- Hydro** ↘

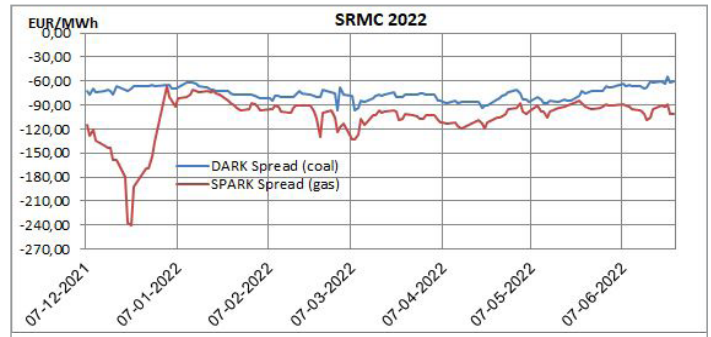
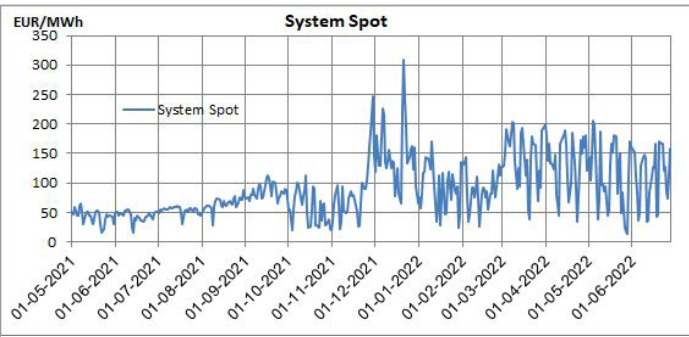
Over the weekend, we have received some slightly wetter and milder signals from the Nordic weather forecasts. Precipitation is still expected above normal for most of the next two weeks, while temperatures will fall below average at some point during next week, and remain there well into July. The outlook appears somewhat bearish for the Nordic power market Monday morning.
- Germany** ↗

The German power market experienced a rare bearish session Friday, as a result of profit-taking from traders, which led to falling prices on the gas and coal markets as well. The country's 2023 contract retreated from Thursday's all-time high and closed at 256,10 EUR/MWh. We expect the bullish sentiment to return Monday, where both gas and coal rebounds as no improvements to the gas supply crisis has been seen during the weekend.
- Equities** ↗

Last week ended with optimism on the financial markets, where the European Stoxx600 Index climbed by almost 2,50 %, winning back some of the losses from what has so far been another very bearish month on the stock markets. The increase continued in the US as well, and the first signals from the Asian markets today are bullish as well.
- Conclusion** ↗

In response to falling prices across the fuel and carbon markets, as well as on the German power market, the Nordic power market experienced a downturn as well Friday. The losses happened despite ongoing dry and warm weather forecasts, and the Q3-22 and 2023 contracts closed the day at 122,50 EUR/MWh and 100,00 EUR/MWh respectively. Monday, we see some mixed signals, as the changes to the weather forecasts appear a bit bearish for the market, but since fuels and German power rise, we expect rising prices as the most likely scenario on the Nordic market as well.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
25-jun	240,37	238,11	34,63	158,66	73,55	149,20	84,68	July	268,50	269,50	100,50	177,00	154,50	169,50	104,50
26-jun	201,67	201,67	86,07	183,53	90,42	133,92	74,03	Q3-22	283,50	284,50	118,95	193,25	184,50	184,50	122,50
27-jun	316,65	316,65	197,20	309,81	201,22	158,28	157,67	2023	204,00	204,50	98,65	179,00	122,00	136,25	100,00



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