

## Expectation

Oil



Following several days of rising prices, the international oil market appeared to calm down a bit yesterday. The supply concerns are still very imminent, as new data Wednesday showed another decline in US inventory levels. However, the market also keeps an eye on the global economy, and the fears of a new recession managed to offset the bullish signals yesterday. The market closed largely neutral for the day and opens with falling prices early Thursday.

Gas



After a single calm day Tuesday, the European carbon market returned to the bullish sentiment yesterday, where several contracts continued the sharp uptrend which started a couple of weeks ago. So far, Russia has not cut supply any further than they did on June 15, where flows through Nord Stream 1 were reduced significantly, but the market fears it could happen during the coming weeks.

Coal



The European coal market remains bullish, although strong supply limits the upside. On the one hand, demand is increasing amid the emergency startup of coal plants in several European countries, but on the other hand, stock levels at the leading coal terminals are close to three-year highs. The API 2 Cal-23 contract closed yesterday at 248,28 USD/t and we expect fluctuations to remain high in the coming time.

Carbon



Once again, the European carbon market traded upwards yesterday. The benchmark contract closed the day at 88,35 EUR/t and has now climbed by almost 10 % in a matter of only a week. Demand on the market has ramped up recently, and technical pressure could soon push the market above 90 EUR/t for the first time in more than a month.

Hydro



Temperatures in the Nordic area are set to decrease rapidly during the coming day, from the current level around 5 degrees above normal to a couple of degrees below a week from now. From then on however, we could see warmer conditions once again. The outlook today has not changed a lot from yesterday's and should not cause any big fluctuations for the Nordic power market.

Germany



With further price climbs across the fuel markets and on the carbon market, the German power market was up for a bullish session as well Wednesday. The country's 2023 contract rallied to an all-time high of 281,35 EUR/MWh, as the market remains nervous about the supply situation in the wake of the lower Russian gas flows. Today, the market could very well extend the record highs on further price climbs on the fuel and carbon markets.

Equities



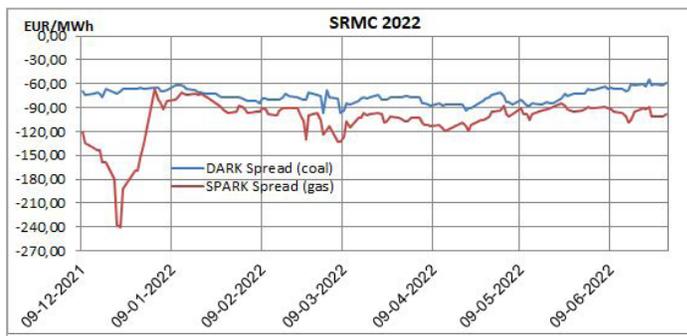
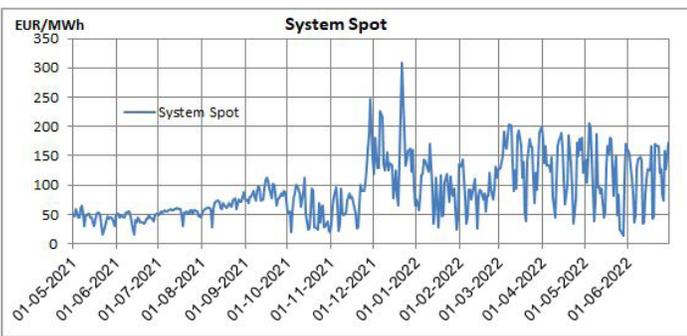
The bullish streak of three days on the European stock markets ended yesterday. The markets gave in to inflation and recession concerns, and the Stoxx600 Index ended up closing the day down 0,67 %. On the US markets, the development was more or less neutral, but we expect another bearish development in Europe as well today.

Conclusion



Yet again, we saw a price jump on the Nordic power market Wednesday. A bullish cocktail of drier weather forecasts, high spot prices and fierce price climbs on especially the German power market is driving forward contracts up, and both the Q4-22 and 2023 contracts extended the all-time highs yesterday. They closed the day at 137,25 EUR/MWh and 121,25 EUR/MWh respectively. Today, the market opens sideways but if Germany pushes higher, the Nordic market could follow suit later in the day.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
28-jun	331,46	331,46	152,09	314,55	155,16	150,30	126,28	August	303,99	303,99	138,09	211,24	220,49	202,49	140,99
29-jun	315,54	315,54	244,93	314,39	244,93	154,48	173,60	Q4-22	277,15	278,00	182,50	255,50	234,00	228,50	185,00
30-jun	325,48	325,48	263,98	324,15	263,98	164,99	190,26	2023	229,25	231,25	109,95	190,00	136,75	146,75	110,25



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