

Expectation

- Oil** ➔

Prices continued to rise on the oil market yesterday, as the bullish sentiment has taken over once again, after prices dropped below 100 USD/bbl earlier this summer. The Brent front month contract now costs 107,14 USD/bbl, as a weakening US dollar in the wake of the US Fed's decision to increase interest rates yesterday added to the upside on the market. Global economic concerns do however cause some pessimism and the market opens sideways early Friday.
- Gas** ➔

After an initial downturn early in the day, the European gas markets returned to the bullish sentiment during Thursday's trading. Despite German plans to extend the lifetime of the country's remaining nuclear reactors, the gas market remains elevated due to the continuously decreasing flows from Russia, pricing in the scenario of a complete stop to all exports. The market continues to trade around all-time high price levels Friday.
- Coal** ➔

European coal prices remained bullish in line with the gas market yesterday, and the 2023 contract continues to trade close to all-time highs. Gas remains the most important price driver, and coal follows the movements on this market, and we expect this to remain the case in the coming important week, where we will see if Russian gas exports to Europe end up seizing completely.
- Carbon** ↗

On the European carbon market, we see rising prices at the moment, as the market is preparing for reduced auction supply in August. The expected lower supply added to bullish technical signals, as the market is pushing to return to its old trading range around 80 EUR/t. The benchmark contract closed yesterday at 78,96 EUR/t and could very well climb back above 80 EUR/t within the next few days.
- Hydro** ↘

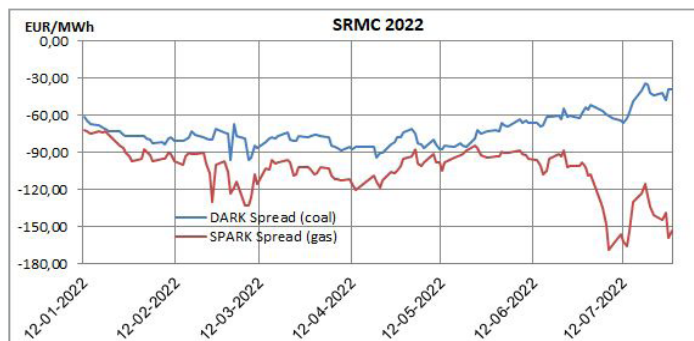
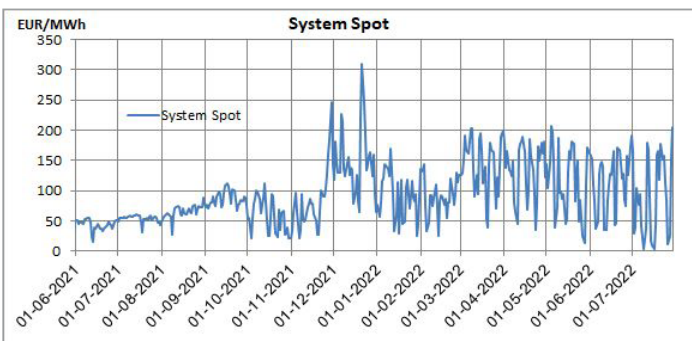
Ahead of the weekend, we continue to receive rather wet weather forecasts for the Nordic area, as precipitation during the coming ten days should be around 50 % above seasonal normal. Meanwhile, temperatures should remain just around average. The hydro balance deficit shrinks and the outlook appears somewhat bearish for the Nordic power market.
- Germany** ↘

Thursday, the German power market edged modestly down despite the continuous high prices on the fuel markets. The German government appears ready to extend the lifetime on the country's remaining nuclear reactors, and even though there are disagreements as to how big an impact this will have under the current circumstances, it was enough to cause prices to fall yesterday. The first signals today point towards another bearish session, but the sentiment can change very quickly under the current circumstances.
- Equities** ↘

Yesterday, the financial markets had to digest the US Fed's decision to increase interest rates. The move had already been anticipated and did not cause any big fluctuations, as we instead saw a modest bullish sentiment. The mood has turned bearish in Asia early Friday however, and we expect a bearish end to the week in Europe as well.
- Conclusion** ↘

Nordic power prices continued to climb in yesterday's thin trading. The Q4-22 and 2023 contracts rose further to 251,25 EUR/MWh and 134,00 EUR/MWh in the low activity, as still relatively weak hydro resources add to the already bullish sentiment caused by the soaring fuel markets and the concerns about supply during the coming winter. Volatility should remain high Friday, where we expect a bearish session as the German market also appears to trade down.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
27-jul	233,71	143,12	82,42	82,42	83,22	171,69	25,34	August	383,50	381,00	141,50	241,00	220,00	204,25	135,00
28-jul	455,07	463,83	141,24	161,27	174,45	205,46	155,11	Q4-22	428,25	437,25	255,75	361,43	355,25	301,25	251,25
29-jul	437,70	437,70	164,29	176,39	169,18	211,73	205,10	2023	280,25	283,00	139,25	239,00	166,00	173,50	134,00



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