

Expectation

- Oil** ➔

As the outlook on the global economy continues to be of great concern there was a big drop on the international oil markets yesterday where Brent front month contract fell sharply and closed at 90,84 USD/bbl. The benchmark is heading for a third straight week with losses unless it has a strong recovery today.
- Gas** ⬇

European gas markets were seen to initially react to the upside once more yesterday. This move was partly spurred by the outlook of a cool remainder of this month, with temperatures broadly staying below the seasonal norm. In addition, uncertainty was once more stoked as the EC is still mulling a gas price cap, acc. to EU energy commissioner Kadri Simson. At the same time, Norway is reported to be willing to reduce prices now, if consumers commit to pay more in the future. Traded prices were eventually seen reversing, ending yesterday's session below Wednesday's closing prices. The market is having another soft opening before the weekend.
- Coal** ⬇

The coal market had a late start to the session and ended up following the gas market downward. The surging filling of gas inventories in Europe seems to have lessened demand for coal in the short period. Despite the rising demand in Asia, now that China is preferring coal over LNG due to the very high prices in Europe, and the La Nina weather reports down south the prices seems to follow gas down again today.
- Carbon** ➔

From ATH of almost 100 EUR/tonne ETS is down to 65 EUR/tonne mark before a smaller bounce in the market. The suggestion that EU should sell and auction another 250 million tonnes into the market scared all the speculators away. Now it seems that EU is not going forward with the idea because of the impact in the market and that the income with the falling prices has diminished. The demand destruction thesis has also brought a lot of insecurity to the market. With falling stock markets it could be difficult finding an upside today but it seems that the bounce at first could take us back to 75 EUR/ton in short term.
- Hydro** ↗

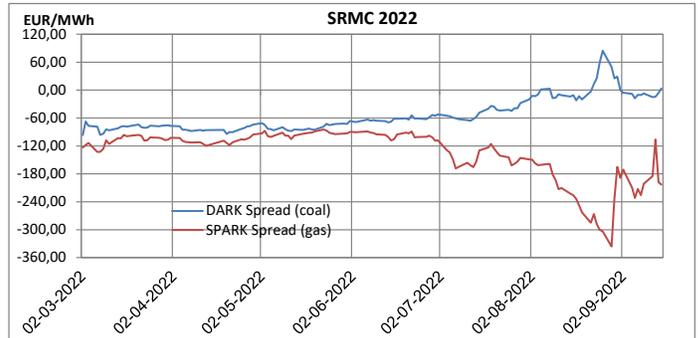
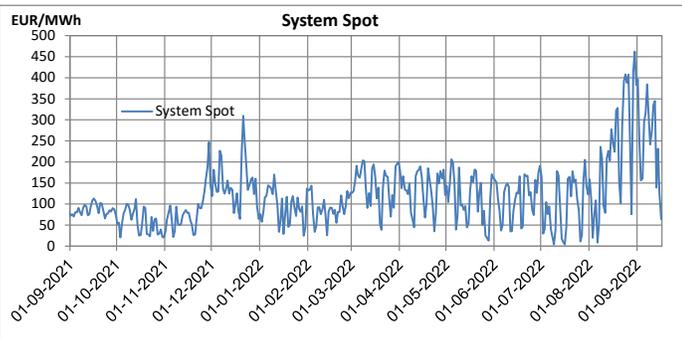
Today's forecasts gives us precipitation from 5,5-7,0 TWh which gives us a level slightly below average levels. After a low pressure in the front has passed a temporary ridge from the west gives drier conditions before a smaller low pressure front passes. After that it looks drier again with a high pressure from the British Islands. Due to the passing of the lows and high pressure from the west, temperatures will stay below normal with approximately 1,5 degree. Wind speed will come down from the high level today. The hydrological deficit is around 15 TWh and could worsened during the period.
- Germany** ⬇

The European gas markets as well as uncertainty around potential interventions by the political sector and its efficacy remain strong drivers for the German power market. After an initial upside, contracts along the forward curve could reverse course and pare some gains. Still, the 2023 contract settled the session at 540,50 EUR/MWh, a mark-up of 23,50 EUR/MWh on the previous session's result.
- Equities** ⬇

Yesterday marked the third straight day with losses on the Stoxx 600 index. Next week the Fed will come with another big rate hike but exactly how big is still unclear, which keeps tensions high on the stock markets. The American stock markets fell more than 1 % and the mood in the Asian markets has continued overnight. The European stock futures are also in negative territory this morning.
- Conclusion** ⬇

The Nordic market opened with another price jump yesterday before settling a bit during the afternoon. The Q4-22 contract closed at EUR 297/MWh, up 13 EUR for the day. The Cal-23 contract opened up strong but retreated late and closed near day low at EUR 174,25/MWh. This week the weather trend seems to have had a limited effect on prices whereas political interventions have been a main price driver. After a strong lift during the week it looks like a retrieval before the weekend.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
14-sep	426,70	407,30	93,38	93,38	87,32	422,94	231,12	October	425,25	412,25	241,75	362,00	262,25	352,00	227,00
15-sep	355,79	355,79	118,75	118,75	118,75	361,13	123,75	Q4-22	546,00	541,00	313,15	441,00	344,50	441,00	296,00
16-sep	201,20	201,20	98,04	98,04	111,82	317,59	63,91	2023	418,50	431,00	191,00	352,50	189,50	260,25	177,50



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