

## Expectation

Oil



There was no end to the downtrend on the international oil market yesterday. Over the course of the last two weeks, the Brent front month contract has fallen by around 15 %, due to the ongoing concerns about demand amid the global recession fears. Weak signs from especially the Chinese economy have led to a negative sentiment and recently, EU discussions about a price cap on Russian gas have added to the downside. The market continues down early Thursday.

Gas



European gas prices continued to rise in Wednesday's trading. Apart from the cooler weather which is set to dominate in Europe during the first part of December, the market also reacts to the announcement from Russia, that the country will halt gas supplies to Europe further. Several months ago, all flows through Nord Stream were cut and now, Russia also plans on ceasing export through the major southern pipelines. We expect a calmer session today where the market opens sideways.

Coal



Yesterday, the European coal market continued the fierce uptrend which has seen prices jump by more than 30 % over the course of less than two weeks. Several bullish factors now combine in driving the market up, as supply issues in Colombia, expected lower gas deliveries to Europe and cooler weather forecasts continue to keep the market going.

Carbon



As the coal and gas markets are rising noticeably at the moment due to supply issues and colder weather, the European carbon market also climbs steadily. Yesterday, the benchmark contract settled at 75,87 EUR/t, but despite the recent increases we do not expect the market to break out of the 70-80 EUR/t trading range anytime soon.

Hydro



Thursday morning, we still see the general outlook from yesterday which suggests above-average temperatures this week, followed by cooler conditions from mid-next week, where the level will drop to 1-2 degrees below average. Precipitation is also expected below normal, and the outlook is therefore still bullish for the Nordic power market.

Germany



On the German power market, the uptrend continued yesterday. The market now suddenly faces several bullish factors, with supply issues on both the gas and coal markets, while December meanwhile is expected to open with below-average temperatures. The country's 2023 contract climbed to 346 EUR/MWh yesterday and we consider further increases very likely today.

Equities



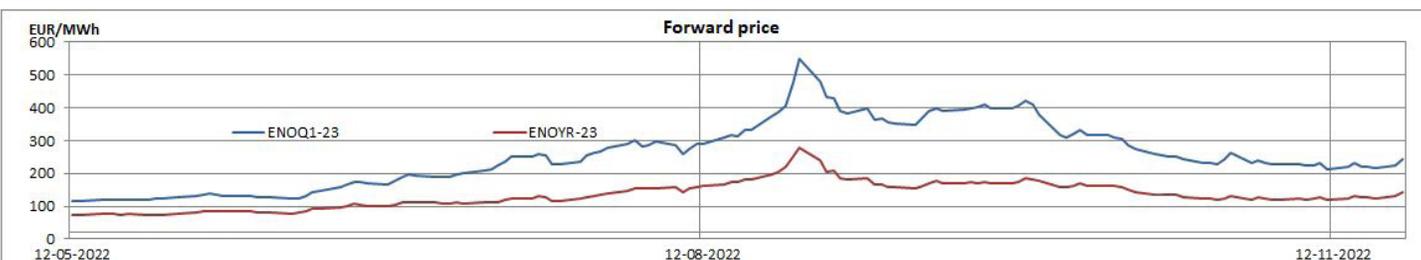
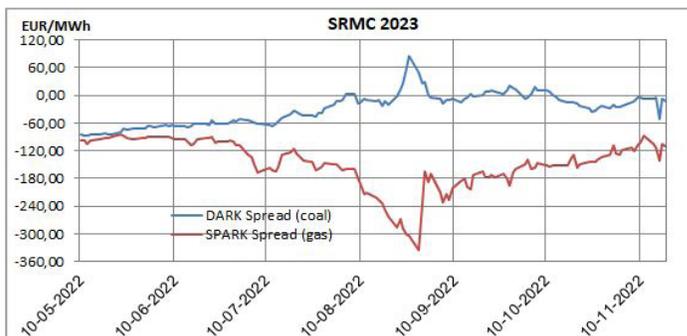
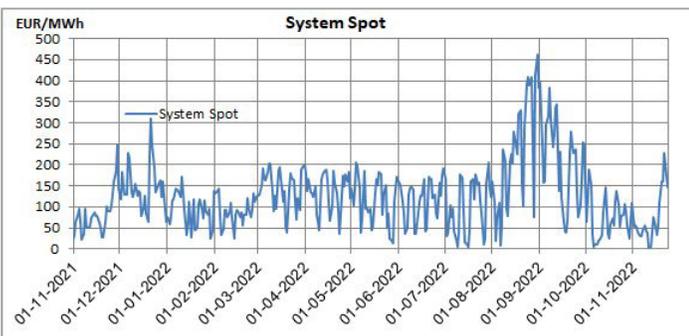
Following the late increases on the US markets Tuesday, the European stock markets opened bullishly as well yesterday. The optimism continued later in the day due to falling interest rates in the US, with the S&P 500 Index closing up 0,59 % for the day. The first signs early Thursday point towards another strong opening in Europe.

Conclusion



Yesterday, the Nordic power market followed the bullish signals from the related markets and traded up, with cooler and drier weather forecasts adding to the upside. The Q1-23 and 2023 contracts closed at 258,70 EUR/MWh and 154,00 EUR/MWh respectively, the highest price level in almost a month. Today, we expect further increases on at least the short end of the curve since the beginning of December still looks noticeably cooler than average.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
22-nov	170,40	172,63	172,63	172,63	270,13	166,16	170,18	December	230,50	227,50	219,25	243,00	310,00	246,50	200,00
23-nov	149,80	149,02	149,02	149,02	247,25	143,50	147,38	Q1-23	304,00	305,00	257,25	302,00	353,00	303,00	243,00
24-nov	237,01	237,01	237,01	237,01	271,54	165,91	178,11	2023	312,25	315,25	155,75	249,75	190,25	204,75	141,75



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