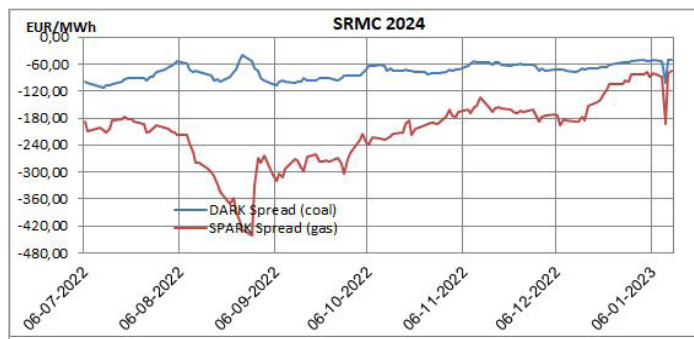
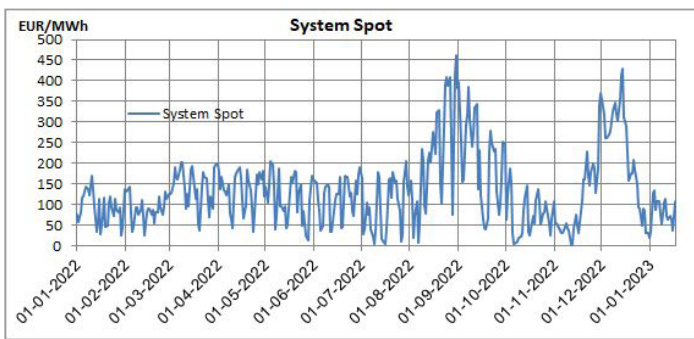


## Expectation

- Oil** Last week ended with another bullish day on the international oil market, which ended up rising through all five sessions of the week. The market hopes for improving demand due to the re-opening of China, while easing inflation in both the US and Europe adds to the optimism. The Brent front month contract closed Friday at 85,28 USD/bbl and climbed almost 10 % during the week as a whole, but the market opens down early Monday.
- Gas** There currently appears to be no end to the losses on the European gas market, where front-month prices on the TTF hub dropped to the lowest level in more than a year Friday. The panic-like situation from last year has been replaced by confidence that Europe will get through this winter without any supply issues, as demand is low due to the mild weather while storages are filled much more than usual at this time of the year.
- Coal** European coal prices also continue to trade around the lowest price level in a year. The situation on the market has – as it is the case with gas – deescalated following last year’s price hikes. The market is well-supplied while the mild winter weather means that demand is lower than normal. We expect falling prices Monday as well, where gas also appears to continue downwards.
- Carbon** On the carbon market, prices fell modestly in Friday’s session and it appears as if the market is starting to consolidate at least temporarily in the area around 80 EUR/t. Higher auction demand and colder weather forecasts prevent the market from falling right now, and but if gas and coal edges further down this week, carbon could follow.
- Hydro** Over the weekend, we have received confirmation, that temperatures in the Nordic area will fall this week. However, the long-term forecasts indicate, that the cold weather will not last long, and low-pressure weather with high wind output will likely return next week. This is bearish for the Nordic power market.
- Germany** German power prices fell further ahead of the weekend, where the country’s 2024 contract dropped to the lowest level in seven months, closing at 171,80 EUR/MWh. The contract has now fallen 100 EUR/MWh in a matter of only a month, amid the declining gas and coal markets and the absence of winter weather. Today, we could see
- Equities** The European stock markets opened Friday bullishly, possibly in a reaction to the strong inflation numbers from the US the previous day. The Stoxx600 Index ended up closing 0,5 % up, and the US markets climbed later in the day as well. Europe opens bullishly Monday as well, on a day where the US is closed due to public holiday.
- Conclusion** Nordic power futures fell on the last trading day of last week, with the Q2-23 and 2024 contracts settling at 87,00 EUR/MWh and 76,50 EUR/MWh respectively, marginally down compared to Thursday. The forecasts still indicate cooler conditions during this week, but since no real winter is in sight and the related markets keep falling, it is not enough to cause any upturn. Prices appear to continue down Monday as the forecasts over the weekend indicate that this week’s cold spell will not last long.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
14-jan	34,54	55,32	55,32	55,32	64,75	88,54	64,67	February	148,25	148,25	143,00	148,25	162,25	160,25	138,25
15-jan	11,07	17,92	17,92	17,92	17,92	66,11	36,20	Q2-23	155,75	152,00	93,75	139,00	96,75	128,00	87,00
16-jan	128,75	92,02	79,66	79,70	70,62	130,54	108,26	2024	129,50	133,18	82,32	136,50	83,00	112,50	76,50



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