







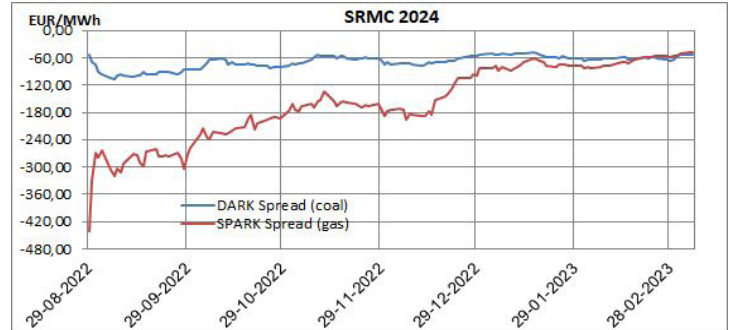
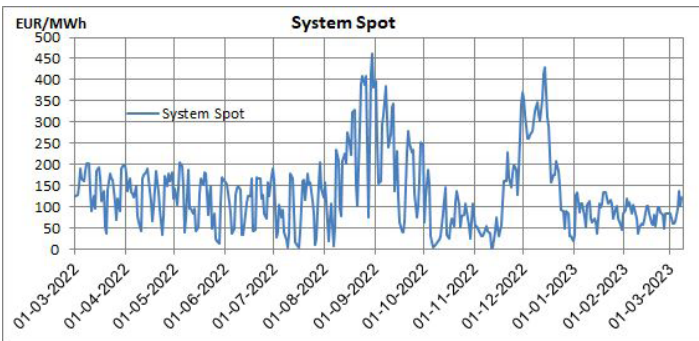


Morning Report March 8 2023

Expectation

- Oil**  Following five straight days of uptrend, we saw a noticeable downturn on the international oil market yesterday. The losses were attributed to hawkish signals from the US Fed, who's announcement on the country's monetary policy yesterday was not well received by the markets. The Brent front month contract ended up falling to 83,29 USD/bbl, down almost 3 USD/bbl for the day, and continues down Wednesday.
- Gas**  After dropping to a 13-month low earlier in the week, we have seen a modest upwards adjustment on the European gas market the last couple of days. Yesterday, prices climbed amid signs that the cold spell across the continent will last a bit longer than previously anticipated, supporting contracts across the curve. We expect prices to continue up today as the cold forecasts for particularly Germany are confirmed.
- Coal**  European coal prices rose late in Tuesday's trading after initially falling early in the day. The market remains subdued due to high competition from a gas market which has fallen sharply lately, and due to very high stock levels on the European coal terminals. The cold start to March has however managed to curb the downside a bit.
- Carbon**  On the European carbon market, we have seen rising prices this week, following the sharp losses late last week. Increased compliance buying and bullish technical signals are pushing the benchmark contract back up towards the 100 EUR/t threshold which it passed last month. We expect the uptrend to continue today.
- Hydro**  According to the most recent forecasts, temperatures in the Nordic area will likely remain below average for the next two weeks. The level will increase gradually during the period from the current level 4-5 degrees below average to almost average at the end of next week. The outlook remains bullish for the Nordic power market.
- Germany**  Tuesday, we saw a rare bullish development on the German power market, with colder weather forecasts and rising gas led to an uptrend on a market which had previously been falling for several straight days. The country's 2024 contract climbed to 135,88 EUR/MWh and we expect the uptrend to continue today.
- Equities**  Yesterday, the stock markets opened cautiously, awaiting the speech from US Fed Chief Powell in the US Senate. The speech was not well received by the markets, as it was more hawkish than expected, and the US markets edged down as a result. We expect an ensuing downturn on the European market as well Wednesday.
- Conclusion**  The Nordic power market also turned around yesterday, and experienced its first bullish session in more than a week. The reason behind the increases was colder and less windy weather as well as increases on the related gas and German power markets. The Nordic Q2-23 and 2024 contracts ended up climbing to 66,66 EUR/MWh and 73,50 EUR/MWh respectively, and we consider further increases as the most likely scenario today.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
06-mar	150,23	150,61	149,99	150,39	150,51	138,16	137,68	March	97,25	97,25	73,50	89,50	72,25	103,50	74,50
07-mar	101,50	97,97	99,22	99,22	121,08	104,22	102,33	Q2-23	108,66	106,41	67,16	86,66	67,41	94,66	66,66
08-mar	138,85	132,41	131,96	132,12	131,96	134,71	123,82	2024	121,75	120,95	74,15	98,50	73,15	105,25	73,50



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