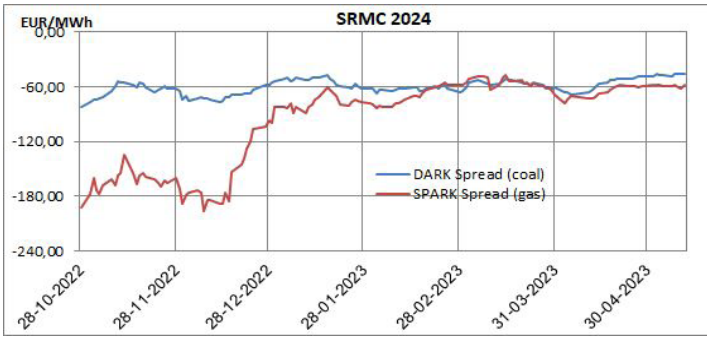
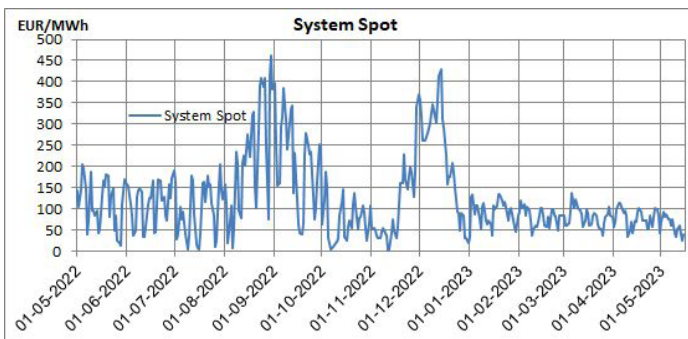


Expectation

- Oil** Early Monday, the downtrend continued on the oil market amid the ongoing concerns surrounding the global economy. Later in the day however, the market managed to recover, with the upturn attributed to signs of increasing demand in the US, who wants to refill its petroleum reserves, and to wildfires in Canada which limits the country's production. The Brent front month contract ended up rising to 75,23 USD/bbl and moves sideways early Tuesday.
- Gas** The steady decline on the gas market continued yesterday. There are no news at the moment to change the fundamental picture on the market, which remains well-supplied, with storage levels well above average and expectations of a strong position ahead of next winter. We could very well see further losses in Tuesday's trading.
- Coal** On the coal market, the week opened with further price falls amid a mix of bearish signals. The market has dropped quite sharply recently, with the API 2 2024 contract falling 15 % during the last week, to the lowest level we have seen in 14 months, due to subdued demand, signs of fading economic growth in China and high competition from gas.
- Carbon** Demand also appears to be fading on the European carbon market, which edged down along with fuels yesterday. Coal has fallen a bit out of favor recently amid a shift to gas in the energy mix, and this means less need for allowances. The benchmark contract retreated to 86,97 EUR/t and we expect it to remain within the 85-90 EUR/t range in the coming time.
- Hydro** Expected precipitation in the Nordic area during the forthcoming ten days is around 20 % above seasonal average, following some new and wetter weather forecasts. Looking further ahead, the level could decrease to below normal once again. Temperatures are meanwhile expected above average for most of the period. The outlook is bearish for the Nordic power market.
- Germany** German power prices were down as well on the first trading day of the week, as the overall bearish sentiment across the fuel and carbon markets caused the German market to retreat as well. The current weather conditions, with strong wind and solar output added to the downside on the short end of the curve. Today, sideways trading or further modest losses appear likely.
- Equities** This week opened cautiously optimistic on the stock markets, with both the European and the US markets rising modestly Monday. All focus is however still on the negotiations in the US congress about the country's debt ceiling, where there are rumors of some progress, but signs of fading growth in the Eurozone limited the upside. The first signals from Asia are bullish early Tuesday.
- Conclusion** Over the weekend, the Nordic power market had received some slightly wetter weather forecasts, and this, combined with losses across the related markets led to a bearish development yesterday. It was no surprise that the losses were most noticeable on the short end of the curve, with the Q3-23 and 2024 contracts closing at 52,50 EUR/MWh and 70,00 EUR/MWh respectively. We could very well see the downtrend continue today as the forecasts look wetter while there are no noticeable changes to the related markets.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
14-maj	71,94	71,81	8,35	71,49	8,35	58,87	26,17	June	81,00	79,48	37,50	57,50	34,50	69,00	43,00
15-maj	113,49	113,50	38,26	112,62	24,51	79,02	40,02	Q3-23	91,25	90,13	48,80	65,50	51,35	83,50	52,50
16-maj	56,22	55,23	39,12	55,23	13,07	55,64	26,11	2024	123,00	122,00	66,10	83,00	61,00	98,00	70,00



The Morning report is produced on the basis of information about the Nordic power market from sources which Energi Danmark A/S finds reliable. We attempt to continuously keep data correct and up to date. Energi Danmark A/S assume no responsibility for the accuracy of the contents of this report. Energi Danmark A/S makes reservations for typing errors, calculation errors and assume no responsibility for any loss or damage arising from the direct or indirect consequences following use of this material. Estimates and recommendations can be changed with no prior notice or warning. The report is confidential and only intended for clients of Energi Danmark A/S. Information contained in the report is of general nature and cannot be defined as advice. Readers are urged to seek closer advice in relation to specific questions. This material is not to be published or in any other way passed on for unauthorized use.