

Expectation

- Oil**

Brent front month contract settled higher Friday at 90,65 USD/bbl thereby ending the week with a gain of 2,4%. The production cuts from OPEC and Russia appeared to push the oil prices higher despite weaker economic data showing in China and Europe. The stronger oil prices also strengthened the US dollar that is at its strongest level since November last year. The oil prices have retreated slightly this morning, as inflation data coming this week might upset the recent trend upward.
- Gas**

Also Friday, the gas markets appeared reacting somewhat volatile to the current market environment. Gains were mainly driven by strikes at Australian LNG facilities having entered the active phase now. In the short-term, the overall effect is deemed rather limited, though. At the same time, maintenance at Norwegian infrastructure is still ongoing, but unavailability of supply is set to decrease this week. Some of the gains were recovered during the session, but we expect the market to remain on edge.
- Coal**

The European coal market followed gas upwards with the tight price correlation between the markets intact. API2 2024 contract closed Friday at 121,39 USD/t, up 1,38 USD/t from previous close. The coal prices looks set to continue its path along gas today.
- Carbon**

The European carbon market continued its losing streak also during the last session of the week. The Dec '23 benchmark contract, settling at 81,52 EUR/t, shed 1,41 EUR/t on the day. At a time when general demand appears muted, the recovery of auction volumes following the routine curtailment during August, adds bearish pressure on the market.
- Hydro**

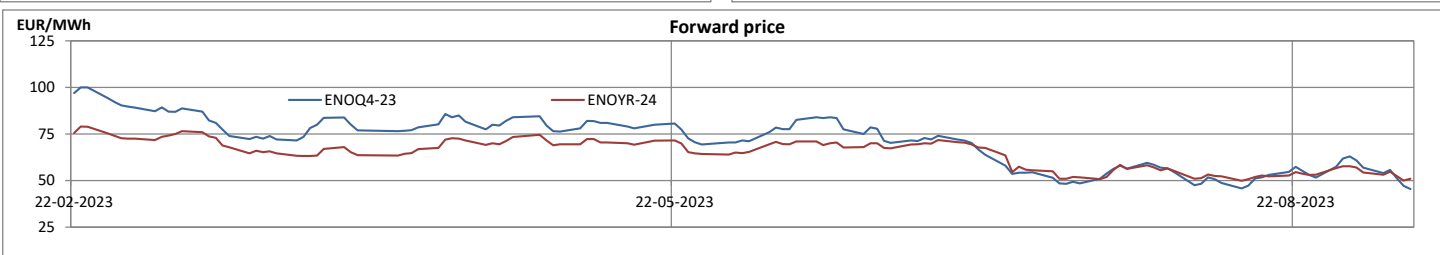
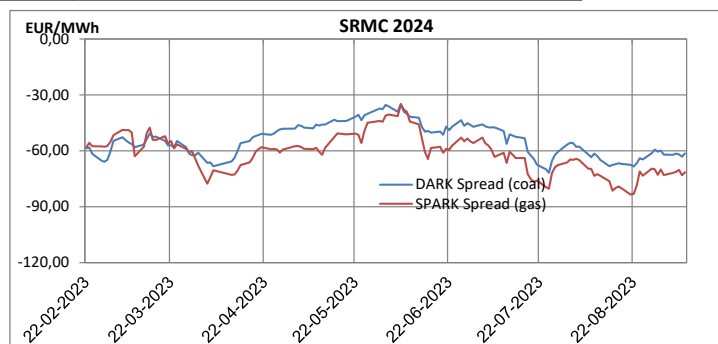
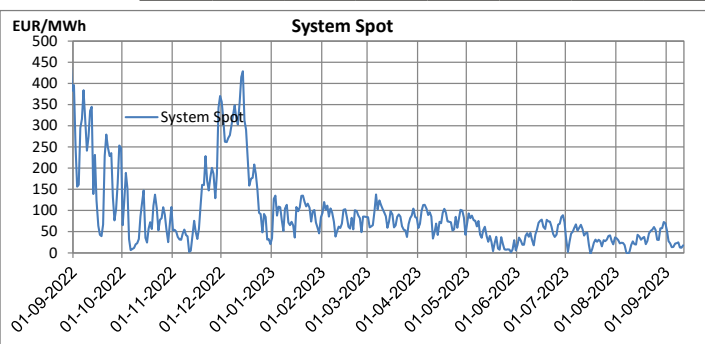
A low is bringing cooler temperatures and some precipitation the next few days. After we see a rise in temperature due to a high ridge coming in from the west. Today's forecasts are very uncertain when it comes to amounts of precipitation but temperature will be higher than normal. Mostly mild and rather wet as a main forecast keeping a bearish theme for now.
- Germany**

With gas prices raising on the back of strikes in Australia, the German power market followed suit and booked gains on its own. But as for gas, gains were partly neutralised towards the end of the session, also helped by a weaker development in the carbon sector. The 2024 contract in the end even settled the session with some downside at 127,83 EUR/MWh, 0,85 EUR/MWh below Thursday's result.
- Equities**

The stock markets have had it rough lately as the STOXX 600 has now fallen the last seven out of eight trading days. The economic indicators from Europe and China shows struggling economies, which is starting to scare investors into expectations of stagflation as we head into winter. This week will bring new inflation numbers from the US and an interest rate meeting from the ECB. Today the Asian markets has retreated slightly and it seems likely the European markets will open sideways.
- Conclusion**

Nordic contracts for nearby delivery periods remained under pressure Friday as weather forecasts pointed to solid precipitation during this week and an improving hydro balance. The front month contract settling at 27,50 EUR/MWh shed 3,75 EUR/MWh on the day, while the Q4-contract at 45,50 EUR/MWh dropped 1,68 EUR/MWh. But this bearish pressure could not extend to longer-dated contracts, the YR-24 at 51,00 EUR/MWh added 1 EUR/MWh by the end of the day.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS
09-sep	91,15	91,51	10,45	10,45	7,35	2,56	12,29	October	74,25	76,25	21,50	33,12	25,50	36,50	27,50
10-sep	85,30	85,38	10,96	10,96	9,69	2,54	11,97	Q4-23	91,50	85,75	39,00	52,38	42,50	60,75	45,50
11-sep	150,62	152,87	60,51	70,44	108,02	3,60	17,62	2024	115,38	110,25	47,10	71,40	48,00	70,25	51,00



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