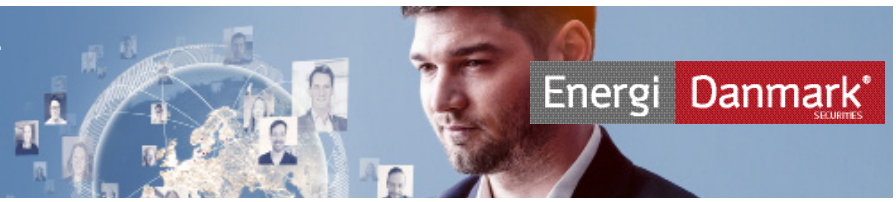
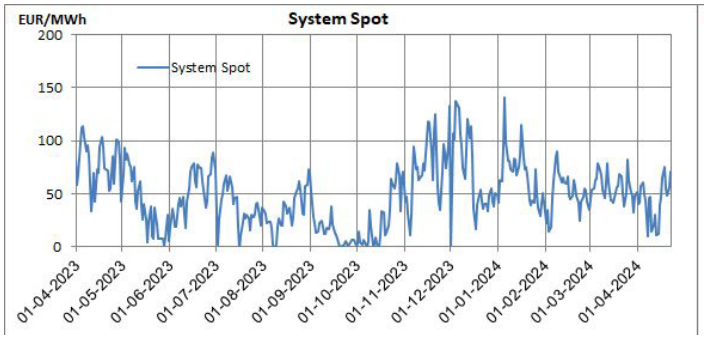
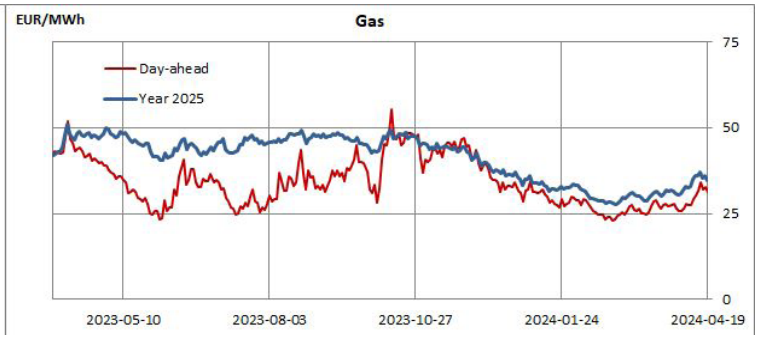
Morning Report April 22 2024



	Expectation	
Oil	↘	Last week ended with a modest recovery on the international oil market in what had otherwise been a somewhat bearish week. The market has managed to largely ignore the concerning signals from the Middle East, which have led to rising prices on the gas and power markets, instead focusing on uncertain macro-economic signals. The market is especially concerned about China and the market continues to fall early Monday.
Gas	↘	On the European gas market, we saw a downwards correction Friday following the price increases earlier during the week. The market had initially been climbing due to the Israeli attack on Iran, but the market appears not to regard the situation as an escalation. The market continues to fall early Monday. The heating season is coming to an end and the market also appears to be removing further risk premium although everyone still keeps an eye on the situation in the Middle East.
Coal	↘	The international coal market rose along with the related markets early Friday before retreating later in the session along with gas. We expect the market to remain closely connected with gas in Europe in the coming time, as coal demand is low and falling prices appear likely today where the gas market is removing risk premium.
Carbon	↘	On the European carbon market, the sentiment turned bearish Friday and prices continue to fall early Monday. The benchmark contract closed Friday at 68,81 EUR/t, down more than 2 EUR/t for the day. This market also remains closely correlated with gas so the situation in the Middle East and the warmer weather across Europe also affects carbon.
Hydro	↘	Over the weekend, we have received wetter and milder weather forecasts for the Nordic area. This week still looks rather cold and dry compared to seasonal average, but from next week, temperatures could very well rise to above average. This would trigger a much speedier snow melting and high inflow to the Nordic water reservoirs.
Germany	↘	Noticeable price falls on the gas and carbon markets did not go unnoticed on the German power market Friday, where the country's 2025 contract fell no less than 4 EUR/MWh to a price of 90,03 EUR/MWh. The market continues down today amid milder weather forecasts and falling gas, carbon as the markets in general appear to consider the latest day's development in the Middle East as a de-escalation.
Equities	↗	Friday, both the European and US stock markets edged down. The hopes of an improving global economy and falling interest rates appear to be fading at the moment. Early Monday however, some optimism appears to have reached the market as the Asian indexes rise. We expect the development to continue in Europe later in the day.
Conclusion	↘	In a move similar to the related markets, the Nordic power market edged down in Friday's trading. The weather forecasts supported a downturn and the Q3-24 and 2025 contracts fell to 31,60 EUR/MWh and 43,00 EUR/MWh despite an initial upturn early in the day. Monday, we expect further losses. Gas and German power falls further as well. Meanwhile, the weather forecasts look significantly milder and wetter looking at next week.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
20-apr	58,24	58,06	38,76	57,95	38,76	54,41	47,94	May	61,00	63,50	30,85	43,75	33,00	40,50	34,50	Day-ahead	31,31
21-apr	55,15	64,34	60,74	64,03	60,74	56,58	56,32	Q3-24	72,85	70,35	25,40	36,60	38,10	39,60	31,60	Year 2025	34,45
22-apr	97,98	98,45	95,82	96,29	71,24	71,13	71,22	2025	86,50	81,25	37,45	49,50	47,85	51,75	43,00		





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