Morning Report April 24 2024

Oil	Expectation	Tuesday, we saw a rebound on the international oil market following a couple of bearish sessions. The Brent front month contract closed the day at 88,42 USD/bbl and has been lingering around 90 USD/bbl for quite some time now. Geopolitical tensions and macro- economic signals will remain in focus in the coming time, with both Russia, Ukraine and the Middle East attracting attention. The market opens modestly up Wednesday morning.
Gas	2	European gas prices fell for a third straight day Tuesday, and even though the increases from the previous weeks have not yet been completely wiped out, it is clear that the market is now removing some risk premium. The situation remains volatile however and the situation could change again rapidly in case of a new escalation in the Middle East. We see rising prices early Wednesday, but there does not appear to be any major news that carry the move.
Coal	>	The European coal market continues to track the gas market closely, falling for a third straight day Tuesday. There are no signs that coal is becoming a tight market in Europe any time soon, as demand remains weak and supply ample at the current time. We therefore expect the correlation with gas to continue in the near future as well.
Carbon	2	Easing tensions in the Middle East and lower fears of a big war involving Iran has been the main story across the markets this week so far. Tuesday, the carbon market fell in line with the fuel markets due to the bearish sentiment caused by the news. The benchmark contract retreated to 65,67 EUR/t but rebounds early Wednesday along with gas.
Hydro	\rightarrow	Expected precipitation in the Nordic area during the forthcoming ten days is just around seasonal average in total. No days during the period are expected to offer neither particularly wet or dry conditions. Temperatures are steadily rising however and will likely rise to above average from Sunday. The outlook appears neutral for the Nordic power market.
Germany	2	On a day with further price falls across the fuel markets and on the carbon market, the German power market extended its downtrend as well. The country's 2025 contract fell to 86,70 EUR/MWh, marking a third straight bearish session. The market does however appear to rebound early Wednesday where the gas market also opens bullishly. There are however no major news behind the development so the situation could change rapidly.
Equities	>	Following a couple of bearish weeks, the stock markets have come out to this week with more optimism. The indexes rose further yesterday, with the S&P 500 Index climbing 1,20 %. Strong signals from the tech sector appeared to carry the market yesterday, and the Asian markets are rising as well in response Wednesday morning.
Conclusion	⇒	Gradually warmer weather forecasts, combined with the price falls on the related markets, led to another day of losses on the Nordic power market. The Q3-24 and 2025 contracts fell to 28,50 EUR/MWh and 42,30 EUR/MWh respectively. Three days of falling prices have only wiped out around a third of the increases from the previous weeks, however. Today, the related markets rebound which should curb the downside on the Nordic power market.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
22-apr	97,98	98,45	95,82	96,29	71,24	71,13	71,22	May	58,45	60,45	27,70	40,58	31,83	37,45	31,45	Day-ahead	29,08
23-apr	97,76	97,76	97,76	97,76	69,39	78,68	71,47	Q3-24	69,33	66,20	21,91	32,70	34,70	36,20	28,20	Year 2025	33,00
24-apr	94,00	96,60	96,60	96,60	98,62	73,50	85,96	2025	81,30	77,05	36,60	48,80	47,55	51,30	42,30		





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