

Expectation

- Oil**

The week opened with more or less sideways trading on the oil market, where the Brent front month contract was down a marginal 0,22 USD/bbl, closing at 39,61 USD/bbl. Apart from the concerns regarding global demand due to the effects of the corona virus, focus is also on the ongoing Atlantic hurricane season, where another storm currently threatens oil production in the Mexican Gulf. Prices appear to move sideways once again Tuesday.
- Gas**

Monday, the big event across the markets was the huge increase on the European carbon emission market, which climbed more than 2 EUR/t, and the upturn led to rising prices on the gas market as well. Storage levels across Europe remain very high, but the strong supply was overshadowed yesterday. Another day with gains seems likely today as carbon opens bullishly.
- Coal**

European coal prices rose further in Monday's trading, where the API 2 Cal-21 contract climbed another 0,10 USD/t, settling at 57,75 USD/t. This is the highest price level for the contract since early August, as strike concerns in Colombia and bullish support from the surging carbon emission market were the main topics yesterday.
- Carbon**

For the first time in 14 years, the European benchmark carbon contract closed above 30 EUR/t yesterday. The market expects the European Commission to announce new proposals to tighten the market this week, in line with the current ongoing Green Deal negotiations to cut EU emissions further. The benchmark contract closed the day at 30,47 EUR/t, up 2,21 EUR/t for the day, and the first signs today point towards further gains.
- Hydro**

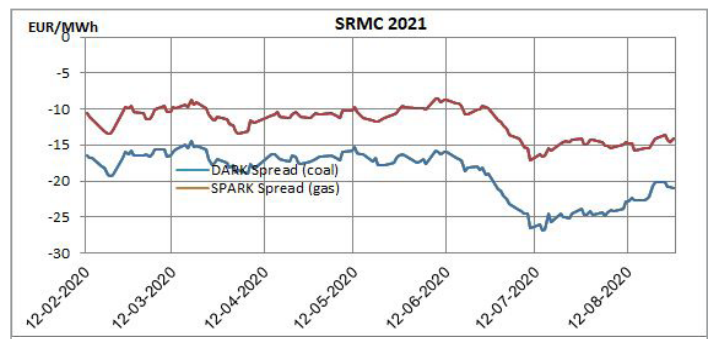
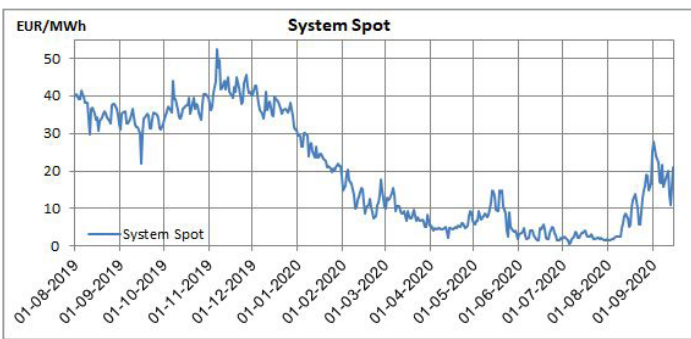
Today's weather outlook for the Nordic area is somewhat drier than what was forecasted yesterday. Following a couple of wet days today and tomorrow, precipitation amounts are expected below average for around the rest of the week. Next week looks wetter however but in total, the outlook is bullish for the Nordic power market.
- Germany**

On a day with fiercely rising carbon prices, the German power market edged up rather sharply as well yesterday. The country's Cal-21 contract climbed a massive 1,41 EUR/MWh, settling at a two-month high of 42,95 EUR/MWh, with new concerns regarding French nuclear outages adding to the upside. The market rises further early Tuesday.
- Equities**

Monday, the week opened with relatively modest movements on the financial markets. The European markets traded slightly up, and the US market followed suit later in the day, due to a strong day for the technology stocks. The market appears ready for a bullish session Tuesday due to positive signals from China.
- Conclusion**

On the short end of the Nordic power market, we saw a quite noticeable price drop yesterday. Wetter weather forecasts following the weekend raise concerns about hydro power prices due to the high reservoir levels and the Q4-20 contract fell 1,25 EUR/MWh, closing at 24,90 EUR/MWh. The YR-20 contract moved sideways as the bullish carbon offset the bearish weather signals, it closed at 25,19 EUR/MWh. Tuesday, we could see further gains as yesterday's carbon rally has not been fully accounted for and as the weather forecasts are somewhat drier.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
13-sep	13,86	22,39	22,30	22,39	22,52	10,77	10,84	September	36,20	38,70	32,35	34,10	38,10	20,45	22,45	September	46,16	32,86	59,13
14-sep	51,74	50,86	42,90	47,38	43,50	12,39	20,88	Q4-20	35,55	37,40	31,83	33,90	39,28	23,65	24,90	Q4-20	46,37	37,14	0,00
15-sep	70,20	73,22	66,28	66,94	66,63	12,13	26,87	2021	35,82	37,39	28,14	31,24	39,29	25,19	25,19	2021	47,64	38,94	0,00



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