

Expectation

Oil



Following a rather sharp price rally early in the week, the international crude oil market made a downwards adjustment yesterday. The overall sentiment on the market remains bullish due to hopes of a corona virus vaccine and an ensuing increase in demand, but the current lockdowns in several countries and higher production in Libya halted the uptrend yesterday. The Brent front month contract closed yesterday at 47,80 USD/bbl, down 0,79 USD/bbl for the day. Friday, the market opens more or less sideways.

Gas



Thursday was a rather neutral day on the European gas markets. Weather is turning cooler in Western Europe, with wind power generation meanwhile set to decrease. This ramps up gas demand, but due to the strong supply side and the high storage levels compared to normal, the upturn was halted. We do however expect rising prices today.

Coal



For a fifth straight day, the fierce rally on the European coal market continued Thursday, and the market has now won back most of the losses we saw during October. The API 2 Cal-21 contract closed at 59,95 USD/t, temporarily trading above 60 USD/t during the day. Cool weather, Colombian strike issues and fears of a nuclear supply squeeze in France continue to help the market rise.

Carbon



European carbon emission prices continued upwards Thursday, still finding support from the postponement of auctions and from the bullish sentiment on the coal market. The benchmark contract on the market, the EUA Dec-21, closed at 28,10 EUR/t, up 0,38 EUR/t. The market could head up again today, as technicals support further gains.

Hydro



Since yesterday, we have received some slightly wetter and milder weather forecasts for the Nordic area. The next few days look very cool and dry, but during next week, the level will increase to around normal both regarding temperatures and precipitation. The outlook is overall rather neutral for the Nordic power market, since it is milder and wetter than yesterday, but still around or below seasonal normal.

Germany



The continuously rising prices on the coal and carbon markets helped the German power market climb further in Thursday's trading. The country's Cal-21 contract was up another 0,24 EUR/MWh, settling at 40,95 EUR/MWh. Friday, we could see another day with gains, since the fuel and carbon markets appear to continue upwards.

Equities



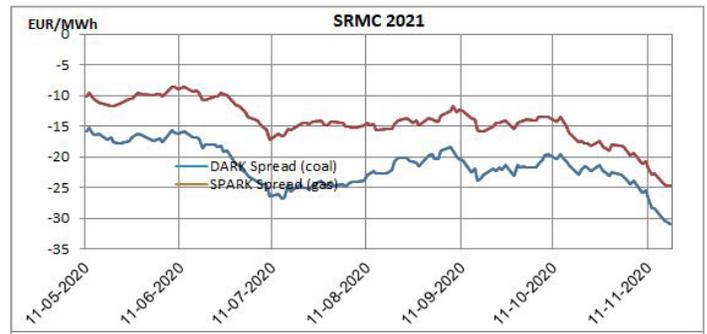
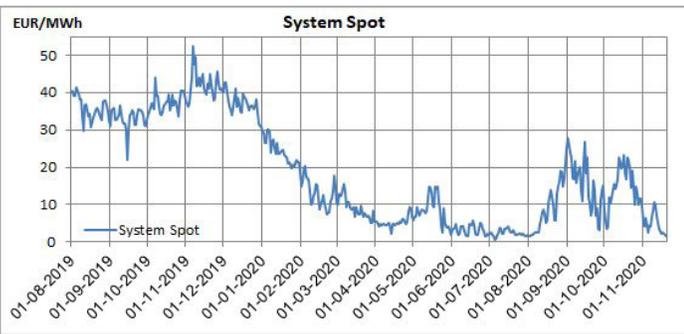
There were mixed signals on the European stock markets yesterday, and the Stoxx600 Index ended up closing with losses. The US markets were closed due to Thanksgiving holiday. Friday, focus will likely return to the ongoing Brexit negotiations and the first signals from Asia early in the day are rather bullish.

Conclusion



Early Thursday, the Nordic power market rose sharply, continuing the extremely bullish run from earlier in the week. Late in the day however, the market retreated a bit, but both the Q1-21 and YR-21 contracts still closed with gains, settling at 20,70 EUR/MWh and 18,35 EUR/MWh respectively. Friday morning, the market rises further despite the slightly wetter weather forecasts, and we could very well see another bullish session.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
25-nov	14,80	36,87	6,83	36,16	20,78	2,19	4,90	December	30,70	34,70	31,70	36,95	35,20	17,10	17,20	December	45,81	40,93	62,30
26-nov	49,67	49,94	42,27	48,50	43,43	4,03	9,03	Q1-21	24,08	24,83	29,95	37,20	40,23	20,60	20,70	Q1-21	46,03	40,86	0,00
27-nov	64,73	65,40	59,45	65,35	59,46	7,40	23,37	2021	35,13	37,63	26,35	33,73	37,95	18,35	18,35	2021	46,22	38,28	0,00



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