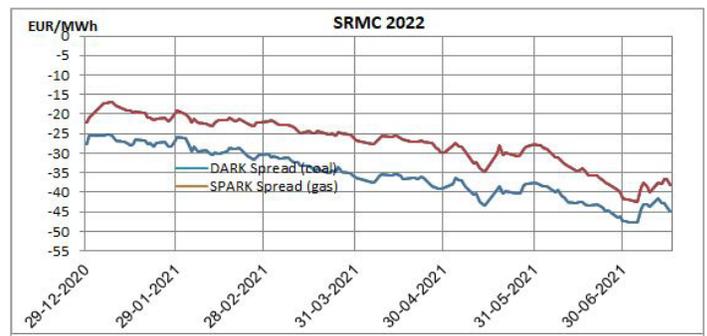
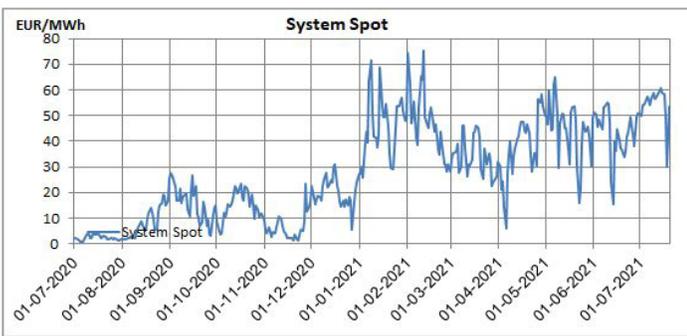


Expectation

- Oil** On the crude oil market, prices drifted more or less sideways Friday. The market still has eyes on OPEC, who have agreed to boost output gradually over the coming months, as not all countries within the organization wanted to continue with the strict limitations. The market naturally responds to these news with falling prices early Monday
- Gas** Last week ended with another bullish day on the European gas markets. Low storage levels, supply issues and continuous uncertainty regarding the Nord Stream 2 project continue to support the market, with low wind power generation adding to the sentiment on the short end of the curve. We could very well see further gains this week.
- Coal** Friday, we saw new multi-year highs on the European coal market. Apart from the ongoing strong demand in Asia, the market currently sees reduced supply from South Africa, one of the world's leading coal producers. Civil unrest has halted production in the country, and this adds to the bullish sentiment on an already very strong market.
- Carbon** On the European carbon market, we saw a third straight day of slightly falling prices following the release of the new EU climate plan, which was published Wednesday. The market had already priced in most of the content in the new proposal, so there were no big fluctuations on the market in the wake of the event. The benchmark contract closed Friday at 52,89 EUR/t and we expect range-bound trading just above 50 EUR/t to continue this week.
- Hydro** Over the weekend, we have received some weather forecasts, that do not vary a lot from what we saw Friday. The first half of this week still looks dry, followed by a low-pressure dominated end to the week with high precipitation. From next week, the outlook turns drier again and in total, the outlook remains below average in terms of rainfall. The outlook looks a bit drier, but should not cause any big fluctuations to the Nordic power market.
- Germany** German power prices rose across the curve on the last trading day of last week. Warm weather and low wind power generation supported the short end of the curve, while the continuously bullish coal and gas markets helped the long end edge up as well, with the Cal-22 contract settling at 71,30 EUR/MWh. Today, the market opens neutrally, but will likely respond to any fluctuations on the carbon market.
- Equities** A bearish week on the financial markets ended with another session with losses Friday. The market seems concerned about the economic recovery, due to the rapid spread of the new Delta mutation of the corona virus. Both the European and US markets edged down during the day, and early Monday, we see further losses in both Asia and Europe.
- Conclusion** In contrast to most related markets, the Nordic power market edged down in Friday's session. The main reason behind the losses were wetter and windier weather forecasts, as low-pressure weather is expected to take over this week. The Q4-21 contract fell 3,85 EUR/MWh and closed at 46,00 EUR/MWh, while the YR-22 contract was down 1,10 EUR/MWh, settling at 31,90 EUR/MWh. Monday, we could see a calmer session, as the weather forecasts are largely unchanged compared to Friday.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
17-jul	54,99	61,24	51,99	51,99	67,32	55,53	48,71	August	81,53	82,90	58,40	77,90	69,90	57,35	51,40	August	89,00	85,78	62,30
18-jul	38,77	44,07	32,91	32,91	36,96	39,90	30,26	Q4-21	76,25	79,25	49,50	70,00	57,00	52,65	46,00	Q4-21	85,30	90,00	0,00
19-jul	88,27	88,30	59,89	72,91	81,91	58,69	53,63	2022	59,90	62,65	35,03	55,15	42,13	38,80	31,90	2022	76,92	70,21	0,00



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