

Expectation

- Oil** ⬇️

The last day of the week on the oil market gave a 0,5 % increase as Brent closed at 91,35 USD/bbl. There is still concerns of the severity of another interest rate hike by the Federal Reserve this week that could slow global growth and the dollar weakened coming off multi-year highs. In China there is once again easing Covid-19 restrictions spurring a rise in demand for oil, but as the global economic outlook continues to be rather negative we are in for another fall.
- Gas** ⬇️

To end the week, gas markets posted a marked drawback on Friday. Across the forward curve we saw traded levels more than 20 EUR/MWh below Thursday's closings for the respective front contracts, i.e. months, quarter as well as season and year. Stocks are set to continue to be built further, supported by the finalisation of planned maintenance work and increasing Norwegian flows as of this week. The new week starts to the downside once more on the back of this.
- Coal** ➡️

The European coal market slumped below 235 USD/t the past week on the back of dropping gas prices after the proposals from the European Commission that aims at reducing electricity consumption. The proposal will be of great focus over the coming weeks and surely bring a lot of commotion to the markets
- Carbon** ⬇️

Contrary to the remaining energy complex, the carbon market managed to book gains Friday. The Dec '22 benchmark contract was seen as high as 73,93 EUR/t, before settling the session and week at 73,27 EUR/t. The reversal from a 3-week plunge that occurred on Monday and was carried throughout the week and appears not to be fundamentally driven. Concerns over rising energy costs and the potential demand destruction for EUAs remain specific factors. This week, the market opens in negative territory.
- Hydro** ➡️

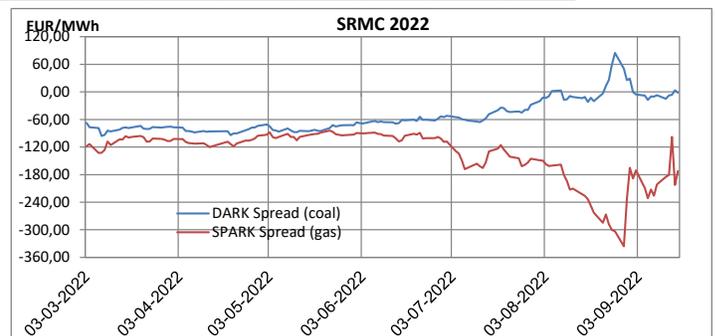
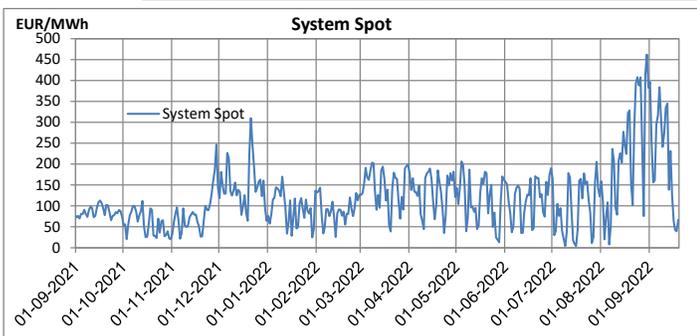
The forecasts are showing a high pressure moving in from the west that will hover around for most of this week. There is lows in the northwestern parts of the Nordics that will bring some much-needed precipitation to Norway. In mid-week the temperature is also set to improve where the mean temperature will be 0-1 degrees above reference. Overall this week brings rather low precipitation before the lows in northwest brings amounts of precipitation in Norway around reference levels.
- Germany** ⬇️

Weaker development in the gas sector managed to weigh on German power prices in their entirety Friday. The front month contract settled the day at 372,50 EUR/MWh, a full 50,64 EUR/MWh below Thursday's settlement. Talks about political interventions still shore up uncertainty, but could lately seemingly have a dampening effect on prices. Like for the gas market, the German power market edges further down this morning.
- Equities** ⬇️

The Stoxx 600 ended up falling 1,6% Friday as most of the global stock indexes had a similar drop which is a scenario that seems to continue this week where the stock markets are nervous over the interest rate hike from the Fed this Wednesday as well as other central banks that will raise their interest rates. This morning in the Far East, we are seeing further drops on stock indexes and the outlook for Europe seems dreary as well.
- Conclusion** ⬇️

After a strong week with rising prices across the Nordic market, we saw a correction on Friday where the Q4-22 contract dropped 17 EUR to settle at EUR 279/MWh and the Cal-23 contract settled 7,5 EUR lower at an even EUR 170/MWh. Despite the hydro balance forecast continuing to show a deficit of over 14 TWh, there is not much affection from the weather trend on the market prices that are more driven by the price trends on the surrounding energy markets.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
17-sep	68,77	70,72	50,44	50,44	109,27	256,65	42,81	October	363,75	364,13	228,60	34,300	248,25	344,00	213,00
18-sep	78,44	78,48	77,58	77,58	98,16	112,37	39,27	Q4-22	493,00	472,63	297,00	419,00	327,50	430,00	279,00
19-sep	261,68	261,68	168,08	168,08	100,74	273,87	66,88	2023	404,50	407,00	183,50	344,00	182,00	252,75	170,00



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