

Expectation

- Oil** ↘

Another bearish week on the international oil market ended with another downtick Friday. The topics driving the current trend are the ongoing concerns about global demand during the coming months and years, while speculations about the effects of a Western price cap on Russian oil add to the bearish sentiment. The Brent front month contract closed Friday at 83,63 USD/bbl. It continues down early Monday, marking the lowest price level since early January.
- Gas** →

On the gas market, we saw another day of rising prices Friday, both concerning the prompt market and the curve contracts. Following a mild autumn, weather forecasts now indicate a cold December in Northern and Western Europe, with temperatures expected below average for the first couple of weeks of the month. Meanwhile, supply issues adds to the upside as Russia threatens to cut gas supplies to Europe further.
- Coal** →

Coal prices rose in Friday's trading as well following the rare bearish session Thursday. Apart from the expected cold weather during the coming weeks, and the ensuing higher demand, the market still deals with supply issues from first and foremost Colombia. We expect the market to stabilize to some extent today since the gas market also appears to trade sideways.
- Carbon** →

A very bullish week on the European carbon market ended with another uptick Friday, where the benchmark contract climbed to 78,86 EUR/t, the highest level in around a month. Prices do however fall early Monday, as the market will have to put up an effort to break above the technical resistance around 80 EUR/t during the coming time.
- Hydro** ↗

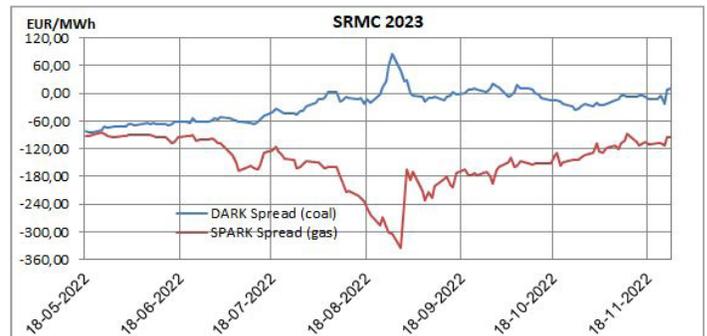
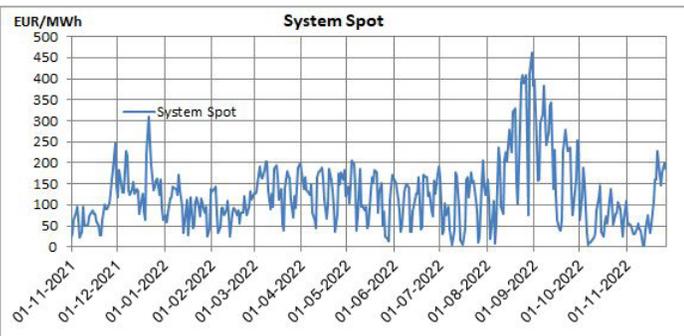
Over the weekend, we have received confirmations about the upcoming change to colder weather in the Nordic area. During this week, temperatures will drop below average, and they are expected to remain there well into next week at least. The hydro balance deficit continues to grow and the outlook is bullish for the Nordic power market.
- Germany** ↗

Ahead of the weekend, German power prices continued to increase due to the uptrend on the fuel and carbon markets and the weather forecasts indicating cold weather in December. The 2023 contract closed at 345 EUR/MWh, the highest price level in three weeks, and we could see the uptrend continue today since the forecasts early Monday confirm the cold outlook.
- Equities** ↘

Friday, the week ended rather quietly on the international stock markets, where activity in the US was rather subdued due to Thanksgiving holiday. Both the European and the US markets closed rather flat, but Monday morning, the sentiment has turned bearish, as the market has eyes on the growing protests against the Chinese government.
- Conclusion** ↗

The Nordic power market closed last week with a largely neutral session following the price climbs earlier during the week. The Q1-23 and 2023 contracts settled at 253,75 EUR/MWh and 160 EUR/MWh respectively, as focus is still overwhelmingly on the weather forecasts and the expectations of a cold start to December. Monday, we expect an upturn on at least the short end of the curve as the weather forecasts indicate cold conditions during the first weeks of December.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
26-nov	238,76	237,36	232,27	236,20	261,71	190,25	191,76	December	259,70	257,70	263,45	276,45	357,45	275,45	246,45
27-nov	140,98	138,12	138,01	138,01	228,69	141,34	128,87	Q1-23	315,13	315,75	267,00	313,75	363,50	307,75	253,75
28-nov	189,91	188,57	188,57	188,57	272,75	189,02	186,52	2023	315,25	317,00	173,75	268,00	209,00	219,00	160,00



The Morning report is produced on the basis of information about the Nordic power market from sources which Energi Danmark A/S finds reliable. We attempt to continuously keep data correct and up to date. Energi Danmark A/S assume no responsibility for the accuracy of the contents of this report. Energi Danmark A/S makes reservations for typing errors, calculation errors and assume no responsibility for any loss or damage arising from the direct or indirect consequences following use of this material. Estimates and recommendations can be changed with no prior notice or warning. The report is confidential and only intended for clients of Energi Danmark A/S. Information contained in the report is of general nature and cannot be defined as advice. Readers are urged to seek closer advice in relation to specific questions. This material is not to be published or in any other way passed on for unauthorized use.