

Expectation

- Oil** ➔

For the first time in more than a week, we saw falling prices on the international oil market yesterday. The market has been climbing steadily recently due to the optimism provided by the re-opening of China, but it is noteworthy that there are still economic concerns and fears about a global recession in the wake of the war in Ukraine and last year's rallying inflation. The Brent front month contract fell to 84,46 USD/bbl yesterday and opens sideways Tuesday.
- Gas** ➔

Following the weekend, the weather forecasts for Europe indicated, that this week's cold spell will likely be short-lived and replaced by mild and windy weather again towards the end of the month. This led to a downturn across the markets, with European gas prices dropping further to the lowest level in around a year. We expect a rebound Tuesday as the forecasts project cooler weather a bit longer than what was projected initially.
- Coal** ➔

The European coal markets remain well-supplied as demand this winter has so far been low due to mild weather and a general decrease in consumption due to the energy crisis. Prices fell further yesterday to the lowest level in almost a year, as temperatures are set to rise again quickly following the cold spell across Europe during this week.
- Carbon** ➔

On a day with losses on both gas and coal markets, the European carbon market edged down as well. The benchmark contract fell 2,29 EUR/t and closed at 77,57 EUR/t. Demand is quite high at the moment as we are entering the season of compliance buying, which must be finalized during spring, but it was not enough to prevent the downturn yesterday.
- Hydro** ➔

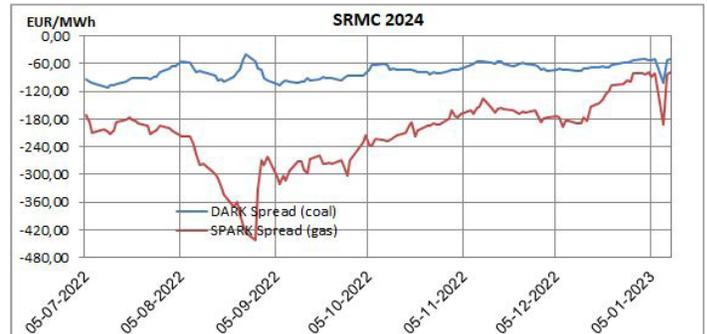
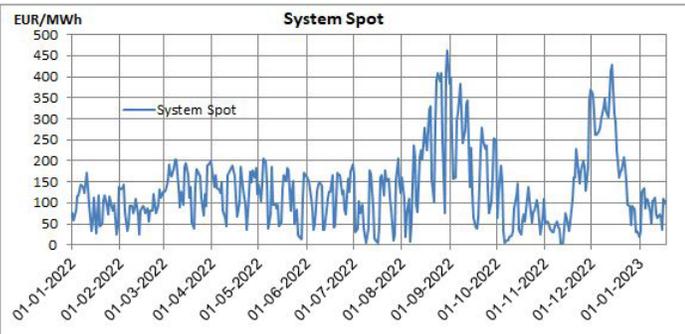
Early Tuesday, the weather forecasts indicate, that the cold spell will last a bit longer than what was expected yesterday. During this week, both temperatures and precipitation will drop below average, but the level will rise again quickly next week, where wind output also will exceed normal. The hydro balance deficit is steadily decreasing as a result.
- Germany** ➔

In response to the rapid price falls across the fuel markets and on the carbon market, German power prices fell further yesterday. The country's 2023 contract was down 10 % in just one day, closing at 154 EUR/MWh, the lowest it has been in nine months. We expect the market to stabilize today and as gas rises, the German power market could also edge modestly up.
- Equities** ➔

Monday, the week opened quietly on the financial markets, where the US was closed due to public holiday, while the European markets edged modestly up in the wake of the strong close in the US the previous session. The markets open somewhat bearishly Tuesday, as focus will remain on the global economy and the fears of a new recession.
- Conclusion** ➔

Yesterday, the Nordic power market followed all the related markets downwards. Like on the continent, temperatures are set to fall in the Nordic area this week, but will rise again later in the month. As a result of this, the Nordic Q2-23 and 2024 contracts fell to 77,00 EUR/MWh and 73,25 EUR/MWh respectively. Tuesday, we could see a neutral or slightly bullish sentiment as German power rises and the forecasts show a bit long period of cold weather.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
15-jan	11,07	17,92	17,92	17,92	17,92	66,11	36,20	February	131,50	131,50	122,50	130,00	134,00	141,00	120,00
16-jan	128,75	92,02	79,66	79,70	70,62	130,54	108,26	Q2-23	137,50	139,00	83,75	126,00	86,50	118,00	77,00
17-jan	125,61	62,01	62,01	62,01	62,01	125,24	98,30	2024	126,00	127,25	79,05	127,25	79,50	109,25	73,25



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