

# Morning Report March 26 2024

Energi Danmark<sup>®</sup>  
SECURITIES

## Expectation

Oil



This week opened with a price jump of more than 1 USD/bbl on the oil market, where the Brent front month contract closed at 86,75 USD/bbl, marginally below the 4-month high of the previous week. The upturn was attributed to growing geopolitical uncertainty following the Ukrainian attacks on Russian oil facilities during the previous weeks and now also the terrorist attack in Moscow Friday. The market opens more sideways early Tuesday.

Gas



Yesterday, the European gas market opened with rising prices, and even though the market calmed down a bit later in the session, we still closed with noticeable increases. The geopolitical unrest has spread uncertainty across the markets, with the Russian attack on the Ukrainian energy infrastructure this weekend also causing damage to gas facilities. Today however, we see a bearish opening.

Coal



With a price climb of more than 2 USD/bbl yesterday, the API 2 2025 coal contract reached its highest closing point since early December. The market faces bullish signals from Asia where demand is picking up, and demand concerns are meanwhile growing due to geopolitical issues. We could see falling prices today however as gas also opens down.

Carbon



On the carbon market, we saw a big price jump this Monday where the benchmark contract was up more than 3 EUR/t and closed at 65 EUR/t. This means the market has recovered significantly after the rather exaggerated losses that had sent the contract down to almost 50 EUR/t last month. Apart from the bullish signals from the fuel markets, the market sees bullish technical support after breaching an important technical barrier yesterday.

Hydro



The rest of this week looks modestly wetter and milder than seasonal average, with the Easter weekend as the days with the most precipitation. Next week, we could see a return to temperatures and precipitation amounts slightly below average, but this should not be enough to cause any major fluctuations on the Nordic power market.

Germany



German power prices rose sharply yesterday in response to the increases on the fuel and carbon markets yesterday. The country's 2025 contract closed at 83,93 EUR/MWh, up 3,50 EUR/MWh against the previous close, as the fears of the effect of the escalation to the Russia-Ukraine war are now the main topics on the market.

Equities



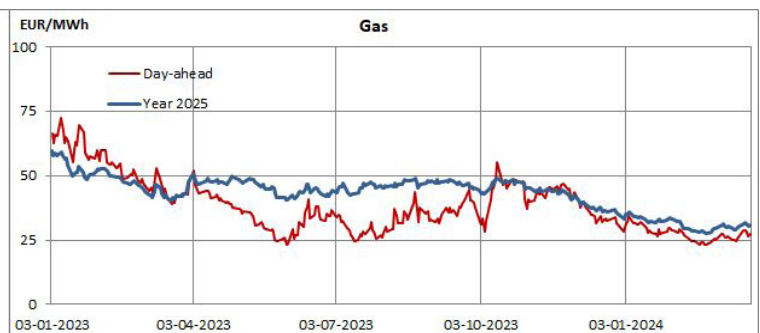
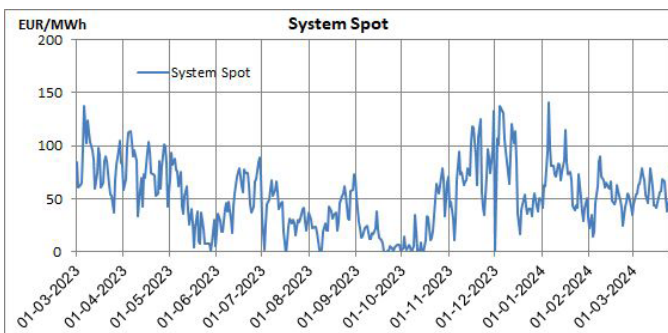
Monday, we saw limited risk appetite on the financial markets, where investors are awaiting the upcoming important inflation figures from both the US and Europe. The first signals from Asia early Tuesday are modestly optimistic but we do not expect any major fluctuations as the hesitant sentiment should continue today as well.

Conclusion



As a result of the sharp price climbs on particularly the German power market, the gas market and the carbon market, the Nordic power market also edged up yesterday. There are no major changes to the weather forecasts so the increases were primarily attributed to the geopolitical concerns that also affect the related markets. Today, we expect a much calmer session as the market opens with a modest downturn early in the day.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
24-mar	44,76	47,88	49,27	49,27	49,27	48,67	50,51	April	59,00	61,35	48,35	56,10	50,35	58,35	51,60	Day-ahead	27,96
25-mar	84,56	84,56	84,30	84,30	91,40	80,36	82,02	Q2-24	57,30	53,93	34,05	46,55	39,05	48,30	39,30	Year 2025	31,88
26-mar	62,30	63,22	62,11	62,59	88,43	60,42	62,57	2025	78,70	75,33	34,70	45,85	44,58	49,70	39,95		



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