

Expectation

Oil



On the oil market, we yesterday saw a correction in response to the previous day's price falls. The market increased with the development partly attributed to the growing tensions in the Middle East and partly ahead of tomorrow's OPEC summit where the group will discuss the recent Saudi Arabian indications that the country as OPEC's leader is ready to accept a lower price. The market opens Wednesday with increases following the Iranian missile attack last night on Israel.

Gas



Following several bullish sessions, we saw a noticeable downturn on the gas market yesterday. At the beginning of the new month, a lot of traders have taken new positions and the bearish sentiment on the market is still strong, with filled gas storages across the continent as well as solid supply from both Russia and Norway. The market edged down but there is still risk premium amid the growing tensions in the Middle East, and this is clear already Wednesday morning where prices are rising again after Iran's attack on Israel yesterday night.

Coal



On a day with a sharp downwards correction on the gas market, coal prices fell as well yesterday. The API 2 2025 contract closed at 123,26 USD/t, down around 3 USD/t from Monday. Demand is still low and even though it could pick up a bit as the weather turns colder and power demand grows, the correlation with gas is set to continue.

Carbon



We also saw a rather big downtick on the European carbon market yesterday. Compliance buying season came to an end as September ended and this, combined with bearish gas, caused a downwards correction Tuesday. The benchmark contract fell almost 2 EUR/t and closed at 63,61 EUR/t. Today, we see an initial upturn in correlation with gas.

Hydro



Early Wednesday, we see a clear pattern in the Nordic weather forecasts. From the end of this week or at latest early next week, we will see a shift to low-pressure conditions, with higher precipitation amounts, higher wind output and higher temperatures. The hydro balance surplus is expected to grow as a result and will be at 8 TWh in two weeks' time if the forecasts are realized.

Germany



On the German power market, the sentiment was bearish Tuesday. The sharp losses on both the gas and carbon markets were of course the main drivers, with somewhat milder weather forecasts adding to the sentiment. The country's 2025 contract fell to 86,61 EUR/MWh, but looks set to recover along with gas and carbon today amid growing Middle East tensions.

Equities



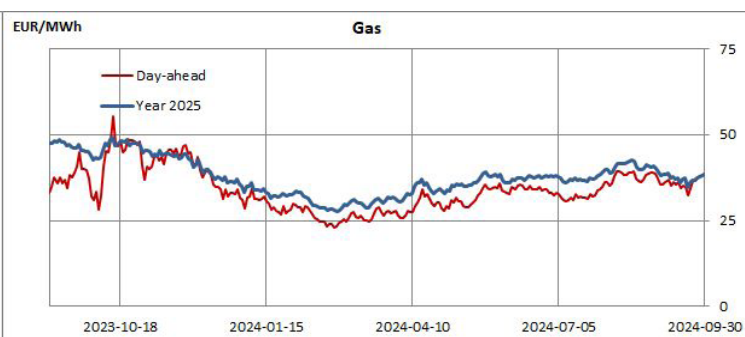
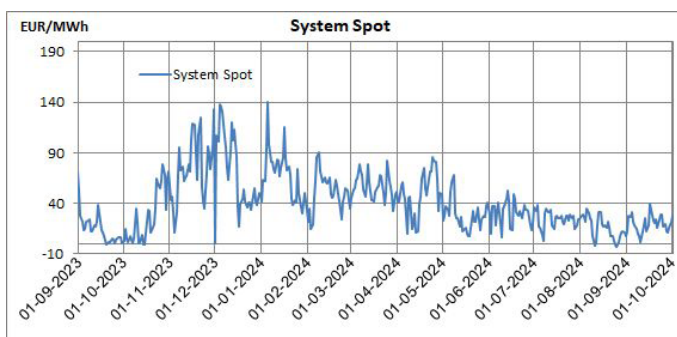
The negative sentiment on the European stock markets continued yesterday in the wake of the statement from US Fed Chief Powell, that the bank is not in a hurry to cut interest rates further. The US markets were down around 1 % later in the day. Early Wednesday, the markets are stabilizing and in Europe, we see a modestly bullish opening.

Conclusion



In a combination of more bearish signals from the weather forecasts and quite sharp losses on the related markets, we saw a noticeable downturn on the Nordic power market Tuesday. The Q1-25 and 2025 system futures fell to 57,75 EUR/MWh and 39,85 EUR/MWh respectively. This erased at least a part of the increases from the last week. Wednesday morning, the market opens much calmer with largely sideways trading early in the day, but bullish related markets could lead to increases later in the session.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
30-sep	26,89	24,52	21,88	21,88	75,53	26,72	21,85	November	72,90	73,15	41,15	52,80	53,15	54,65	45,15	Day-ahead	39,86
01-okt	32,15	30,67	29,23	29,23	59,21	32,73	27,90	Q1-25	80,25	76,00	54,22	62,75	79,50	67,75	57,75	Year 2025	38,80
02-okt	80,28	79,93	54,29	54,29	241,37	54,58	65,24	2025	77,23	75,73	35,65	48,55	52,10	48,85	39,85		



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