

Expectation

Oil



This week opened with rising prices on the oil market, with the Brent front month contract closing the day at 72,14 USD/bbl, up 1,02 USD/bbl from Friday. The bullish sentiment was attributed to relief following the announcement from the Chinese government of further stimulus to the country's economy. The uncertainty in the Middle East following the toppling of the Assad regime added to the downside, but the uptrend has come to an end early Tuesday.

Gas



On the gas market, this week opened like last week ended, with falling prices. The weather forecasts for Northern Europe have turned milder and following cold spell this week, temperatures are expected above average during week 51. This should curb demand following a long period of high consumption and prices fall further Tuesday morning.

Coal



With falling prices on the gas market, the development on the coal market also remained bearish yesterday. Prices have now been falling for nothing less than 12 consecutive sessions on a mixture of low demand, ample supply and falling prices on the related markets. The API 2 2025 contract closed the day at 113,70 USD/t and as long as gas continues down, further falls seem likely today.

Carbon



European carbon prices fell along with gas yesterday, with the benchmark contract closing at 66,37 EUR/t, down almost 2 EUR/t against Friday's close. Fluctuations on the market are quite high right now as trading of the EUA Dec-24 contract, will end by next week, from which point on the 2025 contract will become the benchmark.

Hydro



Temperatures in the Nordic area are expected marginally below average this week, followed by milder conditions next week. The outlook also hints that the cold weather could return around Christmas. Precipitation amounts are expected to increase along with the temperatures next week, and the outlook appears largely neutral for the Nordic power market.

Germany



Monday, the downtrend continued on the German power market. The country's 2025 contract dived along with gas and carbon and closed at 92,66 EUR/MWh and has now fallen 10 EUR/MWh over the course of just a couple of weeks. The downtrend was once again primarily attributed to milder weather forecasts. Today, we see a neutral opening but with gas retreating, German power could very well start falling again.

Equities



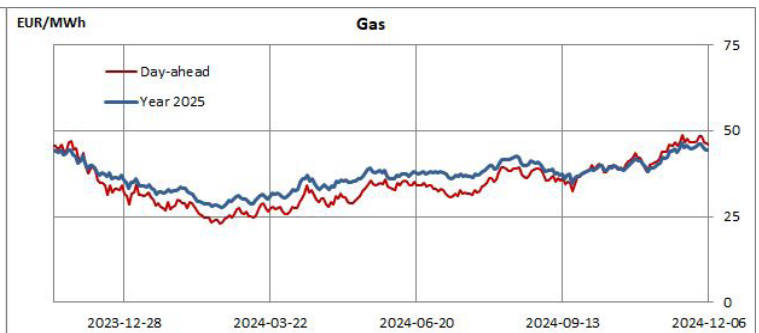
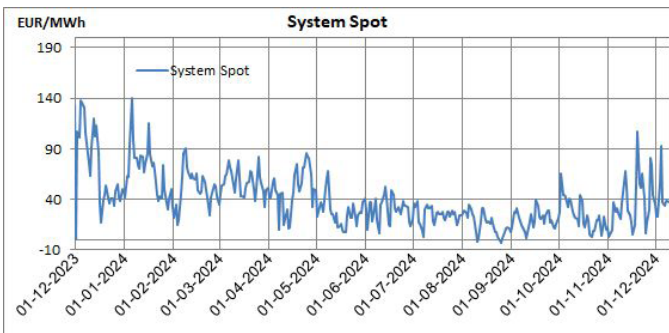
News about the Chinese government adding further stimulus to the country's economy was to no surprise a bullish signal for the international stock markets yesterday. The positive sentiment continues early Tuesday, with solid increases in both China and South Korea. We do however expect the European markets to open bearishly.

Conclusion



Yesterday, we saw another bearish session on the Nordic power market. Following several weeks of quite range-bound trading and very limited fluctuations, the market has now started falling due to milder forecasts, a strong hydro balance surplus and bearish related markets. At the end of the day, the Q1-25 and 2025 system futures had fallen to 51,20 EUR/MWh and 35,38 EUR/MWh. Today, the market appears to consolidate a bit but we do not rule out further price falls as the day goes by.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
08-dec	62,63	62,76	54,40	54,24	59,00	50,12	38,12	January	97,88	100,05	68,25	71,00	74,00	69,50	55,50	Day-ahead	45,05
09-dec	77,35	73,14	66,81	69,02	57,72	65,25	37,28	Q1-25	91,08	87,45	62,70	68,95	76,45	68,20	54,45	Year 2025	43,14
10-dec	148,93	145,74	83,87	141,07	2,21	114,58	35,36	2025	84,38	83,50	36,90	47,80	48,60	46,50	37,00		



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