

Expectation

Oil



Following several straight bullish sessions, Thursday turned out neutral on the international oil markets. Insecurity remains high due to geopolitical tensions regarding the Middle East. The upside from this was however offset yesterday by another increase in US inventory levels. The Brent front month contract closed the day at 72,02 USD/bbl, largely unchanged from Wednesday. We expect another quite neutral session today.

Gas



European gas prices saw a rare bearish day yesterday, where both near and long term contracts fell back following several straight days of upside. The NCG Cal-19 contract fell 0,15 EUR/MWh and closed the day at 18,18 EUR/MWh. Warmer weather offered bearish support to the market, and there was also some degree of adjustment following the gains of the previous session, which were maybe a bit overdone. We do however expect the upside to return Friday.

Coal



Like the oil and gas markets, a halt was put to the upside on the European coal markets yesterday. After rising sharply during the previous couple of weeks, it appeared as if the market felt, the upside had been lasting long enough, and wanted a downwards adjustment. It is however very likely that the bullish sentiment will return soon.

Carbon



Despite the fact that both oil and coal prices fell marginally yesterday, the upside on the European carbon emission market continued. Buying interest remains high as utilities will have to have all their emissions for the previous year covered by the end of April. The benchmark quota contract closed at 13,59 EUR/t, up 0,16 EUR/t against the previous close.

Hydro



Temperatures in the Nordic area have now increased to above seasonal average, and they are expected to remain there for at least the end of next week. This means that consumption should decrease. Precipitation will remain well below normal for the next week, adding further pressure to the Nordic hydro balance, which is expected in a deficit of 2,4 TWh in two weeks' time.

Germany



Even though we saw falling prices on both the coal and gas markets yesterday, the German Cal-19 contract once again rose to new record high. It closed at 37,75 EUR/MWh, up another 0,05 EUR/MWh from Wednesday, as focus was on the continuously rising prices on the quota market. We expect the upside to continue steadily Friday.

Equities



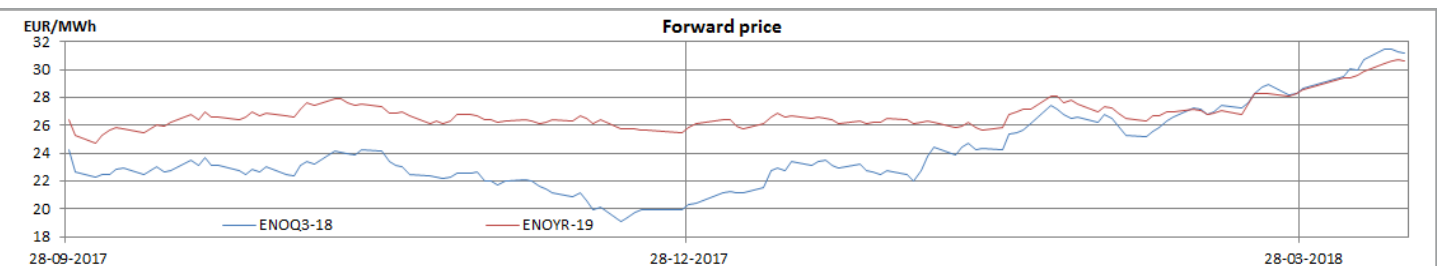
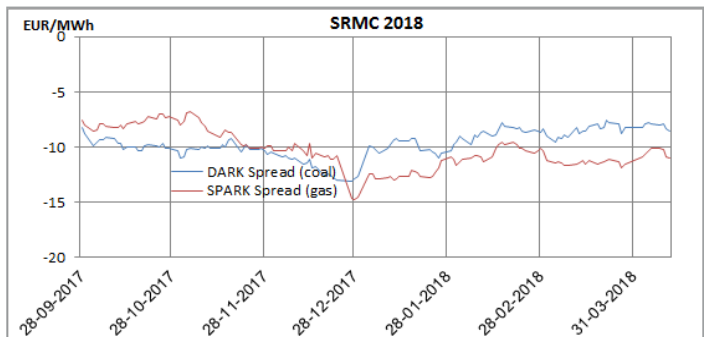
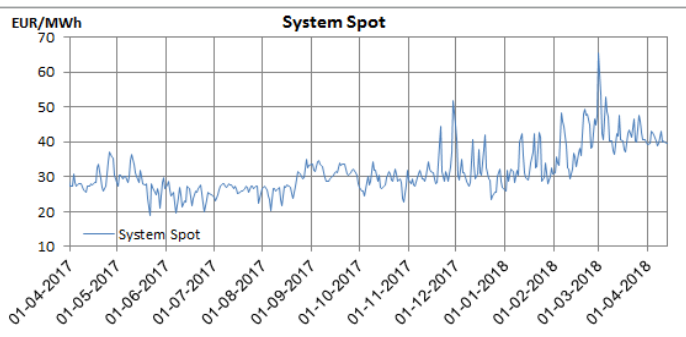
The international stock markets have faced massive insecurity recently, partly because of fears of a trade war between the US and China, and indications from Donald Trump that a massive bombardment of Syria could be underway. Yesterday however, both the European and the US markets managed to recover. The European Stoxx600 Index closed with an upside of 0,70 %.

Conclusion



On the short end of the Nordic power market, prices fell slightly in Thursday's trading, due to milder weather forecasts for the coming weeks. The Q3.18 contract was down 0,30 EUR/MWh for the day, settling at 31,15 EUR/MWh. Further out the curve, the sentiment was once again neutral, as the YR-19 contract closed at 30,65 EUR/MWh, the same price level as the previous day. Early Friday, the market rises in a response to the record high prices in Germany and the bullish CO2 quota market.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
11-apr	31,51	31,52	41,01	41,01	41,01	41,01	40,11	May	33,45	35,63	32,93	33,98	37,45	31,90	32,25	May	40,49	4,368	68,63
12-apr	29,72	29,72	40,70	40,70	40,80	40,36	40,07	Q3-18	36,20	36,65	33,85	34,15	39,22	30,07	31,15	Q3-18	40,82	42,30	73,36
13-apr	36,81	37,38	40,00	40,00	40,08	39,61	39,58	2019	34,00	35,63	32,65	33,18	35,48	30,60	30,65	2019	39,23	41,58	73,36



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