

## Expectation

Oil



Monday, the international oil market opened with further losses, but unlike what we have seen previously over the last few weeks, the market managed to recover later in the day. The Brent front month contract closed at 27,03 USD/bbl, up 0,05 USD/bbl for the day, but still very close to the 17-year low reached last week. We expect an upwards adjustment Tuesday as a reaction to US economic measures taken to help the country's economy.

Gas



On the European gas markets, we once again saw record lows on some of the most traded contracts yesterday. Despite a period of cooler weather conditions, the market has continued down and now temperatures are set to rise in large parts of Europe, something which will further diminish demand. We expect a sideways session today.

Coal



On the European coal market, we saw a more or less sideways session yesterday. The corona virus continues to impact the markets heavily, with expectations of significantly weakened demand over the coming months, but somehow the market has managed to avoid losses during the last few trading days. Monday, the API 2 Cal-21 contract closed at 55,23 USD/t, down a marginal 0,23 USD/t against the previous close.

Carbon



The European carbon market opened this week like last week ended, with steadily falling prices. Power demand, industrial production and transport has decreased significantly due to the corona virus, something which is of course bearish for carbon. The benchmark carbon contract closed the day at 15,54 EUR/t, the lowest level in almost two years. The market rises early Tuesday but remains very uncertain.

Hydro



Expected precipitation during the forthcoming ten days in the Nordic area is around 30 % above seasonal normal. The next few days look very wet, but from around the weekend, the level will decrease to around average. Temperatures are expected to drop below average later this week. In total, the outlook is largely neutral for the Nordic power market since it is more or less unchanged from yesterday.

Germany



There were further losses on the German power market yesterday. The massive downtrend which the carbon market has experienced lately are the main price driver for the fuel driven German market. The country's Cal-21 contract dropped another 1,00 EUR/MWh, closing at 33,65 EUR/MWh. We expect a bullish session today due to gains on the fuel and carbon markets.

Equities



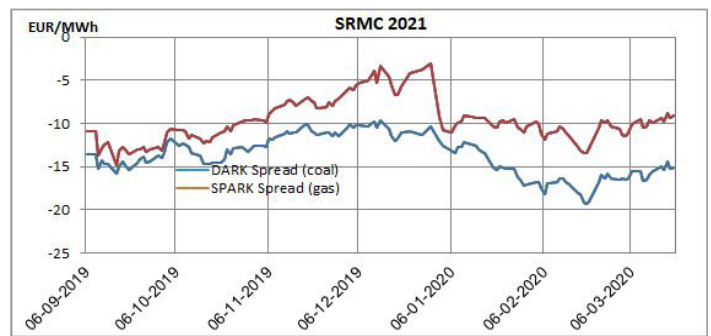
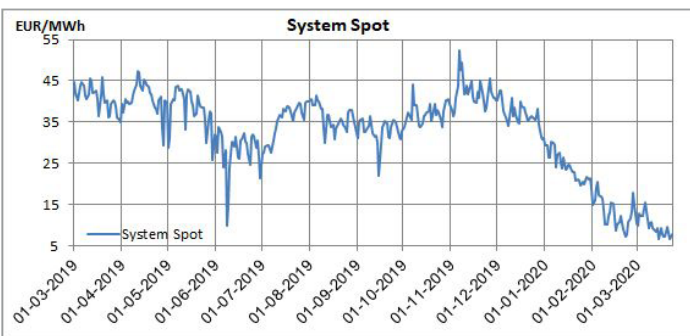
Following a slight recovery late last week, the international stock markets returned to the negative sentiment Monday. There were losses on both the European and US markets, with fears of a long corona virus crisis and loss of jobs as the main factors. The first signals from the Asian markets point towards a bullish session.

Conclusion



Over the weekend, we had received milder and wetter weather forecasts for the Nordic area, something which added to the already bearish sentiment on the Nordic power market yesterday. The Q2-20 contract edged down another 0,95 EUR/MWh, closing at 8,15 EUR/MWh. The YR-21 contract fell 1,20 EUR/MWh, settling at 20,55 EUR/MWh. For both contracts, it was the lowest level ever. Tuesday, a minor rebound seems likely as the German power market is rising as well.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS	SRMC	Coal	Gas	Oil
22-mar	8,25	8,87	7,62	8,87	9,67	6,63	6,73	April	15,90	17,55	11,95	13,95	16,45	8,20	8,45	April	34,39	22,59	54,53
23-mar	13,92	16,27	11,87	12,78	17,03	7,61	7,82	Q2-20	18,05	20,13	10,15	13,28	19,65	7,02	8,15	Q2-20	34,50	22,29	0,00
24-mar	8,97	19,96	6,90	8,12	12,10	6,90	6,92	2020	27,93	29,40	21,98	24,00	28,55	20,55	20,55	2021	36,23	30,50	0,00



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