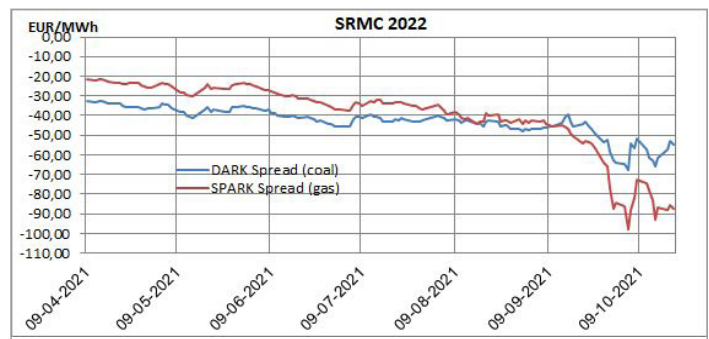
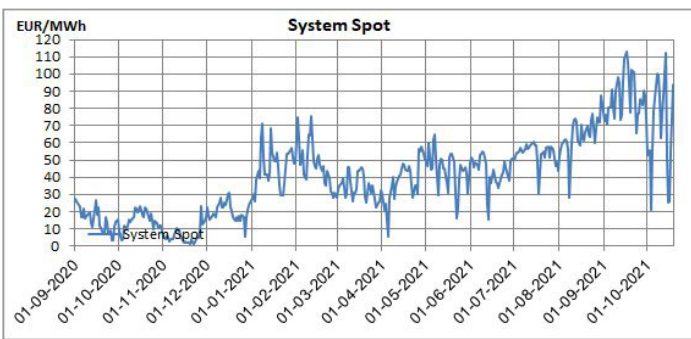


## Expectation

- Oil** Oil prices continued to climb in Wednesday's trading. The most recent data on US inventory levels showed another decline, falling to the lowest level in more than three years. This added to the already bullish sentiment on the market from the low OPEC production and the hopes of a global demand recovery. The Brent front month contract closed at 85,82 USD/bbl, up 0,72 USD/bbl for the day. Early Thursday, we see an early downwards adjustment.
- Gas** Cooler weather forecasts led to a rebound on the European gas market yesterday. If the upcoming winter turns out to be a cold one, it could cause the panic-like sentiment on the market to resurface. Supply concerns are still very much intact although fluctuations have not been as high the last week as they were earlier in the month.
- Coal** European coal prices fell once again in Wednesday's trading, responding to the news that China will intervene to calm down an extreme situation on the country's coal market, where prices have been rocketing lately due to high generation demand and supply issues. As always, big news from China affected the development in Europe as well, with prices edging down several dollars. The downtrend could very well continue today.
- Carbon** The European carbon market found foothold in Wednesday's session following some days of tumbling prices. The market remains quite driven by technicals, as traders await news from the EU summit later this week, which could offer new signals on the union's climate policy. The benchmark contract climbed to 57,78 EUR/t yesterday, but appears to make a correction down early Thursday.
- Hydro** Expected precipitation in the Nordic area during the next ten days is around 11 TWh, 3 TWh higher than normal. Most of the rain and snow is however centered in the next few days. We are currently seeing some very wet and windy weather, and as these days go by, the outlook will likely get somewhat drier. The outlook is therefore more or less neutral for the Nordic power market.
- Germany** On the German power market, we saw some rather mixed signals yesterday, with gas and carbon prices climbing, but coal falling sharply due to bearish signals from China. At the end of the day, the bullish factors weighed heavier, with cooler weather forecasts adding to the upside on the short end of the curve. Today, we expect the uptrend to come to an end, and we should see a day with much smaller fluctuations.
- Equities** Yesterday, the European stock markets continued to rise, and later in the day, the US market marked its sixth straight bullish session. There are however some negative signals, such as the fears of a slowdown in the Chinese economy, ongoing uncertainty regarding the real estate sector in China and concerns of higher interest rates.
- Conclusion** Although the weather forecasts for the Nordic area remain relatively wet, the Nordic power market edged up yesterday, also on the short end of the curve. The gains on the gas and carbon markets as well as on the German power market helped Nordic prices climb as well, with the Q1-22 and YR-22 contracts settling at 67,81 EUR/MWh and 39,10 EUR/MWh respectively. The market does not initially seem ready to continue to climb today, and we expect an either neutral or slightly bearish session as the weather forecasts remain wetter than average.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
19-okt	148,93	147,44	143,75	143,94	139,25	146,26	90,78	November	151,75	153,50	86,00	146,25	89,50	107,00	73,00
20-okt	57,62	39,02	39,02	39,02	39,02	82,26	29,00	Q1-22	140,56	145,81	78,31	141,31	91,81	99,31	67,81
21-okt	54,34	48,48	46,09	46,09	60,77	83,34	28,17	2022	102,10	106,10	44,89	103,44	59,80	54,85	39,10



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