

Expectation

- Oil** ➔

After the downwards correction Thursday, the international oil market returned to the bullish sentiment in Friday's trading. Several factors are behind that the Brent front month contract is now at the highest price level in three years. Supply issues and increasing concerns about a Russian invasion of Ukraine helped the contract climb to 86,06 USD/bbl, and we could see the market rise further today, as the market remains confident in a global demand rebound.
- Gas** ➔

The big news on the European energy market Friday was the announcement by the French nuclear authorities that they have extended the downtime on several reactors. The reduced nuclear production during winter was of course bullish for the fuel markets, with gas supplies already well below seasonal average. The upside was supported by the rising unrest surrounding Russia and Ukraine and we expect the uptrend to continue Monday.
- Coal** ➔

On the coal market, the fierce uptrend continued in Friday's trading, where the API 2 Cal-23 contract climbed another 5,00 USD/t, settling at 104,00 USD/t. The market faces some imminent supply issues, partly due to an export ban in top producer Indonesia, while demand is expected to remain high amid the extended downtime on several French nuclear reactors.
- Carbon** ➔

Friday, the news from France regarding the extended outages in the country's nuclear fleet also impacted the European carbon market. The expectation that fuel demand could rise on the news led to climbing carbon prices, with the benchmark EUA Dec-22 contract up 1,52 EUR/t, closing at 82,08 EUR/t. Today, the week opens with
- Hydro** ➔

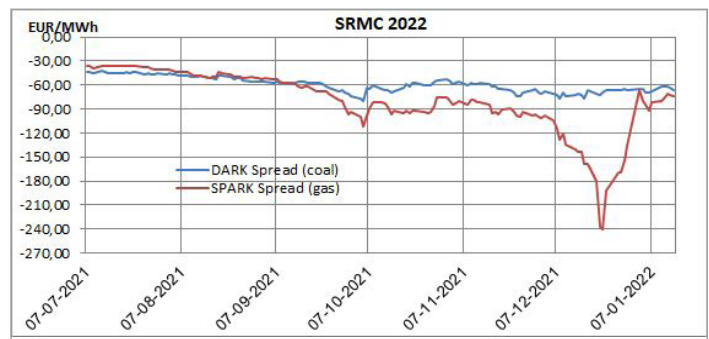
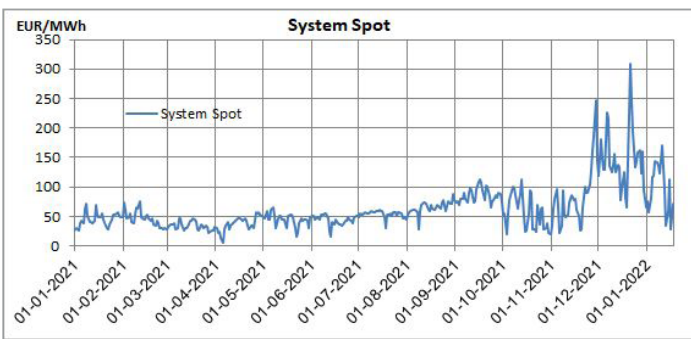
During the weekend, the Nordic weather forecasts have turned somewhat milder. Temperatures are set to vary from average to 4-5 degrees above average during the coming weeks, but are at no point expected to drop below average. Precipitation and wind is also expected above normal, and the milder outlook is bearish for the Nordic power market.
- Germany** ➔

As both fuel and carbon prices rose rather sharply in Friday's trading following the news about the French nuclear outages and the rising fears about a new war between Russia and Ukraine, German power prices edged up as well. The country's 2023 contract climbed by 1,78 EUR/MWh, settling at 117,48 EUR/MWh. Today, the market faces some milder weather forecasts, but bullish fuels will limit the losses.
- Equities** ➔

Last week ended with a downturn on the European stock markets caused by the losses the previous day on the US markets. The market has been overall bearish for some weeks now, primarily due to the fears about a tighter US monetary policy from the Fed. The European markets open largely sideways today, in what is expected as a rather quiet session due to public holiday in the US.
- Conclusion** ➔

Following a period with rather modest fluctuations, last week ended with a rather noticeable upwards adjustment, carried by the bullish news from France and the ensuing rising fuel, carbon and German power prices. The Nordic Q2-22 and 2023 contract rose to 47,40 EUR/MWh and 37,83 EUR/MWh respectively. Monday, the market seems ready to correct down on the short end at least due to some milder weather forecasts

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
15-jan	170,22	170,22	125,24	126,74	93,77	155,90	113,33	February	169,38	169,38	132,38	167,38	133,38	140,13	96,38
16-jan	95,26	40,93	18,36	18,36	18,36	127,73	28,75	Q2-22	166,40	171,40	57,90	152,40	60,15	71,65	47,40
17-jan	83,26	80,97	80,97	80,97	80,13	132,33	71,55	2023	79,33	81,33	41,68	80,83	44,43	54,83	37,83



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