

Expectation

- Oil**

Prices continued to climb on the international oil market Thursday, although the uptrend was much more limited than the previous day. The market continues to digest the announcement from the European Commission, that an EU ban on Russian oil is on the way, causing further concerns about the global supply situation. The Brent front month contract closed the day at 110,90 USD/bbl, and opens Friday with further climbs.
- Gas**

European gas prices took another jump upwards yesterday, as the overall energy feud between Russia and the EU has increased further following the EU announcement on a ban on Russian oil. Everyone now awaits a potential Russian retaliation, which could likely include a stop for gas supplies to either more selected countries or to the EU as a whole. The market prices in an enormous risk premium and both short and long term contracts rose further as a result yesterday. The market opens slightly down today, but the sentiment could easily change during the day.
- Coal**

On another day with rising European gas prices, the coal market experienced another uptick as well. The API 2 Cal-23 contract rose by another 10 USD/t and closed at 247,76 USD/t. The overall tense situation surrounding Energy supply to Europe is behind the uptrend, as a potential stop for gas flows from Russia to Europe will have a huge influence on all markets, including coal.
- Carbon**

This week, we have seen European carbon prices rise along with the fuel markets, an opposite trend to what we experienced earlier during the war, where carbon edged down once gas and coal rallied. Yesterday, the carbon market climbed to its highest level since the war outbreak, before retreating later in the day. Strong demand at Thursday's quota auction helped lift the market, although fluctuations are taking place in a rather thin market with low trading activity. The question now is if the market will be able to break above 90 EUR/t, a barrier it will have to test during the coming days.
- Hydro**

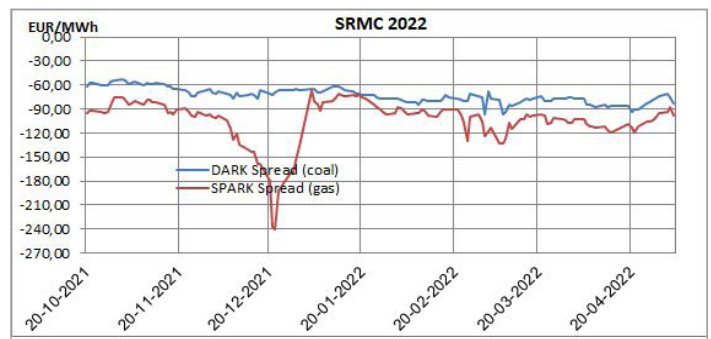
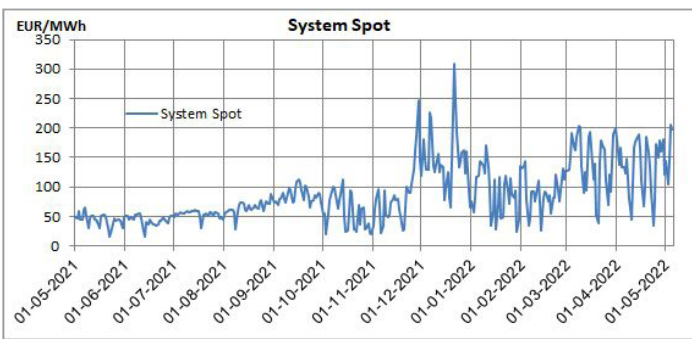
Ahead of the weekend, the signals from the weather outlook to the Nordic power market are a bit bearish compared to yesterday's outlook. The forecasts agree that temperatures are going to rise during next week, while the outlook is also a bit wetter than yesterday. This causes some relief to the hydro balance, where the deficit is set to shrink over the coming weeks as a result.
- Germany**

The already record-high German power prices rose further in yesterday's trading, following the fiercely bullish gas and coal markets upwards. It is clear that the market now considers a complete stop to Russian gas flows more likely, with May 20 as the most recent deadline set by Russia for EU countries to start paying for their gas in rubles. EU seems unwilling to comply with this demand. The market opens down today along with gas, but could easily change direction as volatility remains very high.
- Equities**

Even though the market opened bullishly early in the day, inflation concerns led to a change in sentiment, and Thursday ended as another negative day on the European stock markets. The downtrend continued in the US later in the day, and all signals point towards a day with losses in Europe as well Friday, where the fears of a stop to gas supplies from Russia are also dominating.
- Conclusion**

Yesterday, the Nordic power market returned to the uptrend following a rare day of falling prices Wednesday. Both the Q3-22 and 2023 contracts rebounded and once again reached all-time highs of 90,45 EUR/MWh and 79,55 EUR/MWh respectively. The upturn was primarily attributed to the sharply rising prices for fuel, carbon and German power, as the weather forecast show rising temperatures during the coming week. Falling gas and German power as well as bearish signals from the weather forecasts indicate a downturn today, but as with the related markets, things can change quickly right now.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
04-maj	231,29	231,29	203,35	206,76	193,20	222,35	206,28	June	208,13	208,13	69,13	133,13	65,63	145,13	83,13
05-maj	234,14	234,49	132,82	217,39	132,82	221,89	197,91	Q3-22	24,308	24,345	85,45	145,70	87,70	148,45	90,45
06-maj	223,72	224,39	88,33	211,68	88,33	212,21	147,47	2023	174,55	175,55	79,05	146,55	80,95	113,30	79,55



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