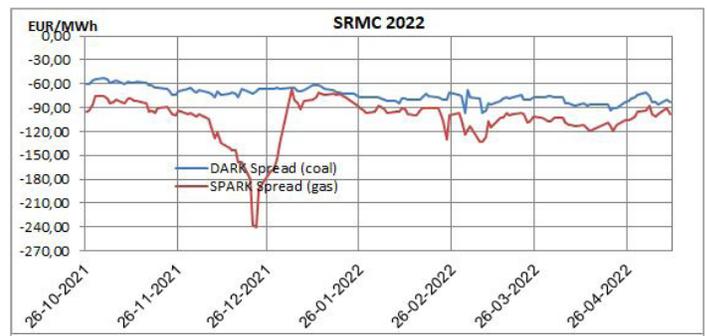
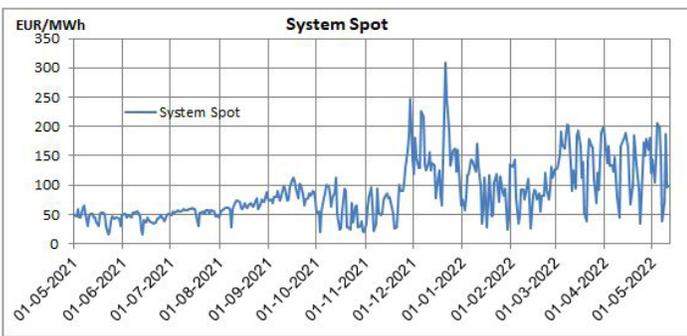


Expectation

- Oil** For a second straight day, we saw some rather sharp losses on the international energy markets Tuesday. On the oil market, the Brent front month contract fell another 3,48 USD/bbl and closed at 102,48 USD/bbl, meaning that the contract has now dropped close to 10 % over the course of just two days. The losses were attributed to concerns about the global economy amid prolonged lockdowns in China. The market appears to rebound early Wednesday.
- Gas** Warmer weather and reduced fears that Russia will cut off gas supplies to Europe led to another bearish session on the European gas markets yesterday. Temperatures in Northern and Western Europe are expected well above average for the most of the coming week, but demand is nonetheless robust due to storage injection. Today, the market rebounds on the news that Ukraine will cut gas flows on a Russian pipeline through the country.
- Coal** The fears that Russia will indeed stop gas flows to Europe appear to have eased over the last few days, and this also led to falling prices on the related coal market, as a stop for Russian gas would have imminent effect on coal demand. The API 2 Cal-23 contract retreated to 228,93 USD/t, and we expect a rebound today due to gas rising on lower flows through Ukraine.
- Carbon** In a sharp contrast to the bearish sentiment on the fuel markets, the European carbon market rebounded from Monday's losses yesterday. The market searches a bit for direction, with the benchmark contract settling Tuesday at 87,34 EUR/t. Technicals play a big part on the market right now and we open with sideways trading early Wednesday.
- Hydro** Today, the weather forecasts suggest falling temperatures and precipitation levels in the Nordic area towards the end of this week, but wetter and warmer conditions again during the course of next week. The hydro balance deficit appears to shrink and the balance is now expected at -7 TWh in two weeks' time. Today's outlook appears somewhat neutral for the Nordic power market.
- Germany** A second straight day of falling gas prices led to a bearish sentiment on the German power market, with the downside supported by warmer weather forecasts and high wind power production. The market still keeps an eye on the possibility of new disruptions to the French nuclear sector, and we expect a bullish session today due to the news that gas flows from Russia through Ukraine will be reduced.
- Equities** On the financial markets, we saw somewhat of a correction Tuesday, where the markets won back a bit of the losses from the previous days. There were no clear reasons behind the upturn except that traders might have considered the market oversold. Today, the market opens bullishly due to decreasing corona virus figures from China. Focus today will be on inflation numbers from the US.
- Conclusion** Nordic power prices retreated rather sharply for a second straight day Tuesday, as falling gas, coal and German power as well as wetter and milder weather forecasts caused the market to fall across the curve. The Q3-22 and 2023 contracts fell to 75,50 EUR/MWh and 71,80 EUR/MWh respectively as the hydro balance deficit is expected to shrink over the coming weeks. Today, the German power market rises on lower gas flows from Russia, and this could end up causing a bullish session on the Nordic market as well.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
09-maj	215,43	215,43	167,21	176,32	167,21	199,85	186,71	June	178,80	180,80	54,80	123,80	51,30	130,80	68,80
10-maj	171,41	128,59	69,03	86,26	69,03	184,72	96,44	Q3-22	215,00	213,50	70,00	130,50	72,00	133,50	75,50
11-maj	156,59	156,59	86,66	86,84	90,63	174,42	97,87	2023	164,85	165,85	70,10	138,85	73,60	104,65	71,85



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