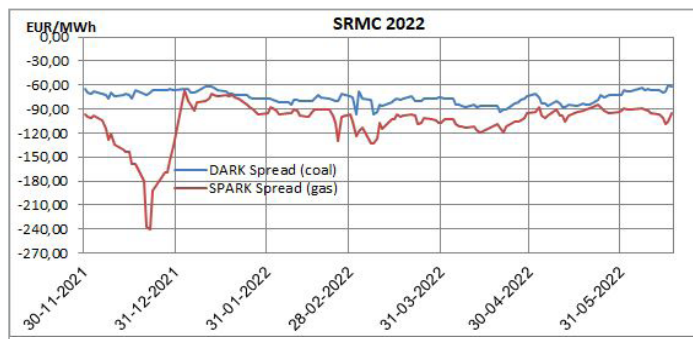
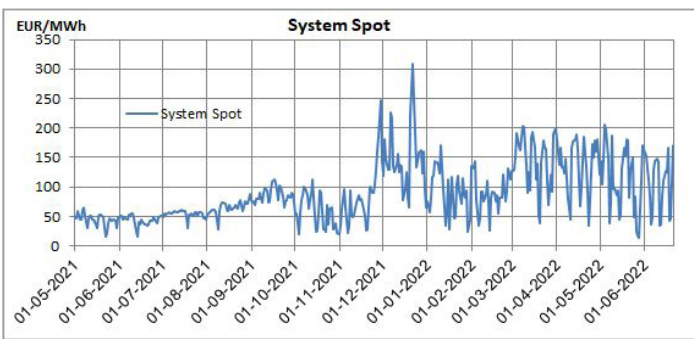


Expectation

- Oil** This week opened slightly bullish on the international oil market. The Brent front month contract climbed modestly and closed the day at 114,13 USD/bbl, still around 10 USD/bbl below the highs from earlier in the month. The upturn was attributed to general supply concerns and the EU ban on Russian oil, which continues to weigh on the market, although the global recession fears limit the upside. The market opens further up Tuesday.
- Gas** On the gas market, this week opened like last week ended, with rising prices on the European gas market, where some sort of panic appears to have kicked in following last week's cut to supply through the Nord Stream 1 pipeline. The market fears for the overall supply situation during the coming winter and also prices in further reductions or a potential complete stop to Russian gas exports to the EU.
- Coal** As expected on a day with further price climbs on the gas market, the European coal market edged up as well Monday. Coal demand is expected to increase due to the soaring gas market, and the market responds to this with rising prices. The German decision to increase the country's power production from coal plants added to the upside. We expect another volatile session where rising prices seem likely.
- Carbon** The news from Germany concerning the return of old coal plants to production was also bullish news for the European carbon market yesterday. The market continued the price climbs from Friday, also looking forward to an expected vote on a new market reform later this week, which should be more ambitious than the one which was rejected earlier this month. The market will continue to track the situation on the fuel markets closely in the coming days.
- Hydro** Expected precipitation in the Nordic area during the forthcoming ten days is around seasonal average, with the coming days as the driest. Temperatures should lie between 3 and 5 degrees above normal during the same period of time, and such a warm outlook is of course bullish for the Nordic power market at this time of the year.
- Germany** Monday turned out to be a rather dramatic day on the German power market, which initially continued the uptrend along with the fuel and carbon markets. The government announcement that reserve coal production will be introduced due to the reduced gas import did however cause prices to fall back, and the country's 2023 contract ended up closing the day slightly down. The market will try to find foothold today and will search for direction.
- Equities** Following the sharp losses last week in the wake of the interest decision from the US Fed, the European stock markets opened this week with a quiet and largely neutral day. The Stoxx600 Index closed the day slightly up, while the US markets were closed due to public holiday. The bullish signals continue on the Asian markets early Tuesday.
- Conclusion** Yesterday, the Nordic power market was struck by another sharp upturn, especially on the short end of the curve, where the Q3-22 contract was up nothing less than 15,25 EUR/MWh, settling at an all-time high of 116,00 EUR/MWh. The gains were attributed to drier and warmer weather forecasts, bullish fuels and strong spot prices. The 2023 contract also rose, and closed at 97,40 EUR/MWh. Today, we do not expect the same big price climbs, but further increases cannot be ruled out as the bullish cocktail of warm forecasts and bullish fuels, carbon continues.

| Spot | DK1 | DK2 | SE3 | SE4 | HEL | OSL | SYS | Forwards | DK1 | DK2 | STO | MAL | HEL | OSL | SYS |
|--------|--------|--------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|--------|--------|
| 19-jun | 154,65 | 154,65 | 17,81 | 17,81 | 17,81 | 127,35 | 46,32 | July | 253,50 | 255,50 | 99,75 | 169,50 | 136,50 | 167,50 | 103,50 |
| 20-jun | 267,37 | 267,37 | 217,97 | 221,65 | 226,24 | 166,83 | 170,65 | Q3-22 | 260,50 | 261,00 | 112,50 | 180,25 | 151,50 | 178,00 | 116,00 |
| 21-jun | 287,69 | 287,80 | 179,99 | 214,95 | 182,58 | 164,01 | 167,19 | 2023 | 188,65 | 188,90 | 95,90 | 176,40 | 115,40 | 133,00 | 97,40 |



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