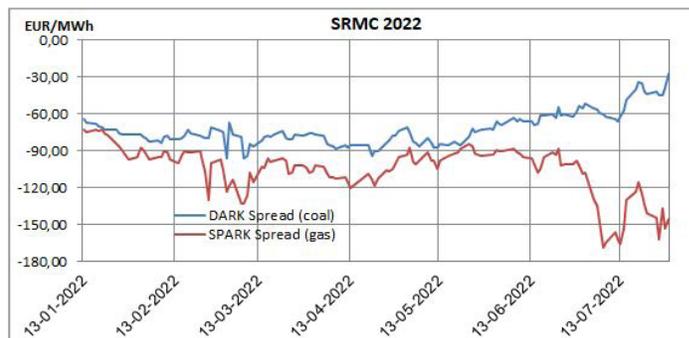
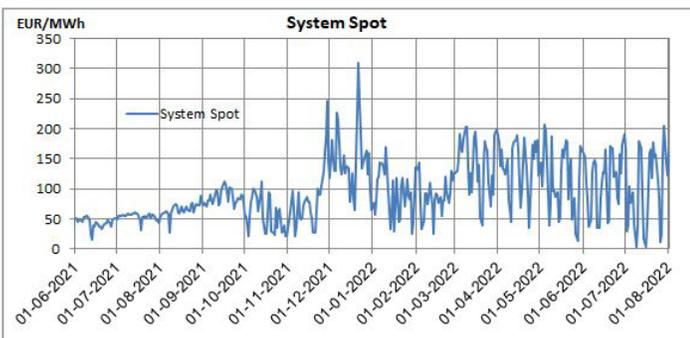


## Expectation

- Oil** Last week ended with falling prices on the oil market, which continues to focus on both reduced supply and demand concerns amid fears of a global recession. The Brent front month contract settled at 103,97 USD/bbl, and continues to fall early Monday. The downturn today appears to be initiated by some weaker-than-expected Chinese economic data, which cast doubts about the speed of the country's recovery following the corona virus pandemic.
- Gas** On the gas market, what had otherwise been another very bullish week ended with falling prices. This should however not be interpreted as a signal that the uptrend is over, the correction appeared more to be a result of traders closing their positions and taking profit. We expect enormous volatility this week as well as the uncertainty surrounding supply from Russia continues, and further price climbs appear very likely.
- Coal** The European coal market continued to track the developments on the gas market Friday, which meant that prices retreated as well. After reaching all-time highs of 300 USD/t earlier in the week, the API 2 2023 contract closed Friday at 276,90 USD/t. We expect the market to continue to track gas movements during the coming week.
- Carbon** Friday, the European carbon market consolidated somewhat following a volatile period earlier during July. The market faces both reduced auction supply in August, which is of course bullish for the market, but expectations of lower demand due to reduced industrial production in the coming autumn and winter weighs bearishly. These topics will continue to dominate the market this week.
- Hydro** Monday morning, the Nordic weather forecasts still look overall slightly cooler than seasonal average. Temperatures are expected to average 0-1 degrees below normal for the next ten days. The Nordic hydro balance remains in a deficit of around 6 TWh, a continuously bullish signal which could end up causing further price climbs on the Nordic power market.
- Germany** As the gas and coal markets experienced a rare bearish session Friday, the German power market was up for a downturn as well. The country's 2023 contract closed the week at 361,34 EUR/MWh, modestly down from the all-time high from earlier in the month. News surrounding the gas supply from Russia will remain decisive this week, where the market also will keep an eye on, if the country's government agrees on extending the lifetime of the country's nuclear reactors.
- Equities** Once again, the sentiment was positive across the financial markets Friday, and for a second straight week, the markets closed with overall gains during the week. Strong earnings from leading tech companies overshadowed the concerns about the global economy and led to a bullish sentiment. The first signals early Monday are rather mixed.
- Conclusion** In contrast to the German power market, which edged down along with fuels, the Nordic power market continued the uptrend Friday. The Q4-22 and 2023 contracts both extended the all-time highs from the previous day and closed at 260,38 EUR/MWh and 140,00 EUR/MWh. The uptrend was attributed to drier weather forecasts and a continuous deficit on the hydro balance. We consider further price climbs as the most likely scenario today, but a downwards correction at some point this week cannot be ruled out.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
30-jul	380,77	340,12	94,82	94,82	122,18	212,25	142,27	September	372,78	372,78	197,78	291,03	278,78	255,03	188,03
31-jul	317,76	317,76	68,33	68,33	152,14	215,49	122,78	Q4-22	416,76	431,38	264,88	370,56	364,38	312,38	260,38
01-aug	376,83	376,83	120,13	133,19	275,36	222,04	158,90	2023	280,50	285,00	145,25	245,00	170,50	179,50	140,00



The Morning report is produced on the basis of information about the Nordic power market from sources which Energi Danmark A/S finds reliable. We attempt to continuously keep data correct and up to date. Energi Danmark A/S assume no responsibility for the accuracy of the contents of this report. Energi Danmark A/S makes reservations for typing errors, calculation errors and assume no responsibility for any loss or damage arising from the direct or indirect consequences following use of this material. Estimates and recommendations can be changed with no prior notice or warning. The report is confidential and only intended for clients of Energi Danmark A/S. Information contained in the report is of general nature and cannot be defined as advice. Readers are urged to seek closer advice in relation to specific questions. This material is not to be published or in any other way passed on for unauthorized use.