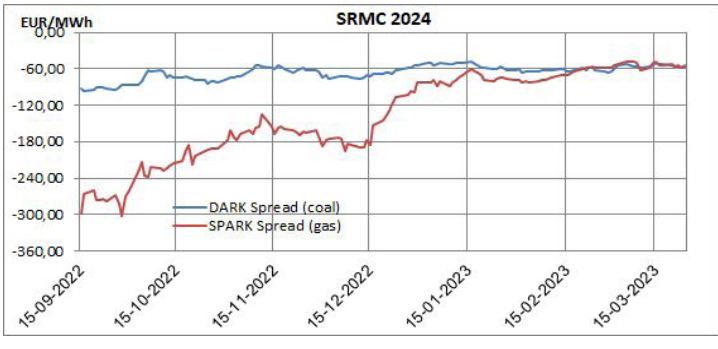
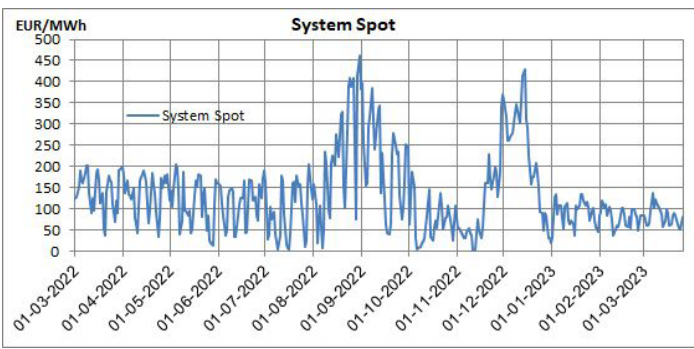


# Morning Report March 27 2023

## Expectation

- Oil** Early Friday, the sentiment was bullish on the international oil market, but prices started falling later in the session. The market appears relieved by the recent events on the financial markets, where Credit Suisse was saved from bankruptcy while the US Fed has indicated that no further interest rate increases are on the way. The Brent front month contract closed the day at 74,99 USD/bbl and rebounds early Monday.
- Gas** Following an uptrend during the previous sessions, the European gas market edged down again Friday. This despite cold weather forecasts for the remainder of March and early April. Healthy supply overshadowed the cool forecasts, as the European storages are currently 56 % full, more than twice as high as the level at the same time last year. We expect a sideways development Monday.
- Coal** European coal prices fell along with gas yesterday, continuing to trade around year-low levels. High stock levels, continuously good supply from other continents and expectations of falling demand in the coming months led to the downturn, with the colder weather forecasts for the coming weeks limiting the downside.
- Carbon** Friday was marred by a sell-off on the European carbon market in the wake of the overall financial unrest which had dominated the previous week. The market then fell further as it broke through some resistance levels, and the benchmark contract ended up dropping 5 % to 87,65 EUR/t. Monday opens with a rebound.
- Hydro** Since Friday, there have been no major changes to the weather outlook, as this week and the next still look overall cold and dry in the Nordic area, with wind output also expected below average for most of the period. The cold spring weather should be a bullish signal for the Nordic power market Monday morning.
- Germany** Falling prices across the fuel markets and on the carbon market led to a bearish development on the German power market Friday. This despite the fact that the market had actually opened bullish early in the session. The country's 2024 contract fell to 1.33,75 EUR/MWh, but we expect the market to stabilize Monday.
- Equities** The highly nervous sentiment on the stock markets continued Friday. The US markets closed up for the day, and the European markets appear to rise again early Friday in the absence of new turbulence over the weekend. The most important topic of the day, apart from the bank crisis, will be US key figures on inflation.
- Conclusion** Cold and dry weather forecasts led to rising prices on the short end of the Nordic power market Friday, while the long end of the curve edged down along with the fuel and carbon markets as well as the German power market. The Q2-23 and 2024 contracts closed the day at 57,90 EUR/MWh and 64,60 EUR/MWh respectively. Today, we consider sideways trading or modestly rising prices as the most likely scenario as the forecasts for the coming weeks remain cold and dry.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
25-mar	18,06	28,86	28,32	28,32	28,32	64,65	37,43	April	95,50	97,00	63,25	73,00	63,00	94,50	73,00
26-mar	69,93	52,64	49,23	49,23	45,57	81,33	67,43	Q2-23	101,90	101,65	53,15	73,90	52,90	82,40	57,90
27-mar	89,52	74,07	61,59	66,90	56,31	89,50	81,64	2024	120,35	119,55	63,30	86,10	60,60	92,60	64,60



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