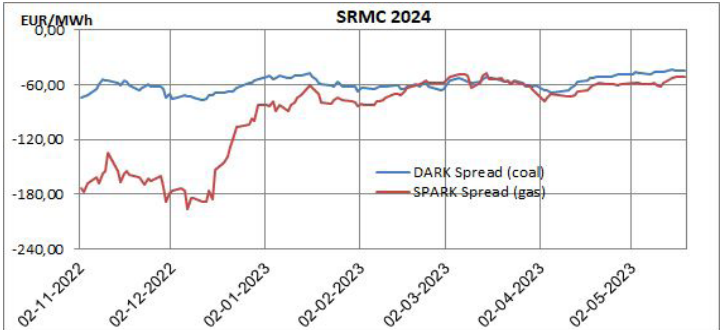
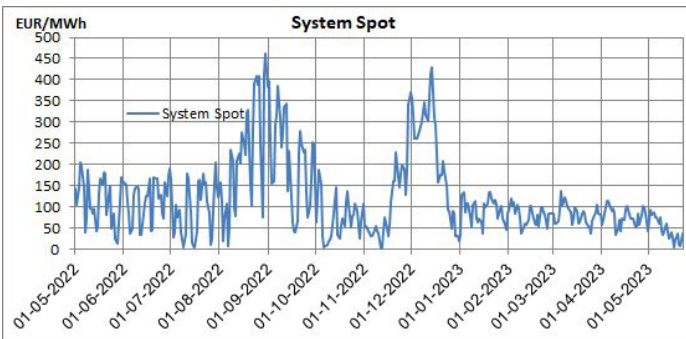


Expectation

- Oil** Thursday and Friday, we saw falling prices on the international oil market, where prices continue to fall early in Monday's trading. The sentiment has turned bearish due to uncertainty about the outcome of the debt ceiling talks in the US congress and signs of a slowing demand recovery in China following the country's post-corona virus reopening. This overshadows reduced supply from both Canada and the OPEC countries as well as their allies.
- Gas** European gas prices continue to linger around the two-year low levels it reached last week. Supply from Norway will be reduced in the coming time due to pipeline maintenance work, and this might be enough to prevent the market from falling further. The overall supply picture remains ample however due to strong LNG import from other continents, and we expect a return to falling prices today.
- Coal** Last week ended with a stabilization on the coal market, where the API 2 2024 contract still trades around 110 USD/t. This is the lowest level in around 15 months, as low demand in both Europe and Asia as well as high competition from gas has led to a steady decline which has been going on more or less without interruption for half a year now.
- Carbon** Unlike the fuel markets, the European carbon market has managed to find some bullish momentum recently. Friday, the benchmark contract rose once again, settling at 89,88 EUR/t, the highest price level in a month. The uptrend is attributed to lower auction supply and technical signals, but the question is for how long this will last, as the market is likely going to face increased supply during the coming time. We therefore expect a downwards correction today.
- Hydro** Temperatures in the Nordic area are currently well above average, but the level will decrease steadily during the week. Early next week, we will likely see a new shift to warmer conditions. Precipitation is expected just around average during the forthcoming ten days and the outlook appears largely neutral for the Nordic power market.
- Germany** Trading activity was very limited in Germany late last week due to public holiday Thursday and many people taking Friday off as well. In the thin trading, the country's power market moved largely sideways amid mixed signals from the related markets. Monday, we could see a return to the bearish sentiment as carbon and gas open the week with losses.
- Equities** Like with most other markets, the European stock markets saw limited trading activity late last week, but the Stoxx600 Index ended up rising 0,66 % in Friday's session. Later in the day, the US markets turned bearish however, due to the failure of the congress to reach an agreement on a new debt ceiling. The Asian markets open cautiously optimistic Monday morning.
- Conclusion** Following two straight closed days due to public holiday, the Nordic power market re-opened with sharp price climbs Friday. Drier weather forecasts and bullish signals from the related markets led to an increase across the curve, with the Q3-23 and 2024 contracts closing the day at 60,00 EUR/MWh and 71,45 EUR/MWh respectively. Early Monday, we consider falling prices as the most likely scenario as fuels, carbon and German power all open down as well.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	STO	MAL	HEL	OSL	SYS
20-maj	46,81	46,45	8,00	46,45	2,14	45,66	9,98	June	80,00	78,00	38,61	57,25	35,25	71,25	45,25
21-maj	28,01	31,01	12,21	31,01	0,88	29,79	7,32	Q3-23	90,25	90,00	55,85	72,00	58,85	91,00	60,00
22-maj	86,73	86,30	34,77	86,30	22,93	71,44	37,14	2024	122,20	120,70	67,45	83,48	62,45	99,45	71,45



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