

Morning Report March 13 2024

Energi Danmark[®]
SECURITIES

Expectation

Oil



On the oil market, the sideways trading continued yesterday, where the Brent front month contract fell marginally and closed at 81,92 USD/bbl. The market currently has focus on a strengthening US economy, which is recovering from the high inflation of the last few years. This spurs hopes of growing oil demand but the market still appears unable to increase noticeable and we see sideways trading early in Wednesday's session as well.

Gas



Prices continued to fall on the gas market yesterday, but the first signals Wednesday are bullish. There is however no reason to think that we are up for a long uptrend, since the weather forecasts are little changed and the fundamental situations remains bearish with a strong supply picture ahead of the end of the heating season.

Coal



European coal prices were little changed yesterday, with the API 2 2025 contract closing at 105 USD/t. The market is trying to consolidate following the big price jumps in late February and early March, caused by reduced Russian supply and increasing demand in China. We expect rising prices Wednesday where gas also climbs.

Carbon



Yesterday, the European carbon market stabilized following four straight days of falling prices. The market appears to continue to track the movements on the fuel markets closely, which have consolidated a bit recently following the increases in late February and early March. We consider modest increases likely in today's session.

Hydro



Expected precipitation in the Nordic area during the forthcoming ten days is around 25 % above seasonal normal. This is a clear change following a dry period and temperatures are also expected to increase during the same period of time. We consider the outlook more or less neutral for the Nordic power market as it has not changed much since yesterday.

Germany



The German power market traded modestly down yesterday, but as with both gas, coal and carbon, fluctuations were rather small. The market appears to recover today due to colder weather forecasts, which also affect the fuel markets. The overall sentiment is unchanged however, due to the strong gas supply picture as the heating season is coming to an end.

Equities



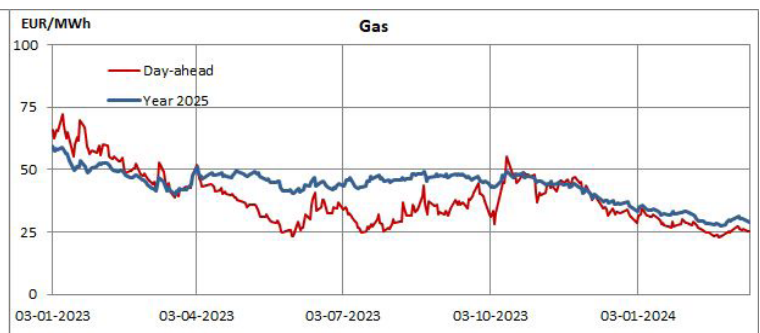
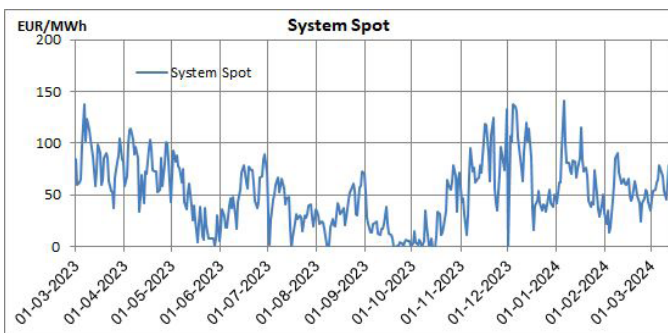
Even though the US key figures showed a bit higher inflation than previously expected yesterday, the stock markets edged up nonetheless. The S&P 500 Index closed at a record high level following an increase of around 1 %. The European markets open largely sideways early Wednesday, with no major events scheduled to cause any fluctuations today.

Conclusion



Tuesday, we saw a stabilization on the Nordic power market following the very sharp price falls of the previous day. The market might have felt a need of a correction and the Q2-24 and 2025 contracts closed at 32,80 EUR/MWh and 38,35 EUR/MWh respectively. The market opens bullishly Wednesday, likely in response to corresponding increases in Germany, but there are no major changes to the weather forecasts to justify a price jump.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
11-mar	60,39	57,77	57,13	57,47	66,26	60,42	60,66	April	51,10	53,85	40,35	47,10	42,85	53,60	43,60	Day-ahead	25,01
12-mar	86,45	86,45	74,83	85,38	74,83	74,83	78,27	Q2-24	51,80	50,30	27,55	39,80	32,80	42,80	32,80	Year 2025	28,81
13-mar	63,95	68,31	56,20	65,47	69,44	60,61	60,49	2025	71,35	67,60	33,70	44,35	42,35	49,35	38,35		



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.

Denmark

Sweden

Finland

Norway

Germany