

Expectation

Oil



For a second straight day, the international oil market saw rising prices in Monday's session. The Brent front month contract rose to 83,10 USD/bbl and continues up early Tuesday. The market is awaiting the outcome of this week's OPEC-Russia summit, where the countries are expected to discuss their output strategy and potentially agree on a new production deal for the remainder of the year. Market participants expect the current output cuts to be extended.

Gas



Trading activity was low on the European gas market Monday, but in the thin trading, we saw rising prices across the curve. Focus remains on the remaining Russian gas supply to Europe, and whether or not Austria will have to suspend its gas purchase from Russia during the coming weeks. It limits the upside that production in Norway is ramping up again following a period of outages.

Coal



Following a short-lived pause Friday, the European coal market resumed the uptrend yesterday. With a closing price of 122,85 USD/t, the API 2 2025 contract reached its highest price level of the year so far. The market remains closely coupled to what happens on the gas market and the markets open cautiously bearish Tuesday morning.

Carbon



A combination of rising gas prices, low demand and geopolitical uncertainties led to rising prices on the European carbon market yesterday. It is however worth noticing that fluctuations on the market are rather small compared to what we saw earlier in the year and we expect the range-bound trading to continue Tuesday.

Hydro



Tuesday morning, the weather forecasts continue to show above-average precipitation during the next few days. Early next week, we could see a short-lived dry period, followed by a return of low-pressure weather from that point on. Wind output is also expected modestly above seasonal average and the outlook appears modestly bearish for the Nordic power market.

Germany



On the German power market, prices across the futures curve rose along with the gas and carbon markets yesterday. The country's 2025 contract continues to linger around the 100 EUR/MWh barrier, closing at 101 EUR/MWh yesterday. The market is looking with high interest at the situation on the gas market, and whether or not neighbor Austria will have to stop purchasing Russian gas.

Equities



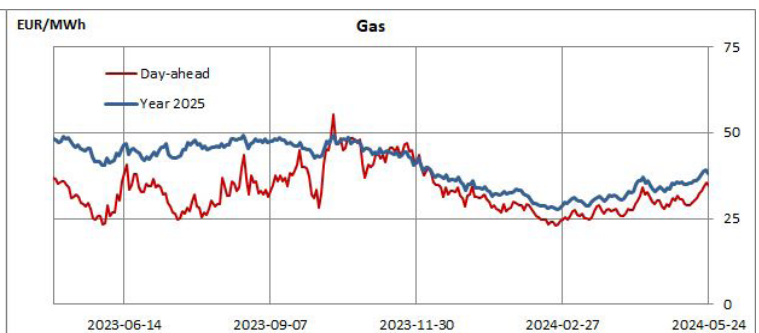
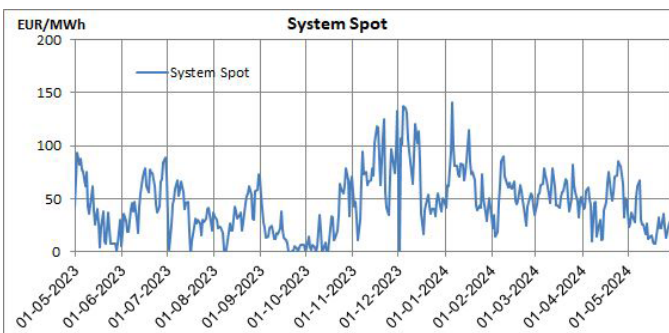
Yesterday, the European stock markets edged modestly up in response to the late increases on the US market Friday. The US markets were closed due to public holiday yesterday, so there are no impulses from there for the European market to adjust to today, where focus will remain on the upcoming inflation figures from the ECB.

Conclusion



Monday, we saw a day of rather sideways trading on the Nordic power market, in contrast to the quite sharp fluctuations during the previous weeks. The market continues to look at the weather forecasts, which have turned wetter but still with a huge hydrological deficit. The Q3-24 and 2025 system contracts closed at 40,20 EUR/MWh and 47,80 EUR/MWh respectively. Today, the market opens down along with the German power market.

Spot	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Forwards	DK1	DK2	SE3	SE4	HEL	OSL	SYS	Gas	TTF
26-maj	59,20	59,20	2,62	56,61	2,62	15,77	13,24	June	70,00	73,63	24,17	47,50	27,25	42,50	34,00	Day-ahead	34,34
27-maj	94,71	105,89	4,43	59,64	2,47	31,62	23,55	Q3-24	80,45	77,95	30,65	42,10	44,70	47,95	40,20	Year 2025	38,15
28-maj	87,03	90,75	6,50	60,79	4,81	32,21	27,66	2025	89,30	84,55	41,00	54,28	50,60	57,05	47,80		



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